

AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)			RATING DX	PAGE OF PAGES 1 35	
2. CONTRACT (Proc. Inst. Ident.) NO. W9113M-05-C-0007-F00015		3. EFFECTIVE DATE 08 Feb 2005		4. REQUISITION/PURCHASE REQUEST/PROJECT NO.			
5. ISSUED BY US ARMY SPACE & MISSILE DEFENSE COMMAND PO BOX 1500 HUNTSVILLE AL 35807-3801		CODE W9113M	6. ADMINISTERED BY (If other than Item 5) DCM BIRMINGHAM BURGER PHILLIPS CENTER 1910 THIRD AVE., NORTH, RM. 201 BIRMINGHAM AL 35203-2376			CODE S0101A	
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code) TEAM INNOVATION IN INTEGRATION (TI3) LLC P.O. BOX 11547 HUNTSVILLE AL 36814-1547				8. DELIVERY [] FOB ORIGIN [X] OTHER (See below)		9. DISCOUNT FOR PROMPT PAYMENT	
CODE 34TS4				FACILITY CODE		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN: Block 12	
11. SHIP TO/MARK FOR See Schedule		CODE	12. PAYMENT WILL BE MADE BY DFAS-COLUMBUS CENTER DFAS-CO/SOUTH ENTITLEMENT OPERATION P.O. BOX 182264 COLUMBUS OH 43218-2264			CODE HQ0338	
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [] 10 U.S.C. 2304(c)() [] 41 U.S.C. 253(c)()				14. ACCOUNTING AND APPROPRIATION DATA See Schedule			
15A. ITEM NO.	15B. SUPPLIES/ SERVICES		15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT	
SEE SCHEDULE							
15G. TOTAL AMOUNT OF CONTRACT						\$47,150,000.00	
16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/ CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/ COSTS		PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS			
	C	DESCRIPTION/ SPECS./ WORK STATEMENT			J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS AND	
	F	DELIVERIES OR PERFORMANCE				OTHER STATEMENTS OF OFFERORS	
	G	CONTRACT ADMINISTRATION DATA			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
	H	SPECIAL CONTRACT REQUIREMENTS			M	EVALUATION FACTORS FOR AWARD	
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. [X] CONTRACTOR'S NEGOTIATED AGREEMENT Contractor is required to sign this document and return _____ copies to issuing office. Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. [] AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. NAME AND TITLE OF SIGNER (Type or print)				20A. NAME AND TITLE OF CONTRACTING OFFICER			
19B. NAME OF CONTRACTOR				19C. DATE SIGNED		20B. UNITED STATES OF AMERICA	
BY _____ (Signature of person authorized to sign)						BY _____ (Signature of Contracting Officer)	
						20C. DATE SIGNED 08-Feb-2005	

Section A - Solicitation/Contract Form

CLAUSES INCORPORATED BY FULL TEXT

LETTER CONTRACT

- a. This document constitutes a contract on the terms and conditions set forth herein and signifies the intention of the U.S. Army Space and Missile Defense Command (USASMDC) to execute a formal CPAF([REDACTED] Base Fee and [REDACTED] Award Fee)/Cost type contract for the performance of the effort as set forth herein.
- b. In accordance with Federal Acquisition Regulation (FAR) Clause 52.216-23 entitled "Execution and Commencement of Work," you are directed to proceed immediately to commence performance of the work, and to pursue such work with all diligence to the end that the effort may be performed within the time specified in Section F hereof. You are reminded that, pending definitization, the maximum liability of the Government is as stated in FAR Clause 52.216-24, "Limitation of Government Liability," incorporated in full text in Section I herein.
- c. In accordance with Defense FAR Supplement (DFARS) 252.217-7027 entitled "Contract Definitization," you shall submit a CPAF/Cost Type (original and four copies) proposal for the effort covered by this document. Your proposal should be supported by a cost breakdown reflecting the factors outlined in FAR 15.408, Table 15-2, "Instructions for Submitting Cost/Price Proposals when Cost or Pricing Data are Required," and such other information as may be specified herein. A Certificate of Current Cost or Pricing Data shall be submitted upon agreement on contract price.
- d. The definitive contract resulting from this undefinitized action shall not exceed \$(49.5M), inclusive of cost and fee.
- e. Please indicate your acceptance of the foregoing by signing the attached Standard Form 26 and returning it with all supporting documentation to the issuing office.
- f. This contract is entered into pursuant to 10 U.S.C. 2304(c)(1) and any required justification and approval has been executed.

Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	PEO Air, Space & Msl Def Sys of Systems CPAF (Unfinalized)Contractor shall perform work described in SOW entitled, PEO Air and Missile Defense (PEO ASMD)Air and Missile Defense (PEO ASMD) System of Systems Engineering and Integration as described in SOW dated 14 Jul 04 as set forth in Section J hereof. (NTE amt is \$11,550,000) FOB: Destination		DPPH		
				ESTIMATED COST	
				BASE FEE	
				SUBTOTAL EST COST + BASE	
				MAX AWARD FEE	
				TOTAL EST COST + FEE	\$45,900,000.00
	ACRN AA				\$950,000.00
	ACRN AB				\$2,000,000.00
	ACRN AC				\$2,207,305.38
	ACRN AD				\$300,000.00
	ACRN AE				\$1,900,000.00
	ACRN AF				\$0.00
	ACRN AG				\$3,500,000.00
	ACRN AH				\$1,292,694.62
	ACRN AJ				\$2,000,000.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002	Contract Data Requirements List CPAF				NSP
	Contractor shall provide all data required by the contact data requirements list (CDRL), DD Form 1423, Exhibit A, Nos. A001 - A0021, incorporated herein and attached as set forth in Section J, hereof.				
	FOB: Destination				
				ESTIMATED COST	
				BASE FEE	
				SUBTOTAL EST COST + BASE	
				MAX AWARD FEE	
				TOTAL EST COST + FEE	\$0.00
	ACRN AA				\$0.00
	ACRN AB				\$0.00
	ACRN AC				\$0.00
	ACRN AD				\$0.00
	ACRN ZZ				\$0.00

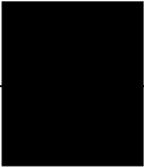
ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0003	Material/Travel COST				
	(Undefinitized)Contractor shall provide travel and material as required in SOW entitled, PEO Air and Missile Defense (PEO ASMD) System of Systems Engineering and Integration as described in SOW dated 14 Jul 04 as set forth in Section J hereof.				
	FOB: Destination				
				ESTIMATED COST	
	ACRN AA				\$50,000.00
	ACRN AB				\$0.00
	ACRN AC				\$200,000.00
	ACRN AD				\$50,000.00
	ACRN AE				\$100,000.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0006			DPPH		

0006 has been cancelled on 2/8/2006. The quantity remained the same. The unit cost remained the same.

CPAF

FOB: Destination

ESTIMATED COST	
BASE FEE	
SUBTOTAL EST COST + BASE	
MAX AWARD FEE	
TOTAL EST COST + FEE	\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0007					

0007 has been cancelled on 2/8/2006. The quantity remained the same. The unit cost remained the same.

