

DATE OF ORDER 09/21/2006	CONTRACT NO. (if any) HSBP1006D01353	ORDER NO. HSBP1006J13313	PAGE OF PAGES 2 2
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Federal Tax Exempt ID: 72-0408780

NOTES:

The contractor shall provide all supplies and services necessary to perform the Attachment (1), SBI net Program Management Task Statement of Work (SOW). The contractor is only authorized to perform SOW Subtasks 1, 4, 5, 6, and 11. The period of performance for this Order is 09/21/2006 through 09/20/2007. The estimated cost of this Order is (b) (4). The total estimated fee of this Order is (b) (4). The estimated Cost Plus Award Fee (CPAF) of this Order is \$44,221,956.00. Base fee on cost is (b) (4) and the award fee of this Order is (b) (4).

The total not to exceed is \$36,480,266.00, which is anticipated to cover performance through 07/21/2007. The contractor shall submit all deliverables to the government at the following address: Department of Homeland Security, U.S. Customs and Border Protection, SBI Program Management Office, Ronald Regan Building, Suite 7.5C, 1300 Pennsylvania Avenue, NW, Washington, DC 20229.

(b) (6)

9/21/06
Date

contracts might.

SCHEDULE OF SUPPLIES/SERVICES

Item Number:	00010	Line Item (Priced/Information/Option):	P
Supplies/Services:	SBI net Contract award		
	Qty	Unit	Unit Price
	1	AU	\$36,480,266.6000
			Ext. Price
			\$36,480,266.6000
Total Funded Contract Value:			<u>\$36,480,266.60</u>

 ACCOUNTING AND APPROPRIATION INFORMATION

Item: 00010 6100.2525USCSGLCS0923080000ZJBS05441BN04 IS7402525 Amount \$36,480,266.60

 DELIVERY SCHEDULE

Deliver To: Customs and Border Protection

 1300 Pennsylvania Avenue N W
 Ronald Reagan Federal Building
 Washington DC 20229

Instructions: Item	Quantity	Delivery Date	Recipient	Unloading PT.
00010	1	09/15/2006		

A.1 52.232-22 LIMITATION OF FUNDS (APR 1984)

- (a) The parties estimate that performance of this contract will not cost the Government more than (1) the estimated cost specified in the Schedule or, (2) if this is a cost-sharing contract, the Government's share of the estimated cost specified in the Schedule. The Contractor agrees to use its best efforts to perform the work specified in the Schedule and all obligations under this contract within the estimated cost, which, if this is a cost-sharing contract, includes both the Government's and the Contractor's share of the cost.
- (b) The Schedule specifies the amount presently available for payment by the Government and allotted to this contract, the items covered, the Government's share of the cost if this is a cost-sharing contract, and the period of performance it is estimated the allotted amount will cover. The parties contemplate that the Government will allot additional funds incrementally to the contract up to the full estimated cost to the Government specified in the Schedule, exclusive of any fee. The Contractor agrees to perform, or have performed, work on the contract up to the point at which the total amount paid and payable by the Government under the contract approximates but does not exceed the total amount actually allotted by the Government to the contract.
- (c) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that the costs it expects to incur under this contract in the next 60 days, when added to all costs previously incurred, will exceed 75 percent of (1) the total amount so far allotted to the contract by the Government or, (2) if this is a cost-sharing contract, the amount then allotted to the contract by the Government plus the Contractor's corresponding share. The notice shall state the estimated amount of additional funds required to continue performance for the period specified in the Schedule.
- (d) Sixty days before the end of the period specified in the Schedule, the Contractor shall notify the Contracting Officer in writing of the estimated amount of additional funds, if any, required to continue timely performance under the contract or for any further period specified in the Schedule or otherwise agreed upon, and when the funds will be required.

