

## ADDENDUM TO 3517B GENERAL CLAUSES

### 1. REMEDIES; NOTICE OF EXERCISE OF REMEDIES; OFFSET; OPPORTUNITY TO CURE.

(a) Remedies. Subject to the provisions of this Clause No. 3 of this Supplemental Lease Agreement, upon the failure of the Lessor to perform any of its covenants, agreements or obligations set forth in this Lease, the Government may exercise any of the rights and remedies provided for in this Lease.

(b) Notice of Exercise of Remedies. In the event of any circumstance which would permit the Government to terminate this Lease, or in the event the Government would have the right to offset or reduce rent pursuant to these General Clauses or any other provision of this Lease, no termination, reduction or offset will be taken by the Government unless both the Lessor and the current first mortgagee of which the Government has notice are provided with written notice of such event or proposed rental reduction, deduction or offset, together with thirty (30) days in which Lessor has the opportunity to cure or eliminate same as set forth in Clause 3(c) below, and except as set forth in the subsections to this Section 3(b). The Government's obligation to provide such notice to the current first mortgagee shall extend only to the first mortgagee or the party representing the first mortgagee. It shall be the Lessor's obligation to provide the Government with the proper name and address of the first mortgagee or the party representing the first mortgagee.

1. The Contracting Officer may, at his or her option, provide written permission allowing Lessor more than thirty (30) days to cure.

2. Government is not required to comply with the process set forth in this Section 3 in the event that doing so is incompatible with applicable requirements of federal law and/or federal regulations. In such case, Government shall provide written notice of such offset or proposed rental deduction and shall provide notice of the specific applicable requirements of federal law and/or federal regulations that prohibit Government from complying with the process set forth in this Section 3.

(c) Offset; Opportunity to Cure. Before exercising any of the rights provided in this Lease to reduce or offset rent or to terminate this Lease, the Government shall provide the Lessor and the first mortgagee thirty (30) days to cure pursuant to this Clause No. 3 or such additional time that Government determines to be reasonably necessary. However, in the event of a bona fide emergency, the Government has the right to take immediate corrective action without providing such opportunity to cure, with notice to the Lessor and the first mortgagee provided as soon as is practicable. The remedies provided herein are not exclusive and are in addition to any other remedies which may be available under this Lease or in the law, and the limitation set forth herein shall not be deemed to preclude the Government from pursuing such remedies, nor from proceeding under the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) to recover any amounts which may have been expended by the Government in accordance with the provisions of this paragraph, provided that in pursuing any such remedy that permits the government to terminate this Lease or deduct or offset rent, the Government shall provide the notice and other rights described in this Clause No. 3.

### 2. FAR 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS.

As prescribed in 4.1403(a), insert the following clause:

#### **Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2015)**

(a) Definitions. As used in this clause:

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## ADDENDUM TO 3517B GENERAL CLAUSES

"Executive" means officers, managing partners, or any other employees in management positions.

"First-tier subcontract" means a subcontract awarded directly by the Contractor for the purpose of acquiring supplies or services (including construction) for performance of a prime contract. It does not include the Contractor's supplier agreements with vendors, such as long-term arrangements for materials or supplies that benefit multiple contracts and/or the costs of which are normally applied to a Contractor's general and administrative expenses or indirect costs.

"Months of award" means the month in which a contract is signed by the Contracting Officer or the month in which a first-tier subcontract is signed by the Contractor.

"Total compensation" means the cash and noncash dollar value earned by the executive during the Contractor's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- (1) Salary and bonus.
  - (2) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) 718, Compensation-Stock Compensation.
  - (3) Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
  - (4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
  - (5) Above-market earnings on deferred compensation which is not tax-qualified.
  - (6) Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- (b) Section 2(d)(2) of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282), as amended by section 6202 of the Government Funding Transparency Act of 2008 (Pub. L. 110-252), requires the Contractor to report information on subcontract awards. The law requires all reported information be made public, therefore, the Contractor is responsible for notifying its subcontractors that the required information will be made public.
- (c) Nothing in this clause requires the disclosure of classified information
- (d)
- (1) Executive compensation of the prime contractor. As a part of its annual registration requirement in the System for Award Management (SAM) database (FAR provision 52.204-7), the Contractor shall report the names and total compensation of each of the five most highly compensated executives for its preceding completed fiscal year, if-
    - (i) In the Contractor's preceding fiscal year, the Contractor received-
      - (A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and

## ADDENDUM TO 3517B GENERAL CLAUSES

(B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and

(ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 ([15 U.S.C. 78m\(a\), 78o\(d\)](#)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

(2) First-tier subcontract information. Unless otherwise directed by the contracting officer, or as provided in paragraph (h) of this clause, by the end of the month following the month of award of a first-tier subcontract with a value of \$30,000 or more, the Contractor shall report the following information at <http://www.fsrs.gov> for that first-tier subcontract. (The Contractor shall follow the instructions at <http://www.fsrs.gov> to report the data.)

- (i) Unique identifier (DUNS Number) for the subcontractor receiving the award and for the subcontractor's parent company, if the subcontractor has a parent company.
- (ii) Name of the subcontractor.
- (iii) Amount of the subcontract award.
- (iv) Date of the subcontract award.
- (v) A description of the products or services (including construction) being provided under the subcontract, including the overall purpose and expected outcomes or results of the subcontract.
- (vi) Subcontract number (the subcontract number assigned by the Contractor).
- (vii) Subcontractor's physical address including street address, city, state, and country. Also include the nine-digit zip code and congressional district.
- (viii) Subcontractor's primary performance location including street address, city, state, and country. Also include the nine-digit zip code and congressional district.
- (ix) The prime contract number, and order number if applicable.
- (x) Awarding agency name and code.
- (xi) Funding agency name and code.
- (xii) Government contracting office code.
- (xiii) Treasury account symbol (TAS) as reported in FPDS.
- (xiv) The applicable North American Industry Classification System code (NAICS).