COST

FOB: Destination

ESTIMATED COST	
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ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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0008 has been cancelled on 2/8/2006. The quantity remained the same. The unit cost remained the same.

CPAF

FOB: Destination

ESTIMATED COST	
BASE FEE	
SUBTOTAL EST COST + BASE	
MAX AWARD FEE	
TOTAL EST COST + FEE	\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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0009 has been cancelled on 2/8/2006. The quantity remained the same. The unit cost remained the same.

CPAF

FOB: Destination

ESTIMATED COST	
BASE FEE	
SUBTOTAL EST COST + BASE	
MAX AWARD FEE	
TOTAL EST COST + FEE	\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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0010

0010 has been cancelled on 2/8/2006. The quantity remained the same. The unit cost remained the same.

CPAF

FOB: Destination

ESTIMATED COST

BASE FEE

SUBTOTAL EST COST + BASE

MAX AWARD FEE

TOTAL EST COST + FEE

\$0.00

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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0011

0011 has been cancelled on 2/8/2006. The quantity remained the same. The unit cost remained the same.

COST

FOB: Destination

ESTIMATED COST

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0012					

CPAF
 FOB: Destination

ESTIMATED COST	
BASE FEE	
SUBTOTAL EST COST + BASE	
MAX AWARD FEE	
TOTAL EST COST + FEE	\$0.00

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LEVEL OF EFFORT:

a. In the performance of each CLIN of this contract, the contractor shall provide direct productive person hours (DPPH) level of effort by labor category, as set forth below, within the time period as set forth in Section F hereof:

<u>LABOR CATEGORY</u>	<u>DIRECT PRODUCTIVE PERSON HOURS LEVEL OF EFFORT</u>
Engineering and Support	

* CLINs 0001, 0005 and 0009 70% of the total DPPH

The agreed to total DPPH for SMEs (CLINs 0001, 0005, 0009) will be divided equally between each CLIN

* CLINs 0002, 0006 and 0010 30% of the total DPPH

The agreed to total DPPH for Core (CLINs 0002, 0006, 0010) will be divided equally between each CLIN

b. DPPH are defined as prime contractor, consultant, and subcontractor actual direct labor hours exclusive of vacation, holiday, sick leave, and other absences.

c. Entitlement to the total fee is subject to the certification by the contractor to the Administrative Contracting Officer that he has exerted the DPPH level of effort by labor category as specified above in performing the work called for, has provided the reports called for, and the effort performed and reports provided are considered satisfactory by the Government.

Section E - Inspection and Acceptance

CLAUSES INCORPORATED BY REFERENCE

52.246-9 Inspection Of Research And Development (Short Form) APR 1984

Section F - Deliveries or Performance

DELIVERY INFORMATION

CLIN	DELIVERY DATE	QUANTITY	SHIP TO ADDRESS	UIC
0001	N/A	N/A	N/A	N/A
0002	N/A	N/A	N/A	N/A
0003	N/A	N/A	N/A	N/A

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52.242-15 Alt I	Stop-Work Order (Aug 1989) - Alternate I	APR 1984
52.247-34	F.O.B. Destination	NOV 1991
F02	Period of Performance	NOV 1999

Section G - Contract Administration Data

ACCOUNTING AND APPROPRIATION DATA

AA: 21 5 2040.0000 5Q 5Q00 P273801.03600 255Y S01021 54B004/4B5PIP094B/4B000
AMOUNT: \$1,000,000.00

AB: 215 2040 5Q-5Q11 643869.01B 255Y 4R5PEOJV05 S01021 4R5PEOJV05/54REXE/4R
AMOUNT: \$2,000,000.00

AC: 21 5 2040.0000 5Q-5Q07 643327E88 255Y S01021 54N011/4N51FC214N/4N0000
AMOUNT: \$2,407,305.38

AD: 21 4 2040.0000 5Q-5Q07 P172419.E5500 255Y S01021 44N002/4N4JLT094N/4N0000
AMOUNT: \$350,000.00

AE: 21 6 2040.0000 5L-5L57 643327S26 255Y S01021 64NS26/4N61SP024N/4N0000
AMOUNT: \$2,000,000.00

AF: 21 6 2040.0000 5L 5L57 643327E88 255Y S01021 64NE88/4NE88/4N61FC064N/4N0000
AMOUNT: \$0.00

AG: 21 6 2040.0000 5L 5L57 643327E88 255Y S01021 64NE88/4N61FC064N/4N0000
AMOUNT: \$3,500,000.00

AH: 21 5 2040.0000 5Q-5Q07 643327E88 255Y S01021 54N011/4N51FC214N/4N0000
AMOUNT: \$1,292,694.62

AJ: 21 6 2040 0000 5L 5L57 643327S26 255Y S01021 64NS26/4N61SP024N/4N0000
AMOUNT: \$2,000,000.00

ZZ: 21 5 2040 5Q-5Q11 643869.01B 2516 4R5PEOJV05 S01021 4R5PEOJV05/54REXE/4R
AMOUNT: \$0.00

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INVOICING AND VOUCHERING:

a. When authorized by the Defense Contract Audit Agency (DCAA) in accordance with DFARS 242.803(b)(i)(C), the contractor may submit interim vouchers directly to paying offices. Such authorization does not extend to the first and final vouchers. Submit first vouchers to the cognizant DCAA office. Final vouchers will be submitted to the ACO with a copy to DCAA.

b. Upon written notification to the contractor, DCAA may rescind the direct submission authority.

c. Should the contractor decline to submit interim vouchers directly to paying offices or if the contractor receives written notification that DCAA has rescinded the direct submission authority, public vouchers, together with any necessary supporting documentation, shall be submitted to the cognizant Defense Contract Audit Agency (DCAA) Office, prior to payment by the Finance and Accounting Office specified in Block 12, Page 1, Section A, of Standard Form 26.

d. The contractor shall identify on each public voucher: (1) the accounting classification reference number (ACRN) assigned to the accounting classification which pertains to the charges billed, e.g. "ACRN: AA;" (2) the contract line item number (CLIN) which pertains to the charges billed, and (3) the contract number. In addition, the Department of Defense requires that the Taxpayer Identification Number (TIN) be placed on all certified payment vouchers, including non-profit organizations, when submitting payment to the disbursing office. The only exception is foreign vendors, which will have the word "foreign" in the TIN field. Invoices will be returned to the vendor without payment if a TIN is not provided. Therefore also include in the address block, the Tax Identification Number, a point of contact, and the telephone number.

e. Department of Defense requires that the Taxpayer Identification Number (TIN) be placed on all certified payment vouchers, including non-profit organizations, when submitting payment to the disbursing office. The only exception is foreign vendors, which will have the word "foreign" in the TIN field. Invoices will be returned to the vendor without payment if a TIN is not provided.

f. The contractor may include a provisional billing for a portion of the prospective award fee to be earned, with each invoice based on the level of effort hours that were expended during the billing period. Final billings for award fee earned may be presented subsequent to the issuance of a contract modification definitizing the amount of award fee earned.

g. A copy of each voucher, together with any necessary supporting documentation, shall also be submitted to the issuing office specified in Block 5, Page 1, Section A of Standard Form 26, concurrently with submission to the DCAA.

h. The Paying Office shall ensure that the voucher is disbursed for each ACRN as indicated on the voucher (or as specified herein).

