

AWARD/CONTRACT	1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	RATING	PAGE OF PAGES
			1 47

2. CONTRACT (Proc. Inst. Ident.) NO. HSBP1010C02157	3. EFFECTIVE DATE 11/13/2009	4. REQUISITION/PURCHASE REQUEST/PROJECT NO. 0020046562
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5. ISSUED BY Department of Homeland Security Customs and Border Protection 1331 Pennsylvania Ave NW NP 1310 Washington 20229	6. ADMINISTERED BY (If other than Item 5) CODE Dept of Homeland Security Customs and Border Protection Procurement Directorate - NP 1310 1331 Pennsylvania Ave. NW Washington DC 20229
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7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State & Zip Code) DEFENSE SUPPORT SERVICES LLC 12000 HORIZON WAY STE 400 MOUNT LAUREL NJ 08054-4323	8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)
	9. DISCOUNT FOR PROMPT PAYMENT
	10. SUBMIT INVOICES TO THE ADDRESS SHOWN IN: (4 copies unless otherwise specified) 4

CODE 139847276	FACILITY CODE
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11. SHIP TO/MARK FOR See Attached Delivery Schedule	12. PAYMENT WILL BE MADE BY CODE 70050800 DHS - Customs & Border Protection National Finance Center PO Box 68908 Indianapolis IN 46268
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13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) () <input type="checkbox"/> 41 U.S.C. 253 (c) ()	14. ACCOUNTING AND APPROPRIATION DATA SEE ATTACHED APPROPRIATION DATA
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15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
	See Attached.				

15G. TOTAL AMOUNT OF CONTRACT \$1,342,153.00

(X) SEC.	DESCRIPTION	PAGE(S)	(X) SEC.	DESCRIPTION	PAGE(S)
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X B	SUPPLIES OR SERVICES AND PRICES/COSTS	2-4	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.		
X C	DESCRIPTION/SPECS /WORK STATEMENT	5-5	X J	LIST OF ATTACHMENTS	47-47
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X E	INSPECTION AND ACCEPTANCE	7-7	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. <input type="checkbox"/> 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. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number <u>HSBP1008R1139</u> 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.
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19A. NAME AND TITLE (b) (6) Sr. Vice President, Operations Defense Support Services LLC	20A. NAME OF CONTRACTING OFFICER (b) (6)
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19B. (b) (6)	19C. DATE SIGNED 11/13/2009	20B. (b) (6)	20C. DATE SIGNED 11/13/2009
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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

SEE FOLLOWING SCHEDULE (PAGES 2A THROUGH 2T)

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

PART A –PHASE-IN (DEC 1 – JAN 31, 2010) - - FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM

CLIN	DESCRIPTION	QUANTITY	TOTAL FIRM FIXED PRICE
0001	PHASE-IN IAW THE PWS, Attachment (1), & Contractor’s Proposal	1 LOT	(b) (4)

FULL PERFORMANCE (FEB 1, 2010 THROUGH SEP 30 2010) CLINS
PART B – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
0002	PROGRAM MANAGEMENT (DIRECT LABOR)	8/MO	(b) (4)	(b) (4)

PART C – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
0003	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).	TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS: -GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION	EST. COST:
0004	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)	(b) (4)
0005	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)	(b) (4)
0006	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)	(b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
0007	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
0008	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
BASE YEARS TOTAL ALL CLINS		<u>\$62,460,179.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

FIRST OPTION PERIOD OF PERFORMANCE (OCT 1, 2010 THROUGH SEP 30, 2011) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
1001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
1002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
1003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)	EST. COST:	(b) (4)
1004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)	EST. COST:	(b) (4)
1005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)	EST. COST:	(b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
1006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
1007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
FIRST OPTION TOTAL COST ALL CLINS		<u>\$94,015,060.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

SECOND OPTION PERIOD OF PERFORMANCE (OCT 1, 2011 THROUGH SEP 30, 2012) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
2001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
2002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
2003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)	EST. COST:	(b) (4)
2004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)	EST. COST:	(b) (4)
2005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)	EST. COST:	(b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
2006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
2007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
SECOND OPTION TOTAL COST ALL CLINS		<u>\$94,839,016.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

THIRD OPTION PERIOD OF PERFORMANCE (OCT 1, 2012 THROUGH SEP 30, 2013) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
3001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
3002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
3003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)		EST. COST: (b) (4)
3004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)		EST. COST: (b) (4)
3005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)		EST. COST: (b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
3006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
3007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
THIRD OPTION TOTAL COST ALL CLINS		<u>\$96,302,686.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

