

1. DEFINITIONS.

(a) Business Travel Status. Seller employees who are assigned to a project site for 30 or fewer consecutive calendar days during any 365-day period.

(b) Temporary Assignment. Seller employees assigned to a Project Site for more than 30 calendar days and fewer than 365 calendar days during any 365 day period.

2. EXPENSES IN BUSINESS TRAVEL STATUS.

(a) The Company shall pay the Seller's costs incurred under this subcontract for transportation, lodging, meals, and related incidental expenses in accordance with this section 2.

(b) Definitions. (1) Lodging. Lodging includes expenses for overnight sleeping facilities, baths, personal use of the room during daytime, telephone access fee, and service charges for fans, air conditioners, heaters, and fires furnished in rooms when such charges are not included in the room rate. Lodging does not include accommodations on airplanes, trains, buses, or ships. Such cost is included in the transportation cost and is not considered a lodging expense.

(2) Meals. Expenses for breakfast, lunch, dinner and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons).

(3) Incidental Expenses. (i) Fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses, and others on ships, and hotel servants in foreign countries;

(ii) Transportation between places of lodging or business and places where meals are taken.

(c) Lodging Costs. (1) Except as provided in subparagraph (c) (2) and paragraph (g) below, the Seller will be reimbursed for actual lodging costs incurred in accordance with its established travel policy to the extent that such amount does not exceed the "maximum lodging amount" for the location where business will be conducted in effect at the time of travel as set forth in:

(i) Appendix A to Chapter 301 of the Federal Travel Regulations for travel in the contiguous 48 states and the District of Columbia;

(ii) The DoD Joint Travel Regulations, Volume 2, DoD Civilian Personnel, Appendix A, for travel in Alaska, Hawaii, Puerto Rico, and territories and possessions of the United States; or

(iii) Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas", prescribed by the Department of State, for travel in areas not covered in (i) or (ii) above.

(2) When lodging cannot be obtained within the ceiling in (c) (1) above, the Subcontract Administrator may approve reimbursement at a higher incurred cost upon the Seller's submission of appropriate justification.

(3) Receipts for lodging are required in accordance with paragraph (i) below.

(d) M&IE. (1) Except as provided in paragraph (g) below, the Seller will be reimbursed for meals and incidental expenses related to subsistence in accordance with its established travel policy to the extent that such amount does not exceed the "M&IE Rate" in effect at the time of travel as set forth in:

(i) Appendix A to Chapter 301 of the Federal Travel Regulations for travel in the contiguous 48 states and the District of Columbia;

(ii) The DoD Joint Travel Regulations, Volume 2, DoD Civilian Personnel, Appendix A, for travel in Alaska, Hawaii, Puerto Rico, and territories and possessions of the United States; or

(iii) Standardized Regulations (Government Civilians, Foreign Areas), Section 925, "Maximum Travel Per Diem Allowances for Foreign Areas", prescribed by the Department of State, for travel in areas not covered in (i) or (ii) above.

(2) For the days travel begins and ends, the allowance will be 75 percent of the applicable M&IE Rate.

(e) Airfare Costs. Airfare costs in excess of the lowest customary standard, coach, or equivalent airfare offered during normal business hours are unallowable except when such accommodations require circuitous routing, require travel during unreasonable hours, excessively prolonged travel, result in increased cost that would offset transportation savings, are not reasonably adequate for the physical or medical needs of the traveler, or are not reasonably available to meet mission requirements. However, in order for airfare costs in excess of the above standard airfare to be allowable, the applicable condition(s) set forth above must be documented and justified. Transportation aboard personally-owned or privately-owned aircraft is not allowed, and the costs of such transportation are not reimbursable.

(f) Motor Vehicle Costs. (1) Personally-Owned Vehicle. The Seller may elect to travel by a personally-owned motor vehicle; in which case, the Seller will be reimbursed for the use of the vehicle in accordance with its established travel policy to the extent that such amount does not exceed the privately-owned vehicle mileage reimbursement rate allowed by the Federal Travel Regulation based on actually reported odometer readings. If the Seller elects to travel by a personally-owned motor vehicle, reimbursement for lodging, meals, and incidental expenses related to subsistence for travel time will be limited to such reasonable period of time that would be required if common carriers were used. (2) Rental Cars-Rental Car expenses are allowable if the nature of the travel or the location of the business is such that the use of public transportation is not cost effective or practical, considering the traveler's time. Mid-Size/intermediate size car rates are allowable. Exception to the use of mid-Size/intermediate car may only be made when (a) more than three employees are traveling together; (b) extra equipment is being transported by the traveler or (c) the traveler has a medical/health condition that prohibits the use of a lowest available car rate. Refueling charges are not allowable, unless justification is provided and approved by the Company.

(g) Commuting. When the traveler's residence or regular place of business is within 50 miles of the place of performance of the subcontract work, the costs of commuting are not reimbursable, and no payments for lodging, meals, and incidental expenses related to subsistence will be made.