IDENTIFICATION OF CORRESPONDENCE: All correspondence and data submitted by the contractor under this contract shall reference the contract number.

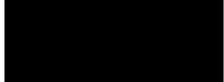
CONTRACTING ACTIVITY REPRESENTATIVES:

	Contractual Matters	Technical Matters
NAME:		
ORGANIZATION CODE:		
TELEPHONE NUMBERS:		
COMMERCIAL:		
DEFENSE SWITCHED NETWORK (DSN):		
EMAIL:		

IMPLEMENTATION OF AND EXPLANATION OF THE RELATIONSHIP OF THE LIMITATION OF FUNDS (LOF) CLAUSE TO FEE OBLIGATIONS: The amount of funds estimated to be required for full performance, including fee(s); the amount of funds allotted pursuant to the Contract Clause hereof entitled, Limitations of Funds; the amount of funds currently obligated for fee; and the estimated period of performance covered by the funds allotted are set forth below. Amounts obligated for fee are separate from and are not to be commingled with

the amounts allotted for costs and are not available to the contractor to cover costs in excess of those allotted to the contract for cost.

a. CLINs 0001 and 0002:

(1) Amount Required for Full Funding, Including Fee(s):	<u>\$ 45,900,000*</u>
(2) Amount Allotted Under the LOF Clause for Payment of Costs:	<u>\$12,319,792*</u>
(3) Amount Separately Obligated for Payment of Base Fee:	
(4) Amount Separately Obligated for Payment Of Award:	
(4) Total Amount Allotted and Obligated:	<u>\$ 14,150,000*</u>
(5) Net Amount Required for Full Funding:	<u>\$31,750,000 *</u>
(6) Estimated Period of Performance the Allotted Amount Will Cover:	\$ _____

*Undefinitized

b. CLIN 0003:

(1) Amount Required for Full Funding,	<u>\$ 1,250,000</u>
(2) Amount Allotted Under the LOF Clause for Payment of Costs:	<u>\$ 400,000</u>
(3) Total Amount Allotted and Obligated:	<u>\$400,000</u>
(4) Net Amount Required for Full Funding:	<u>\$850,000</u>

Section H - Special Contract Requirements

OCIORGANIZATIONAL CONFLICT OF INTEREST CLAUSE:

a. It is recognized by the parties that this SoS SE&I contract may include advisory and assistance services; systems engineering efforts; support in the preparation of specifications and work statements; technical evaluation of other contractors products and services; access to competition sensitive Government information; and access to other contractors' proprietary information. Consequently, performance of this contract creates potential organizational conflicts of interest such as are contemplated by Federal Acquisition Regulation (FAR) 9.505. The Contracting Officer will act to identify and resolve potential conflicts prior to their occurrence such that the potential OCI can be appropriately mitigated or avoided by the parties. It is the intention of the parties that the prime contractor (the entity receiving award of this SE&I contract) will not engage in activities which could create an organizational conflict of interest with its position under this contract; which might impair its ability to render unbiased advice and recommendations; or in which it, or the corporate partners from which it is formed, may derive an unfair competitive advantage as a result of knowledge, information, and experience gained during the performance of this contract. Therefore, the prime contractor agrees that it will seek the prior written approval of both the Contracting Officer for this SoS contract and the Contracting Officer on the other acquisition in question before participating in any other PEO ASMD contract as a contractor, subcontractor, or consultant. The prime contractor will be subject to this restriction, except as a source for any follow-on acquisitions for this SoS SE&I effort. The Contracting Officer for this SoS SE&I contract will consider requests for written approval to participate in other PEO ASMD contracts on a case-by-case basis. This clause shall have effect throughout the period of performance of this contract and for one year thereafter. Prime contractor participation in any restricted acquisition described above, without express written approval from the Contracting Officer, may be grounds for termination of this contract for default.

b. The effort to be performed under this contract may include providing systems engineering and technical direction; input to preparation of specifications and scopes of work; assistance to the Government during technical evaluations of other contractors' products and services; and access to third-party proprietary information and competition sensitive Government information. Such activities create a significant potential for OCIs, as set forth in FAR 9.5. It is the intention of the parties hereto to prevent both the potential for bias in connection with the prime contractor's performance of this contract, as well as the creation of any unfair competitive advantage as a result of knowledge gained through access to third-party proprietary information and competition sensitive Government information. It is also the express objective of the parties to preserve the full contractual freedom of the Joint Venture Member companies [REDACTED]

c. Whenever performance of this contract requires access to another contractor's proprietary information, the prime contractor shall (i) enter into a written non-disclosure agreement with the other entities involved, as appropriate, in order to protect such proprietary information from unauthorized use or disclosure for as long as it remains proprietary; and (ii) refrain from using such proprietary information other than as agreed to, for example to provide assistance during technical evaluation of other contractors' products under this contract. An executed copy of all proprietary information non-disclosure agreements by individual personnel or on a corporate basis shall be made available to the Contracting Officer for review upon request.

d. In addition, the prime contractor shall take appropriate steps to segregate prime contractor employees (or other staff) who are assigned to this contract from other employees of the Joint Venture Member companies and to inculcate upon these employees, through appropriate means (such as formal training and promulgation of policies and procedures) the principles of FAR Subpart 9.5. Such inculcation shall include, but not be limited to, training to ensure that employees refrain from improperly using or disclosing proprietary information from other contractors or competition sensitive information from the Government. Further, the prime contractor shall obtain from each of its employees (or other staff), who have substantive access to proprietary information from other contractors and/or competitive sensitive information from the Government, a written agreement providing that such employee (or other staff) will not improperly disclose such data or information. Such agreements shall further

provide that except as approved in writing by the Contracting Officer, prime contractor employees (or other staff) who are assigned to this contract will not be eligible for assignment to work on any New Business in any division of the JV Member companies which has other contracts with the PEO ASMD for a period of 2 year(s) after their last access to proprietary/sensitive information under this contract. "New Business" is defined as any pre-contract award activity related to future competitive PEO ASMD work, which is not a follow-on SE&I effort to this contract. "Pre-contract award activity" is defined as starting from a formal US Government announcement of an intention to procure and ending upon either cancellation of the intention to procure or the award of a contract. Pre-Contract activities include, but are not limited to, marketing activities, IR&D planning in support of an announced procurement, bid/no bid decisions, and proposal preparation activities – including red-team participation. The term "prime contractor employees (or other staff) who are assigned to this contract" shall not include members of the Board of Directors of the prime contractor. Such excluded executives shall not be subject to the limitation on assignment eligibility mentioned above; however, they are subject to the provisions of this clause pertaining to the non-disclosure and protection of proprietary/sensitive information. The restrictions set forth herein may be waived at the discretion of the Contracting Officer after submittal of a waiver request.