(3) Executive compensation of the first-tier subcontractor. Unless otherwise directed by the Contracting Officer, by the end of the month following the month of award of a first-tier subcontract with a value of \$30,000 or more, and annually thereafter (calculated from the prime contract award date), the Contractor shall report the names and total compensation of each of the five most highly compensated executives for that first-tier subcontractor for the first-tier subcontractor's preceding completed fiscal year at <http://www.fsrs.gov>, if-

- (i) In the subcontractor's preceding fiscal year, the subcontractor received-
  - (A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and

## ADDENDUM TO 3517B GENERAL CLAUSES

- (B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and
- (ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
- (e) The Contractor shall not split or break down first-tier subcontract awards to a value less than \$30,000 to avoid the reporting requirements in paragraph (d) of this clause. (f) The Contractor is required to report information on a first-tier subcontract covered by paragraph (d) when the subcontract is awarded. Continued reporting on the same subcontract is not required unless one of the reported data elements changes during the performance of the subcontract. The Contractor is not required to make further reports after the first-tier subcontract expires.
- (g)
- (1) If the Contractor in the previous tax year had gross income, from all sources, under \$300,000, the Contractor is exempt from the requirement to report subcontractor awards.
- (2) If a subcontractor in the previous tax year had gross income from all sources under \$300,000, the Contractor does not need to report awards for that subcontractor.
- (h) The FSRs database at <http://www.fsr.gov> will be prepopulated with some information from SAM and FPDS databases. If FPDS information is incorrect, the contractor should notify the contracting officer. If the SAM database information is incorrect, the contractor is responsible for correcting this information.

### 2. FAR 52.233-2 SERVICE OF PROTEST (SEP 2006)

- (a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from \_\_\_\_\_. [Contracting Officer designate the official or location where a protest may be served on the Contracting Officer.]
- (b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

### 3. 52.219-24 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM-TARGETS.

- (a) This solicitation contains a source selection factor or subfactor related to the participation of small disadvantaged business (SDB) concerns in the contract. Credit under that evaluation factor or subfactor is not available to an SDB concern that qualifies for a price evaluation adjustment under the clause at FAR 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, unless the SDB concern specifically waives the price evaluation adjustment.
- (b) In order to receive credit under the source selection factor or subfactor, the offeror must provide, with its offer, targets, expressed as dollars and percentages of total contract value, for SDB participation in any of the North American Industry Classification System (NAICS) Industry

## ADDENDUM TO 3517B GENERAL CLAUSES

Subsectors as determined by the Department of Commerce. The targets may provide for participation by a prime contractor, joint venture partner, teaming arrangement member, or subcontractor; however, the targets for subcontractors must be listed separately.

#### 4. **52.219-25 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--DISADVANTAGED STATUS AND REPORTING (JAN 1999)**

(a) Disadvantaged status for joint venture partners, team members, and subcontractors. This clause addresses disadvantaged status for joint venture partners, teaming arrangement members, and subcontractors and is applicable if this contract contains small disadvantaged business (SDB) participation targets. The Contractor shall obtain representations of small disadvantaged status from joint venture partners and teaming arrangement members through use of a provision substantially the same as paragraph (b)(1)(i) of the provision at FAR 52.219-22, Small Disadvantaged Business Status. The Contractor shall confirm that a joint venture partner or a team member representing itself as a small disadvantaged business concern is included in the SBA's on-line list of SDBs at <http://www.sba.gov> or by contacting the SBA's Office of Small Disadvantaged Business Certification and Eligibility. The Contractor acting in good faith may rely on a written representation of its subcontractor regarding the subcontractor's status as a small disadvantaged business concern as defined in 13 CFR 124.1002.

(b) Reporting requirement. If this contract contains SDB participation targets, the Contractor shall report on the participation of SDB concerns at contract completion, or as otherwise provided in this contract. Reporting may be on Optional Form 312, Small Disadvantaged Business Participation Report, or in the Contractor's own format providing the same information. This report is required for each contract containing SDB participation targets. If this contract contains an individual Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan, reports may be submitted with the final Subcontracting Report for Individual Contracts (Standard Form 294) at the completion of the contract.

#### 5. **SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM—INCENTIVE SUBCONTRACTING (JAN 1999)**

(a) Of the total dollars it plans to spend under subcontracts, the Contractor has committed itself in its offer to try to award a certain amount to small disadvantaged business concerns in the Standard Industrial Classification (SIC) Major Groups as determined by the Department of Commerce.

(b) If the Contractor exceeds its total monetary target for subcontracting to small disadvantaged business concerns in the authorized SIC Major Groups, it will receive I [Contracting Officer to insert the appropriate number between 0 and 10] percent of the dollars in excess of the monetary target, unless the Contracting Officer determines that the excess was not due to the Contractor's efforts (e.g., a subcontractor cost overrun caused the actual subcontract amount to exceed that estimated in the offer, or the excess was caused by the award of subcontracts that had been planned but had not been disclosed in the offer during contract negotiations). Determinations made under this paragraph are not subject to the Disputes clause of this contract.

## **ADDENDUM TO 3517B GENERAL CLAUSES**

(c) If this is a cost-plus-fixed-fee contract, the sum of the fixed fee and the incentive fee earned under this contract may not exceed the limitations in subsection 15.404–4 of the Federal Acquisition Regulation.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
LESSOR GOVERNMENT