FOURTH OPTION PERIOD OF PERFORMANCE (OCT 1, 2013 THROUGH SEP 30, 2014) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
4001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
4002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
4003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)		EST. COST: (b) (4)
4004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)		EST. COST: (b) (4)
4005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)		EST. COST: (b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
4006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
4007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
FOURTH OPTION TOTAL COST ALL CLINS		<u>\$97,576,323.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

FIFTH OPTION PERIOD OF PERFORMANCE (OCT 1, 2014 THROUGH SEP 30, 2015) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
5001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
5002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
5003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)	EST. COST:	(b) (4)
5004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)	EST. COST:	(b) (4)
5005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)	EST. COST:	(b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
5006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
5007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
FIFTH OPTION TOTAL COST ALL CLINS		<u>\$98,595,001.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

SIXTH OPTION PERIOD OF PERFORMANCE (OCT 1, 2015 THROUGH SEP 30, 2016) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
6001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
6002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC's including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
	TARGET COST (INCLUDING COM)		(b) (4)
	TARGET FEE (b) (4)		(b) (4)
	TARGET COST PLUS INCENTIVE FEE		(b) (4)
	MAXIMUM FEE (b) (4)		(b) (4)
	MINIMUM FEE (0%)		\$0.00
	PROPOSED SHARING RATIOS:		
	-GOVERNMENT%/CONTRACTOR%		(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
6003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)	EST. COST:	(b) (4)
6004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)	EST. COST:	(b) (4)
6005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)	EST. COST:	(b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
6006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
6007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
SIXTH OPTION TOTAL COST ALL CLINS		<u>\$98,220,531</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

SEVENTH OPTION PERIOD OF PERFORMANCE (OCT 1, 2016 THROUGH SEP 30, 2017) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
7001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
7002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
7003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)		EST. COST: (b) (4)
7004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)		EST. COST: (b) (4)
7005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)		EST. COST: (b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
7006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
7007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
SEVENTH OPTION TOTAL COST ALL CLINS		<u>\$98,163,886.00</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

EIGHTH OPTION PERIOD OF PERFORMANCE (OCT 1, 2017 THROUGH SEP 30, 2018) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
8001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
8002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
8003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)		EST. COST: (b) (4)
8004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)		EST. COST: (b) (4)
8005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)		EST. COST: (b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
8006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
8007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP
EIGHTH OPTION TOTAL COST ALL CLINS		<u>\$98,326,833</u>

PART I – THE SCHEDULE
SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS
CONTINUED

The Contractor shall provide all labor, material, equipment, tools, data, and etc (total logistics support) to meet the requirements of the Performance Work Statement (PWS) (Attachment (1)), terms and conditions of the contract, and Contractor’s proposal (as incorporated into said contract) in support of Customs and Border Protection Aircraft fleet.

NINTH OPTION PERIOD OF PERFORMANCE (OCT 1, 2018 THROUGH SEP 30, 2019) CLINs

PART A – FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION	QUANTITY/ UNIT	FIXED UNIT PRICE	TOTAL FIRM FIXED PRICE
9001	PROGRAM MANAGEMENT (DIRECT LABOR)	12/MO	(b) (4)	(b) (4)

PART B – COST PLUS INCENTIVE FEE (IAW FAR 16.304) CONTRACT LINE ITEM - -

CLIN	DESCRIPTION		
9002	AIRCRAFT MAINTENANCE & LOGISTICS SUPPORT (EXCLUDING PROGRAM MANAGEMENT) Cost Plus Incentive Fee for all labor (excluding Program Management), Other Direct Costs (ODC’s including EDP Support) and applicable burdens necessary to meet the requirements of the PWS (Attachment (1)).		
		TARGET COST (INCLUDING COM)	(b) (4)
		TARGET FEE (b) (4)	(b) (4)
		TARGET COST PLUS INCENTIVE FEE	(b) (4)
		MAXIMUM FEE (b) (4)	(b) (4)
		MINIMUM FEE (0%)	\$0.00
		PROPOSED SHARING RATIOS:	
		-GOVERNMENT%/CONTRACTOR%	(b) (4)