e. The prime contractor shall hold the government harmless and indemnify the government as to any cost/loss resulting from the unauthorized use or disclosure of any third-party proprietary information by its employees or other staff who are assigned to this contract, the employees of subcontractors, or by its agents.

f. For breach of any of the above restrictions, the government reserves the right to terminate this contract for default, disqualify the prime contractor for subsequent related contractual efforts, and to pursue such other remedies as may be available under law. If in compliance with this clause, the prime contractor discovers and promptly reports an organizational conflict of interest subsequent to contract award, the prime contractor will present to the Contracting Officer an OCI mitigation plan. The Contracting Officer will carefully consider such OCI mitigation plan in determining the course of action which is in the best interest of the Government.

g. Subcontracts: The guiding principle for application of this paragraph will be to facilitate the formation of essential subcontract arrangements between the prime and ASMD component system prime contractors and subcontractors as well as contractors for other key systems/technologies in order to benefit from their in-depth knowledge and expertise on such systems/technologies, without interfering with or disrupting the primary roles of these other contractors in developing, producing and/or supporting such systems/technologies under separate contracts with the government. That being the case, the prime contractor's obligations under paragraphs c, e and f above will be flowed down to each subcontract hereunder, along with the paragraph d obligations to: (i) inculcate employees on FAR Subpart 9.5 principles and on the proper use and nondisclosure of proprietary or competition sensitive information and (ii) secure a nondisclosure agreement from each employee who will have substantive access to such information. The paragraph d limitations on participation in capturing new business will not be flowed down to subcontracts including to any subcontracts issued by the prime contractor to [REDACTED] [REDACTED] except for subcontracts or applicable portions thereof which are used to assign staff to this contract.

h. Nothing in this clause is intended, or shall be interpreted to restrict the ability of either Member company [REDACTED] to compete for, or otherwise participate in, any US Government contracts. Moreover, and notwithstanding any other provision of this contract, the prime contractor shall not be obligated to perform any activity that would result in the potential disqualification of either Member company from any future US Government contracts.

IMPACT OF GOVERNMENT IPT

IMPACT OF GOVERNMENT IPT PARTICIPATION

Under the Government/contractor IPT concept, Government personnel will frequently interface with Contractor team members during contract performance. Government IPT members will offer advice, facilitate rapid

government feedback and approval of IPT products and government support, provide clarification and review Contractor progress; however, the contractual responsibility and accountability for successfully accomplishing the requirements of this contract remain solely with the contractor. The contractor shall not construe such advice, reviews and clarifications by the Government IPT members as Government-directed changes to the terms and conditions of this contract. The Contracting Officer is the only individual who is authorized to direct or approve any change to the terms and conditions of this contract.

CLAUSES INCORPORATED BY FULL TEXT

PUBLIC RELEASE OF INFORMATION:

a. In accordance with DFARS 252.204-7000, Disclosure of Information, The Contractor shall not release to anyone outside the Contractor's organization any unclassified information, regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless the Contractor has written approval or the information is otherwise in the public domain before the date of release.

b. Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Technical Monitor noted in the contract, Section H, at least 45 days before the proposed date for release. All material to be cleared shall be sent by certified mail/return receipt requested to:

U.S. Army Space and Missile Defense Command
ATTN: [REDACTED]
P. O. Box 1500
Huntsville, AL 35807-3801

c. The Technical Monitor shall process the request in accordance with SMDC form 614-R.

d. If there is no response within 30 days, the Contractor shall resubmit the request to:

U.S. Army Space and Missile Defense Command
ATTN: SMDC-PA
P. O. Box 1500
Huntsville, AL 35807-3801

e. The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor.

DISTRIBUTION CONTROL OF TECHNICAL INFORMATION:

a. The following terms applicable to this clause are defined as follows:

(1) Technical Document. Any recorded information that conveys scientific and technical information or technical data.

(2) Scientific and Technical Information. Communicable knowledge or information resulting from or pertaining to conducting and managing a scientific or engineering research effort.

(3) **Technical Data.** Recorded information related to experimental, developmental, or engineering works that can be used to define an engineering or manufacturing process or to design, procure, produce, support, maintain, operate, repair, or overhaul material. The data may be graphic or pictorial delineations in media such as drawings or photographs, text in specifications or related performance or design type documents, or computer printouts. Examples of technical data include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog-item identifications, and related information and computer software documentation.

b. Except as may otherwise be set forth in the Contract Data Requirements List (CDRL), DD Form 1423, (i) the distribution of any technical document prepared under this contract, in any stage of development or completion, is prohibited without the approval of the Contracting Officer and (ii) all technical documents prepared under this contract shall initially be marked with the following distribution statement, warning, and destruction notice:

(1) **DISTRIBUTION STATEMENT D** - Distribution authorized to the Department of Defense and certain U.S. Dod contractors who qualify under the terms of the contract.

(2) **WARNING** - This document contains technical data whose export is restricted by the Arms Export Control Act (Title 22, U.S.C., Sec 2751 et seq.) or the Export Administration Act of 1979, as amended, Title 50, U.S.C., app 2401 et seq. Violation of these export laws are subject to severe criminal penalties. Disseminate in accordance with provisions of DOD Directive 5230.25.

(3) **DESTRUCTION NOTICE** - For classified documents, follow the procedures in DOD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM), Chapter 5, Section 7, or DOD 5200.1-R, Information Security Program Regulation, Chapter IX. For unclassified, limited documents, destroy by any method that will prevent disclosure of contents or reconstruction of the document.

c. As a part of the review of preliminary or working draft technical documents, the Government will determine if a distribution statement less restrictive than the statement specified above would provide adequate protection. If so, the Government's approval/comments will provide specific instructions on the distribution statement to be marked on the final technical documents before primary distribution.

TECHNICAL COGNIZANCE AND TECHNICAL DIRECTION:

a. The PEO ASMD is the cognizant Government technical organization for this contract and will provide technical direction as defined herein. Technical direction shall be exercised by the following Technical Manager and Subordinate Technical Managers:

Name

Office symbol

Phone Number

Primary Technical Manager :



Alternate Technical Manager:



Subordinate Technical Managers: Government IPT leads in their respective areas of cognizance.

b. Technical direction, as defined in this clause is the process by which the progress of the contractor's technical efforts are reviewed and evaluated and guidance for the continuation of the effort is provided by the Government. It also includes technical discussions and, to the extent required and specified elsewhere in this contract, defining interfaces between contractors; approving test plans; participating in meetings; providing technical and management information; and responding to request for research and development planning data on all matters pertaining to this contract.

c. Technical Direction shall not effect or result in a change within the meaning of the "CHANGES" clause, or any other change in the Statement of Work, price, schedule, or the level of effort required by the contract. Such changes must be executed by the Contracting Officer as a Modification-Change Order, or as a Modification-Supplemental Agreement, as appropriate. It is emphasized that such changes are outside the authority of the Government officials designated in a. above who are not authorized to issue any directions which authorize the contractor to exceed or perform less than the contract requirements. Notwithstanding any provision to the contrary in any Technical Directive, the estimated cost of this contract, and, if this contract is incrementally funded, the amount of funds allotted, shall not be increased or deemed to be increased by issuance thereof.

