

DATE OF ORDER 09/23/2007	CONTRACT NO. (if any)	ORDER NO. HSBP1107P18891	PAGE OF PAGES 2 2
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Federal Tax Exempt ID: 72-0408780

NOTES:

The purpose of this delivery order is to provide line items 00010 through 00030 per the terms and conditions of PepperBall and the attached Section A.

Quote no. QQF8AA018QVG dated 9/12/07.

The Order Number (Block 3) shall be referenced on the invoice.

Send invoice to the address in Block 21.

Also please send a copy of the invoice to: USCBP, Attn: (b) (6), 1300 Pennsylvania Ave., NW, Room 5.3C, Washington, DC 20229

CBP Delivery Site Point of Contact: (b) (6)

Contract Specialist: (b) (6)

PURCHASE ORDER TERMS AND CONDITIONS**U.S. CUSTOMS and BORDER PROTECTION**

Supplemental Clauses/Provisions

Order Number: HSBP1107P18891**SCHEDULE OF SUPPLIES/SERVICES**

Item Number:	00010	Line Item (Priced/Information/Option): P		
Supplies/Services:	Tactical PAVA Pepperballs Item PP3-R375 562 canisters (375 projectiles per canister) - 2 part, 3 grap PAVA Projectiles			
	Qty	Unit	Unit Price	Ext. Price
	562	EA	\$525.0000	\$295,050.0000
Item Number:	00020	Line Item (Priced/Information/Option): P		
Supplies/Services:	Inert Powder Pepperballs Item PC3-P375 974 canisters (375 projectiles per canister) - Projectile, Inert Powder			
	Qty	Unit	Unit Price	Ext. Price
	974	EA	\$210.0000	\$204,540.0000
Item Number:	00030	Line Item (Priced/Information/Option): P		
Supplies/Services:	Freight			
	Qty	Unit	Unit Price	Ext. Price
	1	EA	\$410.0000	\$410.0000
Total Funded Contract Value:				<u>\$500,000.0000</u>

ACCOUNTING AND APPROPRIATION INFORMATION

Item: 00010 6100.319BUSCSGLCS0901800000Z00007400BN01
11126319B Amount \$295,050.0000

Item: 00020 6100.319BUSCSGLCS0901800000Z00007400BN01
11126319B Amount \$204,540.0000

Item: 00030 6100.319BUSCSGLCS0901800000Z00007400BN01
11126319B Amount \$410.0000

DELIVERY SCHEDULE

Deliver To: Customs and Border Protection

(b) (7)(E)

Instructions: Item	Quantity	Delivery Date	Recipient	Unloading PT.
00010	562	10/02/2007	(b) (6)	
00020	974	10/02/2007	(b) (6)	
00030	1	10/02/2007		

P.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.acqnet.gov>

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

NUMBER	DATE	TITLE
52.203-3	APR 1984	GRATUITIES
52.203-5	APR 1984	COVENANT AGAINST CONTINGENT FEES
52.204-7	JUL 2006	CENTRAL CONTRACTOR REGISTRATION
52.222-3	JUN 2003	CONVICT LABOR
52.222-26	MAR 2007	EQUAL OPPORTUNITY
52.222-36	JUN 1998	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
52.232-1	APR 1984	PAYMENTS
52.232-8	FEB 2002	DISCOUNTS FOR PROMPT PAYMENT
52.233-1	JUL 2002	DISPUTES
52.243-1	AUG 1987	CHANGES - FIXED-PRICE
52.247-34	NOV 1991	F.O.B. DESTINATION

P.2 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2004)

- (a) It is the policy of the United States that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns.
- (b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.
- (c) Definitions. As used in this contract--
 "HUBZone small business concern" means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

"Service-disabled veteran-owned small business concern"--

- (1) Means a small business concern--
 - (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
 - (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.
- (2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a small business as defined pursuant to Section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto.

"Small disadvantaged business concern" means a small business concern that represents, as part of its offer that--

- (1) It has received certification as a small disadvantaged business concern consistent with 13 CFR part 124, subpart B;
- (2) No material change in disadvantaged ownership and control has occurred since its certification;
- (3) Where the concern is owned by one or more individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and
- (4) It is identified, on the date of its representation, as a certified small disadvantaged business in the database maintained by the Small Business Administration (PRO-Net).

"Veteran-owned small business concern" means a small business concern--

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern--

- (1) That is at least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a small business concern, a veteran-owned small business concern, a service-disabled veteran-owned small business concern, a HUBZone small business concern, a small disadvantaged business concern, or a women-owned small business concern.

[End of Clause]

P.3 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (JUN 2007)**(a) Definitions. As used in this clause--**

"Long-term contract" means a contract of more than five years in duration, including options. However, the term does not include contracts that exceed five years in duration because the period of performance has been extended for a cumulative period not to exceed six months under the clause at 52.217-8, Option to Extend Services, or other appropriate authority.

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (c) of this clause.