PART D – COST REIMBURSEMENT CONTRACT LINE ITEMS -

CLIN	DESCRIPTION		
9003	MATERIAL AND AIRCRAFT REPAIRABLE (Reimbursement shall be limited to subcontractor labor cost for Aircraft repairables, vendors’ material invoices, shipping charges and applicable G&A)		EST. COST: (b) (4)
9004	TRAVEL (Reimbursement shall be limited to FAR 31.205-46 and applicable G&A)		EST. COST: (b) (4)
9005	TRAINING (Allowable on a case-by-case basis IAW Para. C.5.3.2.4 of PWS- If allowable, reimbursement shall be limited to registration fee, course cost, testing fee, text material cost, related travel costs (IAW FAR 31.205-46), and applicable G&A)		EST. COST: (b) (4)

PART E – NOT SEPARATELY PRICE (NSP) CONTRACT LINE ITEMS

CLIN	DESCRIPTION	COST
9006	Contract Deliverables (Appendix 10 of Attachment (1) PWS)	NSP
9007	Submission of Standard Form 294 and 295 via eSRS IAW FAR 52.219-9 and Clause H.14	NSP

PART E – PHASE OUT (AUG 1, 2018 – SEP 20, 2018) - - FIRM FIXED PRICE (IAW FAR 16.202-1) CONTRACT LINE ITEM

CLIN	DESCRIPTION	QUANTITY	TOTAL FIRM FIXED PRICE
9008	PHASE-OUT IAW THE PWS, Attachment (1), & Contractor's Proposal	1 LOT	<u>\$0.00</u>
NINTH OPTION TOTAL COST ALL CLINS			<u>\$98,435,645</u>

B.2 DETERMINATION OF INCENTIVE FEE

Incentive Fees

This contract includes multiple incentive fees that emphasize Operational Performance (aircraft launch rates, mission completion, and satisfactory inspection results) and Cost Performance. Because the Government considers Operational Performance to be more important than Cost Performance, the target incentive fee will be divided as follows: 60% Operational Performance/40% Cost Performance. The overall target fee will be (b) (4) **(Base Year and Option Year 1); and (b) (4) (Option Years 2 through 9)** of the target cost of the contract. The maximum fee will be (b) (4) of the target cost of the contract, for each year. As an incentive for the contractor to exercise exceptional cost control, the additional fee (difference between the target fee and maximum fee) can only be earned in the category of Cost Performance. The minimum fee available in both categories is zero percent. Fees relating to Operational Performance will be awarded quarterly and based upon the calculation of fees described below. Fees relating to Cost Performance will be awarded following the completion of the appropriate period of performance by applying the cost sharing ratio formula that relates total allowable costs incurred to the Target Cost.

Operational Performance Incentive

The target (as well as maximum) fee available in this category is (b) (4) **(Base Year and Option Year 1); and (b) (4) (Option Years 2 through 9)** of the Target Cost. The minimum fee available is zero percent. Fee related to Operational Performance is impacted by the following three variables:

1. Launch rate
2. Mission completion
3. Aircraft inspection

The primary calculation is a ratio obtained by multiplying percentage launch rate by percentage mission completion. For example a launch rate of 90 percent and a mission completion rate of 90 percent equals a performance ratio of 81 percent. The contractor would then receive 10 percent times .81 or 81 percent of the available operational performance fee. If either figure is less than 90 percent, there is zero operational performance fee. The aircraft inspection factor is a negative incentive. Each aircraft that fails an inspection would result in the loss of one-third of the operational fee. If three aircraft fail an inspection, 100 percent of the fee earned for Launch Rate and Mission Completion for that quarter is forfeited.

Launch rate. The percentage of operational requests that are responded to with the numbers, types, and properly configured aircraft. This is not an operational readiness rate. Launch rates are not calculated based upon the status of each aircraft in the fleet. It is a measurement of the ability of the contractor to provide an aircraft in response to a specific operational request. On a quarterly basis, the Government will determine the number of requests that were properly responded to as a percentage of aircraft requested. All support sites will be rolled into one percentage. The contractor will not be penalized for this Incentive Fee metric for situations which are beyond the contractor's control. Examples of such situations include, but not limited to, the following: an aircraft is not available for launch because it is being painted by a third party vendor; an aircraft is not available for launch because it is undergoing a Government directed modification; non-availability of Government aircrew to perform required maintenance test flights or ground runs, etc.