CONTRACTOR IDENTIFICATION AND
CONTRACTOR IDENTIFICATION AND ASSERTION OF USE, RELEASE OR DISCLOSURE
RESTRICTIONS

a. The contractor and its subcontractors have provided an Attachment, entitled "Identification and Assertion of Use, Release, or Disclosure Restrictions" which is incorporated herein by reference as if fully set forth. The attachment identifies and provides information pertaining to certain technical data (including computer software documentation) and computer software which the contractor and subcontractors claim to qualify for delivery with less than Unlimited or Unrestricted Rights. The contractor agrees not to withhold delivery of the technical data or software based on its claims. The Government has not investigated or agreed to the validity of the contractor's claims and therefore reserves all its rights regarding the technical data/software in question; to include those rights set forth in the Rights in Technical Data - Noncommercial Items (Nov 1995) clause (DFARS 252.227-7013), the Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (Jun 1995) clause (DFARS 252.227-7014) and the Validation clauses at DFARS 252.227-7019 and 252.227-7037. The contractor reserves the right to submit additional entries to the aforementioned Attachment in accordance with the provisions of paragraphs (e)(3) of DFARS 252.227-7013 and 252.227-7014.

b. The Contractor shall insert the substance of this special provision in each subcontract where the Contractor has reason to believe a Subcontractor will deliver data/software with less than unlimited or unrestricted rights. The contractor shall have, maintain, and follow written procedures sufficient to assure that restrictive markings are used only when authorized by the terms of this contract and shall maintain records sufficient to justify the validity of any restrictive markings on any technical data or computer software delivered under this contract. The contractor agrees that the Government has Unlimited Rights in any deliverable technical data or computer software not listed in the Attachment and that such data or software will not be subject to any restrictive markings or legends.

SUBCONTRACTS AND ASSOCIATE CON
SUBCONTRACTS AND/OR ASSOCIATE CONTRACTOR AGREEMENTS:

During performance of this contract, the Contractor shall enter into such subcontracts and/or associate contractor agreements with ASMD component system prime contractors and/or subcontractors as may be necessary to obtain data/information to successfully perform the tasks set forth in the SOW and accomplish SOS objectives. These subcontracts/agreements shall include non-disclosure/proprietary information protection provisions as may be necessary to facilitate the full and free exchange of essential SOS information.

AWARD FEE

The award fee for the SoS SE&I contract will be evaluated based on the CLINS for the SoS SE&I effort. Functional Performance Areas (FPA's) are predetermined and become a part of this Award Fee Determination Plan (AFDP). Prior to each performance period the Contracting Officer will identify specific evaluation criteria within the FPA's consistent with program milestones and missions support requirements for performance evaluation.

Functional Performance Areas and Weightings:

Weightings will be provided at the beginning of each evaluation period by the contracting officer.

Transformation: The contractor will be evaluated on his ability to work with the government led SoS IPT to define an SoS transformation roadmap, SoS Architectures that implement the roadmap and SoS Specifications that ultimately result in a spiral developed, cost effective, implementable, fully integrated network-centric system of systems material solution. Special emphasis will be focused on the contractor's ability to define a cost effective common BMC4I roadmap that results in a single implementation of a common ASMD BMC4. The ability to define and influence (ie. cause change to existing program contracts) the implementation of a non-proprietary architecture, standard interfaces, standard messages, and common hardware/software will be evaluated. Additional factors to be considered are cost, schedules, and performance efficiencies (SoS/contractor estimates vs. project office/prime contractor estimates), level of Joint Interagency Multinational (JIM) compatibility and integration, quality of integration plan and conduct of synchronized integration reviews. The guiding documentation consists of capability/requirements documentation prepared by the warfighter and SoS documentation prepared by the PEO ASMD.

Participation: The contractor will be evaluated on his ability to establish a formal working relationship with the prime contractor for each weapon system/component being developed within the PEO ASMD (eg., PATRIOT, MEADS, JLENS, SLAMRAAM, SENTINEL, JTAGS). Special emphasis will be placed on the formal working relationships with MEADS International. The contractor will be evaluated on his ability to bring subject matter experts from each of the project office prime contractors in a timely manner to contribute knowledge, data and tools to the SoS tasks and the contractor's ability to get access to critical program and engineering data that is required to execute the SoS Engineering and Integration scope of work. Additionally, the contractor will be evaluated on his ability to develop relationships and corporate knowledge to enable PEO-ASMD SoS integration and interoperability with related non-PEO ASMD such as elements of the Ballistic Missile Defense System (Missile Defense Agency) and the Future Combat System.

Management Practices: The contractor will be evaluated on demonstrated ability to manage all terms and conditions of the contract in a cost effective manner. The contractor will be evaluated on the effectiveness to provide general program support; to respond to technical direction, and to cooperate amiably with government and contractor personnel. The contractor will also be evaluated on its ability to retain key personnel and an appropriate level of subject matter expertise for all systems and programs of interest. CDRL deliveries will also be evaluated for content and timely delivery.

Evaluation Periods: The formal evaluation and documentation of the contractor's performance and the determination and payment of award fee earned are to be

accomplished every 12 months. Periodic evaluations charting contractor's performance and providing government feedback will be conducted as needed.

Allocation of Award Fee Pool and Disposition of Unearned Award Fee:

During each award fee evaluation period as specified above, the government shall subjectively evaluate the contractor's performance in accordance with the defined criteria. The award fee pool will be allocated among the evaluation periods based on the

level-of-effort (LOE) performed during each period. As effort is funded, an applicable amount of award fee will also be provided. This will assure sufficient award fee for all LOE performed during a specific evaluation period.

Disposition of Unearned Award Fee: Fee not earned in an evaluation period will be lost to the contractor.

SoS SE&I Rating Plan:

3.5.1. Rating Plan for SoS SE&I

ADJECTIVE RATING	NUMERICAL RATING	PERCENTAGE RANGES OF AWARD FEE EARNED	DEFINITIONS
EXCELLENT	90 to 100	90 to 100%	The contractor's performance significantly exceeds standard and although there may be a few examples of performance only meeting standard and/or needing improvements, all of which are minor, they are more than offset by cited examples of performance significantly exceeding standard.
BETTER THAN ACCEPTABLE	80 to 89	80 to 89%	The contractor's performance generally exceeds standard and more than offsets the cited examples of performance only meeting standard and/or needing improvement
ACCEPTABLE	40 to 79	0%	The contractor's performance meets standard with cited examples of performance exceeding standard approximately offset by cited examples of performance needing improvement.
BELOW ACCEPTABLE	0	0%	The contractors performance is significantly less than standard and

although there may be a few examples of performance exceeding and/or meeting standard they are more than offset by cited examples of performance needing major improvement.

