

**Panama Canal Commission**

**3552.227-70**

any translation thereof into another language, the English language meaning shall control.

(End of clause)

**3552.225-71 Notice of Applicability of United States Federal Law.**

As prescribed in 3525.801-76(b), insert the following clause:

NOTICE OF APPLICABILITY OF UNITED STATES FEDERAL LAW (JAN 1990)

All matters relating to the validity, construction, interpretation, performance and enforcement of the contract shall be determined in accordance with applicable federal law of the United States of America.

(End of clause)

**3552.225-72 Designated Contractors.**

As prescribed in 3525.801-76(c), insert the following clause:

DESIGNATED CONTRACTORS (JAN 1990)

Article XI, "Contractors and Contractors' Personnel," of the Agreement in Implementation of Article III of the Panama Canal Treaty of 1977, prescribes, among other things, that—

(a) Whenever contracts are awarded by the Commission to natural persons who are nationals or permanent residents of the United States or to corporations or other legal entities organized under the laws of the United States and under the effective control of such persons, such contractors shall be so designated by the United States and such designations shall be communicated to the authorities of the Republic of Panama.

(b) Designated contractors shall be subject to the laws and regulations of the Republic of Panama except with respect to the special provisions established by the above named international agreement, which enumerate such obligations and benefits as, among others:

(1) Designated contractors must, while in Panama, engage exclusively in the work for which they have been contracted by U.S. Government agencies; and,

(2) Designated contractors shall be accorded the same rights established for U.S. citizens employed by the U.S. Government in Panama pertaining to Panamanian immigration requirements, relief from the payment of certain Panamanian taxes and duties, and the use of certain facilities located on U.S. military installations in Panama.

(c) The provisions of Article XI shall be similarly applied to the subcontractors and to the employees of the contractors and subcontractors and their dependents who are nationals or residents of the United States. These employees and dependents shall not be

subject to the Panamanian Social Security System.

(d) Upon withdrawal of the designation of a contractor, the Commission shall notify the authorities of the Republic of Panama.

(End of clause)

**3552.225-73 Responsibility for Observance of Laws, Orders, and Regulations.**

As prescribed in 3525.801-76(d), insert the following clause:

RESPONSIBILITY FOR OBSERVANCE OF LAWS, ORDERS, AND REGULATIONS (JAN 1990)

The Contractor shall be responsible for complying with all applicable laws, regulations, standards and requirements, including traffic and vehicular laws and regulations, prescribed by the Republic of Panama for contractors performing work for the Panama Canal Commission (hereinafter referred to as the Commission). The Contractor shall similarly be responsible for complying with all laws, Executive Orders, and United States Government rules and regulations which the Commission, as an agency of the United States Government performing work in the Republic of Panama, is required to follow. The areas of legal competence have been agreed to between both countries pursuant to and in accordance with the Panama Canal Treaty of 1977, including such executive agreements and implementing legislation as may be in effect. Failure of the Contractor to familiarize himself with all laws, orders, rules, regulations or standards promulgated by either country, which are or may become applicable to the work under this contract, shall not constitute a basis for adjustments under the contract.

(End of clause)

**3552.227-70 Government Rights.**

As prescribed in 3527.304-3(b), insert the following clause:

GOVERNMENT RIGHTS (JAN 1990)

The Contractor may retain the entire right, title, and interest, throughout the world, to all drawings, designs, specifications, notes, and other works developed in the performance of this contract, provided that the Government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to have and to use same on any other Government design or construction, and provided that the Contractor shall execute or have executed, upon request, and shall promptly deliver to the Federal agency, all instruments necessary to establish or to confirm said license.