- (b) If the Contractor represented that it was a small business concern prior to award of this contract, the Contractor shall rerepresent its size status according to paragraph (e) of this clause or, if applicable, paragraph (g) of this clause, upon the occurrence of any of the following:
- (1) Within 30 days after execution of a novation agreement or within 30 days after modification of the contract to include this clause, if the novation agreement was executed prior to inclusion of this clause in the contract.
 - (2) Within 30 days after a merger or acquisition that does not require a novation or within 30 days after modification of the contract to include this clause, if the merger or acquisition occurred prior to inclusion of this clause in the contract.
 - (3) For long-term contracts--
 - (i) Within 60 to 120 days prior to the end of the fifth year of the contract; and
 - (ii) Within 60 to 120 days prior to the exercise date specified in the contract for any option thereafter.
- (c) The Contractor shall rerepresent its size status in accordance with the size standard in effect at the time of this rerepresentation that corresponds to the North American Industry Classification System (NAICS) code assigned to this contract. The small business size standard corresponding to this NAICS code can be found at <http://www.sba.gov/services/contractingopportunities/sizestandardstopics/>.
- (d) The small business size standard for a Contractor providing a product which it does not manufacture itself, for a contract other than a construction or service contract, is 500 employees.
- (e) Except as provided in paragraph (g) of this clause, the Contractor shall make the rerepresentation required by paragraph (b) of this clause by validating or updating all its representations in the Online Representations and Certifications Application and its data in the Central Contractor Registration, as necessary, to ensure they reflect current status. The Contractor shall notify the contracting office by e-mail, or otherwise in writing, that the data have been validated or updated, and provide the date of the validation or update.
- (f) If the Contractor represented that it was other than a small business concern prior to award of this contract, the Contractor may, but is not required to, take the actions required by paragraphs (e) or (g) of this clause.
- (g) If the Contractor does not have representations and certifications in ORCA, or does not have a representation in ORCA for the NAICS code applicable to this contract, the Contractor is required to complete the following rerepresentation and submit it to the contracting office, along with the contract number and the date on which the rerepresentation was completed:

The Contractor represents that it [] is, [] is not a small business concern under NAICS Code _____ assigned to contract number _____.

Contractor Signature: _____

Date Signed: _____

Name: _____

Title: _____

[End of Clause]

P.4 3052.209-70 PROHIBITION ON CONTRACTS WITH CORPORATE EXPATRIATES (JUN 2006)

(a) Prohibitions.

Section 835 of the Homeland Security Act, 6 U.S.C. 395, prohibits the Department of Homeland Security from entering into any contract with a foreign incorporated entity which is treated as an inverted domestic corporation as defined in this clause, or with any subsidiary of such an entity. The Secretary shall waive the prohibition with respect to any specific contract if the Secretary determines that the waiver is required in the interest of national security.

(b) Definitions. As used in this clause:

"Expanded Affiliated Group" means an affiliated group as defined in section 1504(a) of the Internal Revenue Code of 1986 (without regard to section 1504(b) of such Code), except that section 1504 of such Code shall be applied by substituting "more than 50 percent" for "at least 80 percent" each place it appears.

"Foreign Incorporated Entity" means any entity which is, or but for subsection (b) of section 835 of the Homeland Security Act, 6 U.S.C. 395, would be, treated as a foreign corporation for purposes of the Internal Revenue Code of 1986.

"Inverted Domestic Corporation." A foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)--

- (1) The entity completes the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership;
- (2) After the acquisition at least 80 percent of the stock (by vote or value) of the entity is held--
 - (i) In the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or
 - (ii) In the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; and
- (3) The expanded affiliated group which after the acquisition includes the entity does not have substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

"Person", "domestic", and "foreign" have the meanings given such terms by paragraphs (1), (4), and (5) of section 7701(a) of the Internal Revenue Code of 1986, respectively.

- (c) Special rules. The following definitions and special rules shall apply when determining whether a foreign incorporated entity should be treated as an inverted domestic corporation.
- (1) Certain stock disregarded. For the purpose of treating a foreign incorporated entity as an inverted domestic corporation these shall not be taken into account in determining ownership:
 - (i) Stock held by members of the expanded affiliated group which includes the foreign incorporated entity; or
 - (ii) Stock of such entity which is sold in a public offering related to an acquisition described in section 835(b)(1) of the Homeland Security Act, 6 U.S.C. 395(b)(1).
 - (2) Plan deemed in certain cases. If a foreign incorporated entity acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (b)(2) are met, such actions shall be treated as pursuant to a plan.
 - (3) Certain transfers disregarded. The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.
- (d) Special rule for related partnerships. For purposes of applying section 835(b) of the Homeland Security Act, 6 U.S.C. 395 (b) to the acquisition of a domestic partnership, except as provided in regulations, all domestic partnerships which are under common control (within the meaning of section 482 of the Internal Revenue Code of 1986) shall be treated as a partnership.
- (e) Treatment of Certain Rights.
- (1) Certain rights shall be treated as stocks to the extent necessary to reflect the present value of all equitable interests incident to the transaction, as follows:
 - (i) Warrants;
 - (ii) Options;
 - (iii) Contracts to acquire stock;
 - (iv) Convertible debt instruments;
 - (v) Others similar interests.
 - (2) Rights labeled as stocks shall not be treated as stocks whenever it is deemed appropriate to do so to reflect the present value of the transaction or to disregard transactions whose recognition would defeat the purpose of section 835.
- (f) Disclosure. The offeror under this solicitation represents that [Check one]:
- it is not a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73;
- it is a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73, but it has submitted a request for waiver pursuant to 3009.104-74, which has not been denied; or
- it is a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73, but it plans to submit a request for waiver pursuant to 3009.104-74.

- (g) A copy of the approved waiver, if a waiver has already been granted, or the waiver request, if a waiver has been applied for, shall be attached to the bid or proposal.

[End of Clause]