Contractor's Participation and Feedback: The contractor will submit a self-assessment of performance at the conclusion of each evaluation event. The contractor will certify the DPPHs performed during the evaluation period of the self-assessment period. The self-assessment will be provided directly to the Contracting Officer. The Contracting Officer will forward the report to the evaluation chairperson who will share the assessment with all members of the evaluation board. The self-assessment will be used for comparative analysis with the government's evaluation and for consideration in developing an award fee recommendation for the AFDO. The chairperson will forward the recommendation and the contractor's self assessment to the AFDO for a final award fee determination.

GFP

GOVERNMENT FURNISHED PROPERTY:

Within four (4) months after the effect date of this contract, the government shall provide the contractor with the government furnished facilities/equipment listed below:

- e. Office Facility (planned at 106 Wynn Drive, Huntsville, Alabama)
- f. Office furniture and equipment including, but not limited to, phones, phone services, fax machines, computer, email server, printer server, printers, software and software licenses
- g. Security for facility
- h. Test Equipment

INDEPENDENT

Independent Oversight/Future Competition:

The parties agree to support and cooperate fully with independent oversight/review of their efforts to preserve and protect future competitive opportunities for SoS component elements and their compliance with the PEO's Risk Mitigation Plan (attached/incorporated via Section J) regarding potential anti-trust/anti-competitive aspects of the non-competitive Joint Venture strategy embodied in this contract. In this context, the term "independent" means persons who are not employed by or assigned to the Joint Venture or the PEO and who are not otherwise directly involved in the execution of this SoS effort. The parties will confer with each other as to their proposed candidates for such independent oversight/review. The overriding principles will be independent judgment and lack organizational conflict which might unduly bias or prejudice the review findings. The government's initial candidate is an auditor from the Internal Review Office of the U.S. Army Space and Missile Defense Command. The independent oversight team will perform at least one review per contract year and will report the results of such review to the contracting officer and the JV Program Manager via special CDRL reports with follow-up oral discussions as necessary.

OPTION
OPTION

Any options, CLINs 0005, 0006, 0007, 0008, 0009, 0010, 0011 and 0012 of the contract may be exercised at the unilateral option of the government, by giving notice to the contractor in the form of a unilateral modification to the contract. If the government exercises any option hereunder, all contractual terms and conditions shall apply during the option period.

- i. CLINs 0005, 0006, 0007 and 0008 may be exercised no later than the end of the period of performance of the basic contract. The CLINs may be exercised independently or concurrently.
- j. b. CLINs, 0009, 0010, 0011 and 0012 may be exercised no later than the end of the period of performance of the CLINs 0005, 0006, 0007 and 0008. The CLINs may be exercised independently or concurrently.

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	JUL 2004
52.203-2	Certificate Of Independent Price Determination	APR 1985
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	JUN 2003
52.204-2	Security Requirements	AUG 1996
52.204-3	Taxpayer Identification	OCT 1998
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.204-7	Central Contractor Registration	OCT 2003
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	JAN 2005
52.211-15	Defense Priority And Allocation Requirements	SEP 1990
52.215-2	Audit and Records--Negotiation	JUN 1999
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-11	Price Reduction for Defective Cost or Pricing Data--Modifications	OCT 1997
52.215-13	Subcontractor Cost or Pricing Data--Modifications	OCT 1997
52.215-15	Pension Adjustments and Asset Reversions	OCT 2004
52.215-16	Facilities Capital Cost of Money	JUN 2003
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	OCT 1997
52.215-19	Notification of Ownership Changes	OCT 1997
52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data--Modifications	OCT 1997
52.216-7	Allowable Cost And Payment	DEC 2002
52.216-8	Fixed Fee	MAR 1997
52.216-11	Cost Contract--No Fee	APR 1984
52.219-3	Notice of Total HUBZone Set-Aide	JAN 1999
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.219-9	Small Business Subcontracting Plan	JAN 2002
52.219-16	Liquidated Damages-Subcontracting Plan	JAN 1999
52.222-2	Payment For Overtime Premiums	JUL 1990
52.222-3	Convict Labor	JUN 2003
52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation	SEP 2000
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	APR 2002
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	DEC 2001
52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998

52.222-37	Employment Reports On Special Disabled Veterans, Veterans Of The Vietnam Era, and Other Eligible Veterans	DEC 2001
52.223-6	Drug-Free Workplace	MAY 2001
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.227-1	Authorization and Consent	JUL 1995
52.227-1 Alt I	Authorization And Consent (Jul 1995) - Alternate I	APR 1984
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	AUG 1996
52.227-10	Filing Of Patent Applications--Classified Subject Matter	APR 1984
52.227-11	Patent Rights--Retention By The Contractor (Short Form)	JUN 1997
52.227-12	Patent Rights--Retention By The Contractor (Long Form)	JAN 1997
52.228-7	Insurance--Liability To Third Persons	MAR 1996
52.230-2	Cost Accounting Standards	APR 1998
52.230-6	Administration of Cost Accounting Standards	NOV 1999
52.232-1	Payments	APR 1984
52.232-9	Limitation On Withholding Of Payments	APR 1984
52.232-17	Interest	JUN 1996
52.232-22	Limitation Of Funds	APR 1984
52.232-23 Alt I	Assignment of Claims (Jan 1986) - Alternate I	APR 1984
52.232-25	Prompt Payment	OCT 2003
52.232-33	Payment by Electronic Funds Transfer--Central Contractor Registration	OCT 2003
52.233-1	Disputes	JUL 2002
52.233-1 Alt I	Disputes (Jul 2002) - Alternate I	DEC 1991
52.237-10	Identification of Uncompensated Overtime	OCT 1997
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2001
52.242-4	Certification of Final Indirect Costs	JAN 1997
52.242-13	Bankruptcy	JUL 1995
52.243-2 Alt V	Changes--Cost-Reimbursement (Aug 1987) - Alternate V	APR 1984
52.243-5	Changes and Changed Conditions	APR 1984
52.243-7	Notification Of Changes	APR 1984
52.244-2 Alt I	Subcontracts (Aug 1998) - Alternate I	AUG 1998
52.244-5	Competition In Subcontracting	DEC 1996
52.244-6	Subcontracts for Commercial Items	DEC 2004
52.245-5	Government Property (Cost-Reimbursement Time-And- Materials, Or Labor Hour Contracts)	MAY 2004
52.246-1	Contractor Inspection Requirements	APR 1984
52.246-25	Limitation Of Liability--Services	FEB 1997
52.249-6	Termination (Cost Reimbursement)	MAY 2004
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.249-14	Excusable Delays	APR 1984
52.252-5	Authorized Deviations In Provisions	APR 1984
52.252-6	Authorized Deviations In Clauses	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DEC 2004
252.204-7002	Payment For Subline Items Not Separately Priced	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.204-7004 Alt A	Required Central Contractor Registration (52.204-7) Alternate A	NOV 2003
252.215-7000	Pricing Adjustments	DEC 1991

