LIMITATIONS ON SUBCONTRACTING (Jan 2006)

By execution of this Agreement, the Seller agrees that in performance of this Agreement in the case of a subcontract for:

(a) Services (Except Construction). At least 50 percent of the cost of subcontract performance incurred for personnel shall be expended for employees of the Seller.

(b) Supplies (Other Than Procurement From a Nonmanufacturer of Such Supplies. The Seller shall perform work for at least 50 percent of the cost of manufacturing the supplies, not including the cost of materials.

(c) General Construction. The Seller will perform at least 15 percent of the cost of the Agreement, not including the cost of materials, with its own employees.

(d) Construction by Special Trade Contractors. The Seller will perform at least 25 percent of the cost of the Agreement, not including the cost of materials, with its own employees.