- (e) If, after notification, additional funds are not allotted by the end of the period specified in the Schedule or another agreed-upon date, upon the Contractor's written request the Contracting Officer will terminate this contract on that date in accordance with the provisions of the Termination clause of this contract. If the Contractor estimates that the funds available will allow it to continue to discharge its obligations beyond that date, it may specify a later date in its request, and the Contracting Officer may terminate this contract on that later date.
- (f) Except as required by other provisions of this contract, specifically citing and stated to be an exception to this clause--
 - (1) The Government is not obligated to reimburse the Contractor for costs incurred in excess of the total amount allotted by the Government to this contract; and
 - (2) The Contractor is not obligated to continue performance under this contract (including actions under the Termination clause of this contract) or otherwise incur costs in excess of (i) the amount then allotted to the contract by the Government or, (ii) if this is a cost-sharing contract, the amount then allotted by the Government to the contract plus the Contractor's corresponding share, until the Contracting Officer notifies the Contractor in writing that the amount allotted by the Government has been increased and specifies an increased amount, which shall then constitute the total amount allotted by the Government to this contract.
- (g) The estimated cost shall be increased to the extent that (1) the amount allotted by the Government or, (2) if this is a cost-sharing contract, the amount then allotted by the Government to the contract plus the Contractor's corresponding share, exceeds the estimated cost specified in the Schedule. If this is a cost-sharing contract, the increase shall be allocated in accordance with the formula specified in the Schedule.
- (h) No notice, communication, or representation in any form other than that specified in subparagraph (f)(2) above, or from any person other than the Contracting Officer, shall affect the amount allotted by the Government to this contract. In the absence of the specified notice, the Government is not obligated to reimburse the Contractor for any costs in excess of the total amount allotted by the Government to this contract, whether incurred during the course of the contract or as a result of termination.
- (i) When and to the extent that the amount allotted by the Government to the contract is increased, any costs the Contractor incurs before the increase that are in excess of (1) the amount previously allotted by the Government or, (2) if this is a cost-sharing contract, the amount previously allotted by the Government to the contract plus the Contractor's corresponding share, shall be allowable to the same extent as if incurred afterward, unless the Contracting Officer issues a termination or other notice and directs that the increase is solely to cover termination or other specified expenses.
- (j) Change orders shall not be considered an authorization to exceed the amount allotted by the Government specified in the Schedule, unless they contain a statement increasing the amount allotted.
- (k) Nothing in this clause shall affect the right of the Government to terminate this contract. If this contract is terminated, the Government and the Contractor shall negotiate an equitable distribution of all property produced or purchased under the contract, based upon the share of costs incurred by each.
- (l) If the Government does not allot sufficient funds to allow completion of the work, the Contractor is entitled to a percentage of the fee specified in the Schedule equaling the percentage of completion of the work contemplated by this contract.

[End of Clause]

Attachment 1

Order No. HSBP1006J13313

Contract No. HSBP1006D01353

Secure Border Initiative (SBI)*net*

Program Management Task

Statement of Work

Secure Border Initiative (SBI)*net*
Program Management Task
Statement of Work

1 Purpose

The purpose of the first Task Order is to provide program management and systems engineering services throughout the life of the SBI*net* contract. The Boeing Company (Boeing) approach to this task incorporates mission engineering, facilities and infrastructure, systems engineering, test and evaluation, and program management services. When coupled with the Boeing work breakdown structure, this document is the vehicle for meeting the management objectives of the SBI*net* program. The Boeing's approach combines transparent governance, proven processes, best practices, and personnel to deliver a best value solution that meets all technical, schedule, and cost objectives.

2 Background

DHS Secure Border Initiative

The Department of Homeland Security (DHS) Secure Border Initiative (SBI) is a comprehensive approach to immigration enforcement. The SBI focuses broadly on two major enforcement themes: controlling the border and immigration enforcement within the United States of America (USA). Border control means gaining full control of the USA borders so illegal immigration as well as security breaches can be prevented. Enforcement inside the USA means locating and removing aliens who are present in the USA in violation of USA laws.

In developing the SBI, DHS is taking an integrated systems approach to the problem. The entire immigration enforcement system requires review, beginning with the gathering of immigration-specific intelligence and the detection of illegal border crossings, followed by apprehension, processing, transportation, and detection of the alien, and ending with the alien's removal from the USA. Adding agents at the border is insufficient unless they can be given the tools and technology they need to carry out their mission. A systematic approach will deploy all of these tools in stages, allowing each stage to build on the success of earlier stages.

Customs and Border Protection SBI*net*

The SBI*net* unified border control strategy encompasses both the northern and southern land borders including the Great Lakes, and the interdiction of cross border violations between the ports and at the official ports of entry (POEs). This strategy will funnel traffic to the USA through POEs where DHS has a greater level of control. The border environment is extremely complex, encompassing rural, urban, and remote areas as well as extreme climate variations and terrain. Therefore SBI*net* as a border control tool must be flexible and capable of being implemented in a manner that best suits these needs and requirements.

Control of the border requires that four key elements be met. These four elements are:

1. Detect entries when they occur;
2. Identify what the entry is;