252.215-7002	Cost Estimating System Requirements	OCT 1998
252.219-7004	Small, Small Disadvantaged Women-Owned Business Subcontracting Plan (Test Program)	JUN 1997
252.219-7011	Notification to Delay Performance	JUN 1998
252.223-7004	Drug Free Work Force	SEP 1988
252.225-7001	Buy American Act And Balance Of Payments Program	APR 2003
252.225-7002	Qualifying Country Sources As Subcontractors	APR 2003
252.225-7012	Preference For Certain Domestic Commodities	JUN 2004
252.225-7016	Restriction On Acquisition Of Ball and Roller Bearings	MAY 2004
252.227-7013 Alt I	Rights in Technical Data--Noncommercial Items (Nov 1995) - Alternate I	JUN 1995
252.227-7014	Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation	JUN 1995
252.227-7016	Rights in Bid or Proposal Information	JUN 1995
252.227-7017	Identification and Assertion of Use, Release, or Disclosure Restrictions	JUN 1995
252.227-7027	Deferred Ordering Of Technical Data Or Computer Software	APR 1988
252.227-7034	Patents--Subcontracts	APR 1984
252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 1999
252.231-7000	Supplemental Cost Principles	DEC 1991
252.235-7010	Acknowledgment of Support and Disclaimer	MAY 1995
252.235-7011	Final Scientific or Technical Report	NOV 2004
252.242-7004	Material Management And Accounting System	DEC 2000
252.243-7001	Pricing Of Contract Modifications	DEC 1991
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.245-7001	Reports Of Government Property	MAY 1994
252.246-7001	Warranty Of Data	DEC 1991
252.247-7023	Transportation of Supplies by Sea	MAY 2002
252.247-7024	Notification Of Transportation Of Supplies By Sea	MAR 2000

CLAUSES INCORPORATED BY FULL TEXT

52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a CPAF/Cost Type contract resulting from this solicitation.

(End of clause)

52.216-23 EXECUTION AND COMMENCEMENT OF WORK (APR 1984)

The Contractor shall indicate acceptance of this letter contract by signing three copies of the contract and returning them to the Contracting Officer not later than 10 days after receipt of the contract. Upon acceptance by both parties, the Contractor shall proceed with performance of the work, including purchase of necessary materials.

(End of clause)

52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)

(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding \$1,000,000 dollars.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is \$1,000,000 dollars.

(End of clause)

52.216-25 CONTRACT DEFINITIZATION (OCT 1997)

(a) A CPAF/COST Type definitive contract is contemplated. The Contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive contract that will include (1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the letter contract, (2) all clauses required by law on the date of execution of the definitive contract, and (3) any other mutually agreeable clauses, terms, and conditions. The Contractor agrees to submit a CPAF/COST Type.

b) The schedule for definitizing this contract is 180 DAYS AFTER ITS EFFECTIVE DATE.

(c) If agreement on a definitive contract to supersede this letter contract is not reached by the target date in paragraph (b) above, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with Subpart 15.4 and Part 31 of the FAR, subject to Contractor appeal as provided with completion of the contract, subject only to the Limitation of Government Liability clause.

(1) After the Contracting Officer's determination of price or fee, the contract shall be governed by--

(i) All clauses required by the FAR on the date of execution of this letter contract for either fixed-price or cost-reimbursement contracts, as determined by the Contracting Officer under this paragraph (c);

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

(2) To the extent consistent with subparagraph (c)(1) above, all clauses, terms, and conditions included in this letter contract shall continue in effect, except those that by their nature apply only to a letter contract.

(End of clause)

52.216-26 PAYMENTS OF ALLOWABLE COSTS BEFORE DEFINITIZATION (DEC 2002)

(a) Reimbursement rate. Pending the placing of the definitive contract referred to in this letter contract, the Government will promptly reimburse the Contractor for all allowable costs under this contract at the following rates:

(1) One hundred percent of approved costs representing financing payments to subcontractors under fixed-price subcontracts, provided that the Government's payments to the Contractor will not exceed 80 percent of the allowable costs of those subcontractors.

(2) One hundred percent of approved costs representing cost-reimbursement subcontracts; provided, that the Government's payments to the Contractor shall not exceed 85 percent of the allowable costs of those subcontractors.

(3) Eighty-five percent of all other approved costs.

(b) Limitation of reimbursement. To determine the amounts payable to the Contractor under this letter contract, the Contracting Officer shall determine allowable costs in accordance with the applicable cost principles in Part 31 of the Federal Acquisition Regulation (FAR). The total reimbursement made under this paragraph shall not exceed 85 percent of the maximum amount of the Government's liability, as stated in this contract.

(c) Invoicing. Payments shall be made promptly to the Contractor when requested as work progresses, but (except for small business concerns) not more often than every 2 weeks, in amounts approved by the Contracting Officer. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost incurred by the Contractor in the performance of this contract.

(d) Allowable costs. For the purpose of determining allowable costs, the term "costs" includes--

(1) Those recorded costs that result, at the time of the request for reimbursement, from payment by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(2) When the Contractor is not delinquent in payment of costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(i) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made--

(A) In accordance with the terms and conditions of a subcontract or invoice; and

(B) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

(ii) Materials issued from the Contractor's stores inventory and placed in the production process for use on the contract;

(iii) Direct labor;

(iv) Direct travel;

(v) Other direct in-house costs; and

(vi) Properly allocable and allowable indirect costs as shown on the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(3) The amount of financing payments that the Contractor has paid by cash, check, or other forms of payment to subcontractors.

(e) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.

(f) Audit. At any time before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of costs audited. Any payment may be (1) reduced by any amounts found by the Contracting Officer not to constitute allowable costs or (2) adjusted for overpayments or underpayments made on preceding invoices or vouchers.

(End of clause)

52.219-4 NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS (OCT 2004)

(a) Definition. HUBZone small business concern, as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

(b) Evaluation preference. (1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers, except--

(i) Offers from HUBZone small business concerns that have not waived the evaluation preference;

(ii) Otherwise successful offers from small business concerns;

(iii) Otherwise successful offers of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is exceeded (see 25.402 of the Federal Acquisition Regulation (FAR)); and

(iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219-23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer.

These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) Waiver of evaluation preference. A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference.

___ Offeror elects to waive the evaluation preference.

(d) Agreement. A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for

(1) Services (except construction), at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern nonmanufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

(End of clause)

52.245-17 SPECIAL TOOLING (APR 1984) (DEVIATION)

252.217-7027 CONTRACT DEFINITIZATION (OCT 1998)

(a) A CPAF/Cost Type is contemplated. The Contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive contract that will include (1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the undefinitized contract action, (2) all clauses required by law on the date of execution of the definitive contract action, and (3) any other mutually agreeable clauses, terms, and conditions. The Contractor agrees to submit CPAF/Cost Type proposal and cost or pricing data supporting its proposal.

(b) The schedule for definitizing this contract is as follows (insert target date for definitization of the contract action and dates for submission of proposal, beginning of negotiations, and, if appropriate, submission of the make-or-buy and subcontracting plans and cost or pricing data).