Mission Completion. The percentage of missions that were fully completed versus the number flown. To be considered a completed mission, all systems under the control of the contractor must have functioned properly and not contributed to the inability of the crew to complete its assigned mission. If systems malfunction, the contractor will not be held accountable for this Incentive Fee metric if all three of the following are true:

1. The inoperative equipment was not the fault of the contractor. For example, failure to perform a scheduled maintenance, failure to perform a required test, or failure to repair or replace equipment the Government had noted was inoperative or not fully functional.
2. The problem was not foreseeable by the contractor.
3. The problem was beyond the contractor's control to have avoided.

On a quarterly basis, the Government will determine the number of missions as a percentage of missions flown that were not completed due to contractor performance or failure to perform contractual requirements. All support sites will be rolled into one percentage.

The launch rate and mission completion rate percentages will then be multiplied together to obtain a fee related to operational performance. There will be zero incentive fee if either percentage is below 90 percent as shown in the Operational Performance Incentive Fee Matrix shown below.

The statistics will be calculated by the contractor and verified by the Government.

Results of Government Aircraft Inspections. During each quarter, the Government will inspect at least 34 aircraft. These inspections will be conducted by the Government on a “no notice” basis. For each aircraft that fails a Government inspection, the contractor will forfeit one-third of the earned fee earned for that quarter. If three aircraft fail an inspection, 100 percent of the fee earned for Launch Rate and Mission Completion for that quarter is forfeited. See Tab 8 of Attachment 5 (Government Aircraft Inspections) for details.

Incentive Fee Matrix for Operational Performance

		Launch Rate Percentage															
		1.00	0.99	0.98	0.97	0.96	0.95	0.94	0.93	0.92	0.91	0.90	0.89	0.88	0.87	0.86	0.85
Mission Completion Rate Percentage	1.00	1.00	0.99	0.98	0.97	0.96	0.95	0.94	0.93	0.92	0.91	0.90					
	0.99	0.99	0.98	0.97	0.96	0.95	0.94	0.93	0.92	0.91	0.90	0.89					
	0.98	0.98	0.97	0.96	0.95	0.94	0.93	0.92	0.91	0.90	0.89	0.88					
	0.97	0.97	0.96	0.95	0.94	0.93	0.92	0.91	0.90	0.89	0.88	0.87					
	0.96	0.96	0.95	0.94	0.93	0.92	0.91	0.90	0.89	0.88	0.87	0.86					
	0.95	0.95	0.94	0.93	0.92	0.91	0.90	0.89	0.88	0.87	0.86	0.86					
	0.94	0.94	0.93	0.92	0.91	0.90	0.89	0.88	0.87	0.86	0.86	0.85					
	0.93	0.93	0.92	0.91	0.90	0.89	0.88	0.87	0.86	0.86	0.85	0.84					
	0.92	0.92	0.91	0.90	0.89	0.88	0.87	0.86	0.86	0.85	0.84	0.83					
	0.91	0.91	0.90	0.89	0.88	0.87	0.86	0.86	0.85	0.84	0.83	0.82					
	0.90	0.90	0.89	0.88	0.87	0.86	0.86	0.85	0.84	0.83	0.82	0.81					
	0.89																
0.88																	
0.87																	
0.86																	
0.85																	

Delayed Launches. The inability to launch aircraft in a timely manner due to the fault of the Contractor could result in missed missions. Unfortunately, the Government currently has no tool for capturing delayed launch data and the impact it has on meeting mission requirements. Therefore, the Contractor’s performance in this regard cannot be measured objectively. However, specific information relating to missions missed due to delayed launches will be used to reflect unsatisfactory performance in the Contractor Performance Reports.

Cost Incentive Fee

The amount of Cost Incentive Fee earned is based on a formula that relates total allowable costs incurred to the Target Cost. This formula (share ratio) provides, within limits, for increases in fee above the Target Fee when total allowable costs incurred are less than the Target Cost. Likewise, the formula provides for a decrease in fee when total allowable costs incurred exceed the Target Cost. Specifically, the fee payable shall be the Target Fee increased by (b) (4) (dependent on contract year) for every dollar that the total allowable cost is less than the Target Cost or decreased by (b) (4) (dependent on contract year) for every dollar that the total allowable costs exceeds the Target Cost. The target fee available in this category is (b) (4) (dependent on contract year) of the Target Cost. The maximum fee available in this category is (b) (4) of the Target Cost and the minimum is zero percent.