(h) Foreign Travel. Foreign travel is travel from the United States (including Alaska, Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, and the territories and possessions of the United States) to a foreign country and return or between foreign countries. All foreign travel is subject to the prior approval of the DOE. Requests for approval for travel to a sensitive country or involving a sensitive subject shall be submitted to the Company at least 40 days prior to the proposed departure date. Requests for approval for travel to a non-sensitive country and not involving a sensitive subject shall be submitted to the Company at least 30 days prior to the proposed departure date. Post-travel trip reports for all foreign travel must be submitted within 25 days after return. Forms for use in requesting approval for foreign travel and for post-trip reporting are available from the Company.

(i) Labor Hours. Actual paid labor hours spent in route on business travel, will be compensated up to the daily maximum of the Y-12 standard workday, which is 10 hours.

(j) Receipts. The Seller shall submit with its invoice itemized original receipts for airline tickets, lodging, rental car transportation, and receipts for any authorized expenditure costing more than \$75.00.

3. EXPENSES ON TEMPORARY ASSIGNMENTS.

(a) The Seller may be entitled to reimbursement for per diem for any employee working at the Y-12 National Security Complex under a Company subcontract if the employee:

(1) Maintains a permanent residence:

(i) that is located more than 100 miles from the Y-12 site, as determined by standard mileage tables and

(ii) for which the employee incurs monthly mortgage payments, rental expenses, or property taxes (if there is no mortgage); and

(2) Does not commute daily to the Y-12 work location from the permanent residence.

(b) Per Diem reimbursements shall be limited to three years. Eligibility will be calculated by using the individual's start time at Y-12.

(c) Per Diem is generally reimbursable for the continuous term of the employee's assignment to Y-12, including weekends and holidays. However, per diem is not reimbursable for any vacation, personal absence, or return trips home. Furthermore, per diem shall not be paid for days not worked due to illness of two or more consecutive workdays unless the absence is supported by a written physician's statement.

(1) Reimbursement for Lodging:

For the first 60 days of the assignment or until long-term lodging has been secured, whichever comes first, the Company will reimburse costs associated with lodging at the lesser of actual cost or 100% of the Federal per diem at 100% of the Federal per diem rate at the assignment location. After the 60th day, the reimbursement shall be at the lesser of actual cost or 55% of Federal per diem. Receipts for lodging are required.

(2) Reimbursement for M&IE:

For the first 60 days of the assignment, the Company will reimburse the M&IE portion of the Federal per diem at 100% of the Federal per diem rate. After the 60th day, the reimbursement shall be at 55% of the Federal per diem. Receipts for M&IE are not required to be submitted.

(3) Reimbursement for Rental Cars:

Rental Car expenses while on temporary assignment are allowable at the discretion of the Company Subcontract Administrator, and must be in writing. Written justification for such use shall be submitted to the Subcontract Administrator and approved in advance. Reimbursement for a rental vehicle will be made up to the cost of mid-size/intermediate, and only the lowest available car rates are allowable. Exceptions to the use of mid-size/intermediate car rates may only be made when:

(1) more than three employee are traveling together;

(2) extra equipment is being transported by the traveler; or

(3) the traveler has a medical/health condition that prohibits the use of a lowest available car rate.

(d) The Company shall only reimburse the Seller for its employee's initial transportation costs (via personal vehicle) from their permanent residence to the temporary residence at Y-12 and for the same trip for the final return to the permanent residence at the completion of the assignment.

(e) Transportation, lodging, and incidental expenses related to subsistence for business travel outside the Y-12 area required in the performance of the subcontract will be reimbursed in accordance with section 2 of this document. Meals will not be reimbursed.

(f) Return Trips Home. So long as one month remains on the assignment, the Company will reimburse the cost of one trip per month home to their permanent residences of Seller employees who are on temporary assignment at Y-12 and who have not been relocated. Evidence of actual travel to the permanent residence must be verified by the Seller before reimbursement is made to the employee. Travel time to and from the permanent residence is not reimbursable.

- If a personally-Owned vehicle is used to return to the primary residence, mileage will be paid at the current Federal Travel Regulation rates. Such allowance shall be based on the mileage between the authorized points of travel as listed in Rand-McNally standard distance charges. A variation of ten percent, if reasonable under the circumstances, is allowable, except when a longer route is necessitated by road or weather conditions. If the Seller elects to travel by a personally-owned motor vehicle, reimbursement for lodging, meals, and incidental expenses related to subsistence for travel time will be limited to such reasonable period of time that would be required if common carriers were used.
- If airline transportation is used to return to the primary residence, only coach airfare via the most direct route in accordance with FTR guidelines is allowed. Every effort shall be made to obtain the lowest fares. Actual receipts must document all airfare costs.

4. RELOCATION.

Seller employees proposed for assignment under a Company subcontract for more than 365 consecutive calendar days are normally expected to relocate to the work location area, and allowable relocation costs will be reimbursed in accordance with FAR 31.205-35.

Upon the Seller's request and submission of cost comparisons, the Company may choose to reimburse expenses in accordance with section 3 above (as for a temporary assignment) rather than requiring relocation.

5. FLOWDOWN.

The Seller shall include this Travel Reimbursement document in each lower-tier subcontract that requires reimbursement of travel expenses.