Submit proposal (original and 4 copies) 120 days

Conduct Negotiations 150 days

Definitize Letter Contract 180 days

(c) If agreement on a definitive contract action to supersede this undefinitized contract action is not reached by the target date in paragraph (b) of this clause, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with subpart 15.4 and part 31 of the FAR, subject to Contractor appeal as provided in the Disputes clause. In any event, the Contractor shall proceed with completion of the contract, subject only to the Limitation of Government Liability clause.

(1) After the Contracting Officer's determination of price or fee, the contract shall be governed by--

(i) All clauses required by the FAR on the date of execution of this undefinitized contract action for either fixed-price or cost-reimbursement contracts, as determined by the Contracting Officer under this paragraph (c);

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

(2) To the extent consistent with paragraph (c)(1) of this clause, all clauses, terms, and conditions included in this undefinitized contract action shall continue in effect, except those that by their nature apply only to an undefinitized contract action.

(d) The definitive contract resulting from this undefinitized contract action will include a negotiated CPAF/Cost Type in no event to exceed \$49.5M.

(End of clause)

252.232-7007 LIMITATION OF GOVERNMENT'S OBLIGATION (AUG 1993)

(a) Contract line item(s) 0001 through 0003 are incrementally funded. For these item(s), the sum of \$1,000,000 of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (i) of this clause.

(b) For item(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor will not be obligated to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled "TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (i) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (i) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for subsequent period as may be specified in the allotment schedule in paragraph (i) of this clause, or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT".

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraph (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such

equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "DEFAULT." The provisions of this clause are limited to work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) or (e) of this clause.

(h) Nothing in this clause affects the right of the Government to this contract pursuant to the clause of this contract entitled "TERMINATION FOR CONVENIENCE OF THE GOVERNMENT."

(i) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

On execution of contract.....	\$1,000,000
<u>FY 05</u>	\$12.2M
<u>FY06</u>	\$16.3M
<u>FY07</u>	\$16.3M
<u>FY08</u>	\$Balance

(End of clause)

252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002) ALTERNATE III (MAY 2002)

(a) Definitions. As used in this clause --

(1) "Components" means articles, materials, and supplies incorporated directly into end products at any level of manufacture, fabrication, or assembly by the Contractor or any subcontractor.

(2) "Department of Defense" (DoD) means the Army, Navy, Air Force, Marine Corps, and defense agencies.

(3) "Foreign flag vessel" means any vessel that is not a U.S.-flag vessel.

(4) "Ocean transportation" means any transportation aboard a ship, vessel, boat, barge, or ferry through international waters.

(5) "Subcontractor" means a supplier, materialman, distributor, or vendor at any level below the prime contractor whose contractual obligation to perform results from, or is conditioned upon, award of the prime contract and who is performing any part of the work or other requirement of the prime contract.

(6) "Supplies" means all property, except land and interests in land, that is clearly identifiable for eventual use by or owned by the DoD at the time of transportation by sea.

(i) An item is clearly identifiable for eventual use by the DoD if, for example, the contract documentation contains a reference to a DoD contract number or a military destination.

(ii) "Supplies" includes (but is not limited to) public works; buildings and facilities; ships; floating equipment and

vessels of every character, type, and description, with parts, subassemblies, accessories, and equipment; machine tools; material; equipment; stores of all kinds; end items; construction materials; and components of the foregoing.

(7) "U.S.-flag vessel" means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(b)(1) The Contractor shall use U.S.-flag vessels when transporting any supplies by sea under this contract.

(2) A subcontractor transporting supplies by sea under this contract shall use U.S.-flag vessels if--

(i) This contract is a construction contract; or

(ii) The supplies being transported are--

(A) Noncommercial items; or

(B) Commercial items that--

(1) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it contracts for f.o.b. destination shipment);

(2) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or

(3) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

(c) The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, if the Contractor or a subcontractor believes that --

(1) U.S.-flag vessels are not available for timely shipment;

(2) The freight charges are inordinately excessive or unreasonable; or

(3) Freight charges are higher than charges to private persons for transportation of like goods.

(d) The Contractor must submit any request for use of other than U.S.-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedules. The Contracting Officer will process requests submitted after such date(s) as expeditiously as possible, but the Contracting Officer's failure to grant approvals to meet the shipper's sailing date will not of itself constitute a compensable delay under this or any other clause of this contract. Requests shall contain at a minimum --

(1) Type, weight, and cube of cargo;

(2) Required shipping date;

(3) Special handling and discharge requirements;

(4) Loading and discharge points;

(5) Name of shipper and consignee;

(6) Prime contract number; and

(7) A documented description of efforts made to secure U.S.-flag vessels, including points of contact (with names and telephone numbers) with at least two U.S.-flag carriers contacted. Copies of telephone notes, telegraphic and facsimile message or letters will be sufficient for this purpose.

(e) The Contractor shall, within 30 days after each shipment covered by this clause, provide the Contracting Officer and the Maritime Administration, Office of Cargo Preference, U.S. Department of Transportation, 400 Seventh Street SW., Washington, DC 20590, one copy of the rated on board vessel operating carrier's ocean bill of lading, which shall contain the following information:

- (1) Prime contract number;
- (2) Name of vessel;
- (3) Vessel flag of registry;
- (4) Date of loading;
- (5) Port of loading;
- (6) Port of final discharge;
- (7) Description of commodity;
- (8) Gross weight in pounds and cubic feet if available;
- (9) Total ocean freight in U.S. dollars; and
- (10) Name of the steamship company.

(f) The Contractor shall insert the substance of this clause, including this paragraph (f), in subcontracts that are for a type of supplies described in paragraph (b)(2) of this clause.

(End of clause)

Section J - List of Documents, Exhibits and Other Attachments

CLAUSES INCORPORATED BY FULL TEXT

PART III - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTSSECTION J - LIST OF ATTACHMENTS

<u>TITLE</u>	<u>DATE</u>	<u>#OF PAGES</u>
Contract Security Classification Specification	22 Nov 05	9
Contract Data Requirements List (DD Form 1423) Exhibit A with Distribution List	14 Jul 04	32
Scope of Work Entitled, " System of Systems Engineering and Integration (SE&I) Incorporated herein by reference.	17 Jul 04	10
Risk Mitigation Plan	15 Oct 04	7
U.S. Army Strategic Defense Command Ballistic Missile Defense (BMD) Classification Guide, incorporated herein by reference. Upon request, the Contracting Officer will provide.	03 Jul 89	132
Strategic Defense Initiative Organization Foreign Intelligence Collections Threat to Strategic Defense Initiative Programs threat document which is classified SECRET NOFORN, incorporated herein by reference. Upon request, the Contracting Officer will provide.	29 Jun 92	16
U.S. Army Strategic Defense Command Industrial Operations Security (OPSEC) Guide, incorporated herein by reference. Upon request, the Contracting Officer will provide.	Sep 91	88
Military Standard (MIL-STD) 1806, Marking Technical Data Prepared by or for the Department of Defense, incorporated herein by reference.	1 Feb 90	43