Following is an example of how the Cost Incentive Fee would be structured for a contract with the following: a Target Cost of \$70,000,000, a target Fee of 3%, a maximum fee of 5%, and a 75% Government/25% Contractor share ratio:

Minimum Cost: \$64,400,000
 Target Cost: \$70,000,000
 Maximum Cost: \$73,360,000

	<u>Target</u>	<u>Maximum</u>
Cost Performance	\$840,000	\$2,240,000

Total Incentive Fee Structure

Following is an example of the Total Incentive Fee structure for this contract with the following: a Target Cost of \$70,000,000, a target Fee of 3%, a maximum fee of 5%, and a 75% Government/25% Contractor share ratio:

	<u>Target (3%)</u>	<u>Maximum (5%)</u>
Operational Performance (60%):	\$1,260,000	\$1,260,000
Cost Performance (40%):	\$840,000	\$2,240,000
Total Fees:	\$2,100,000	\$3,500,000
Minimum Cost: \$64,400,000		
Target Cost: \$70,000,000		
Maximum Cost: \$73,360,000		

Using this Fee structure, following is an example of how the Operational and Cost Performance Incentive Fees would be calculated based on the stated performance results for a given 12-month period of performance:

Operational Performance:

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
Launch Rate	90%	92%	85%	92%
Mission Completion Rate	90%	93%	100%	90%
Failed Aircraft Inspections	1	3	0	2
Fee Available:	\$315,000	\$315,000	\$315,000	\$315,000
Performance Ratio: @	<u>.81</u>	<u>.86</u>	<u>.85</u>	<u>.83</u>
Operational Performance Fee Earned:	\$255,150	\$270,900	\$0	\$261,450
Deductions for Failed Aircraft Inspections:	<u>(\$85,050)</u>	<u>(\$270,900)</u>	<u>(\$N/A)</u>	<u>(\$174,300)</u>
Total Fees Earned:	\$170,100	\$0*	\$0**	\$87,150

* -No fee earned because of three failed aircraft inspections
 ** -No fee earned because of the Launch Rate being less than 90%

Cost Performance:

Should the Contractor's total allowable costs for the period of performance come in below the Target Cost at \$67,000,000, the Cost Incentive Fee earned would be calculated as follows:

Target Cost:	\$70,000,000
Less Total Allowable:	\$67,000,000
Amount below Target:	\$3,000,000
Multiplied by:	\$0.25
Increased Fee:	\$750,000
Plus Target Fee:	\$840,000
Total Cost Fee Earned:	\$1,590,000

Likewise, should the Contractor's total allowable costs for the same period of performance come in over the Target Cost at \$72,000,000, the Cost Incentive Fee earned would be calculated as follows:

Total Allowable Cost:	\$72,000,000
Less Target Cost::	<u>\$70,000,000</u>
Amount above Target:	\$2,000,000
Multiplied by:	<u>\$0.25</u>
Decreased Fee:	\$500,000

Target Fee:	\$840,000
Less Decreased Fee:	<u>\$500,000</u>
Total Cost Fee Earned:	\$340,000

Total Operational and Cost Performance Fee Earned for the 12-month period of performance under the following two scenarios:

Scenario 1 (Total Allowable Costs) = \$67,000,000

Operational Performance Fee Earned:	\$257,250
Total Cost Performance Fee Earned:	<u>\$1,590,000</u>
Total Operational and Cost Fee Earned:	\$1,847,250

Scenario 2 (Total Allowable Costs) = \$72,000,000

Operational Performance Fee Earned:	\$257,250
Total Cost Performance Fee Earned:	<u>\$340,000</u>
Total Operational and Cost Fee Earned:	\$597,250

[END OF SECTION B]

SCHEDULE OF SUPPLIES/SERVICES

Item Number:	00010	Line Item (Priced/Information/Option): P		
Supplies/Services:	CLIN 0001 - Phase-In			
	Qty	Unit	Unit Price	Ext. Price
	1	AU	(b) (4)	(b) (4)
Total Funded Contract Value:				(b) (4) -

SECTION C**DESCRIPTION/SPECIFICATIONS/WORK STATEMENT****C.1 SPECIFICATIONS, STATEMENT OF WORK, OR STATEMENT OF OBJECTIVES ATTACHED (MAR 2003)**

The Specifications, Statement of Work, or Statement of Objectives which describe the work to be performed hereunder, although attached, is incorporated and made a part of this document with the same force and effect of "specifications" as described in the clause, Order of Precedence, FAR 52.215-8, incorporated by herein by reference.

[End of Clause]

C.2 QUALITY ASSURANCE AND QUALITY CONTROL PLAN

The Contractor shall plan develop, deliver, maintain, and adhere to a Quality Assurance/Quality Control (QA/QC) Plan that identifies the quality standards and processes for evaluating overall project performance on a regular basis, to provide confidence that the project shall satisfy relevant quality standards.

The QA/QC Plan shall include the corrective procedures to be taken for deficient performance. These measures shall include the issuance of discrepancy reports requiring corrective action responses, and determinations requiring deductions from contract payments, as referenced in Section C.5.1.13 of the Performance Work Statement.

[End Clause]

[END OF SECTION C]

SECTION D
PACKAGING AND MARKING

D.1 PACKAGING, PACKING AND MARKING (MAR 2003)

Material shall be packaged, packed and marked for shipment in such a manner that will insure acceptance by common carriers and safe delivery at destination.

Packages shall be clearly identified on the outer wrapping with the contract number and delivery/task order number, if applicable.

[End of Clause]

[END OF SECTION D]

SECTION E**INSPECTION AND ACCEPTANCE****E.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
52.246-3	MAY 2001	INSPECTION OF SUPPLIES - COST-REIMBURSEMENT
52.246-4	AUG 1996	INSPECTION OF SERVICES --FIXED-PRICE
52.246-5	APR 1984	INSPECTION OF SERVICES - COST-REIMBURSEMENT
52.246-16	APR 1984	RESPONSIBILITY FOR SUPPLIES

E.2 VERIFICATION OF SERVICES AND TIME RECORDS

The performance of work and the assignment of personnel hereunder shall be subject to random verification by the Government during the effective period of the contract for the purpose of ensuring the qualifications of assigned personnel, verifying the categories of labor being utilized, ascertaining the accuracy of time and labor charges, preserving the identification of Government equipment and/or parts and material acquired for Government use and otherwise verifying compliance with contractual requirements.

In this regard, the Contractor recognizes the Government's right to conduct random "checks", provided such are made during working hours and do not unduly delay or inhibit work flow, or contractor performance. The Contractor agrees to make available, upon request, to Government personnel, appropriate resumes, individual labor category classifications, pertinent time cards and payroll records, and such other contract associated records as may be required to substantiate contract compliance.

[End Clause]

[END OF SECTION E]

SECTION F**DELIVERIES OR PERFORMANCE****F.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
52.242-15	AUG 1989	STOP-WORK ORDER Alternate I (APR 1984)
52.242-17	APR 1984	GOVERNMENT DELAY OF WORK

[End of By-Reference Clauses]

F.2 TERM OF CONTRACT WITH OPTION(S) -- FISCAL BASIS (MAR 2003)

The contract term shall be from the date of the award through the end of the current fiscal year (September 30), subject to the Government's option to renew in accordance with the clause entitled, "Option to Extend the Term of the Contract" FAR 52.217-9 contained herein.

[End of Clause]

F.3 PERIOD OF PERFORMANCE (MAR 2003)

Contract Phase-In starts December 1, 2009 through January 31, 2010 with full performance beginning February 1, 2010 through September 30, 2010.

The period of performance for the Option periods, if exercised, are as follows:

OPTION 1: October 1, 2010 through September 30, 2011
 OPTION 2: October 1, 2011 through September 30, 2012
 OPTION 3: October 1, 2012 through September 30, 2013
 OPTION 4: October 1, 2013 through September 30, 2014
 OPTION 5: October 1, 2014 through September 30, 2015
 OPTION 6: October 1, 2015 through September 30, 2016
 OPTION 7: October 1, 2016 through September 30, 2017
 OPTION 8: October 1, 2017 through September 30, 2018
 OPTION 9: October 1, 2018 through September 30, 2019
 PHASE-OUT: August 1, 2018 through September 30, 2019

[End Clause]

F.4 CONTRACT DELIVERABLES

The Contract Deliverables and/or requirements shall be delivered in accordance with Appendix 10 of Attachment (1), Performance Work Statement.

[End Clause]

[END OF SECTION F]

SECTION G**CONTRACT ADMINISTRATION DATA****G.1 3052.242-72 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (DEC 2003)**

- (a) The Contracting Officer may designate Government personnel to act as the Contracting Officer's Technical Representative (COTR) to perform functions under the contract such as review or inspection and acceptance of supplies, services, including construction, and other functions of a technical nature. The Contracting Officer will provide a written notice of such designation to the Contractor within five working days after contract award or for construction, not less than five working days prior to giving the Contractor the notice to proceed. The designation letter will set forth the authorities and limitations of the COTR under the contract.
- (b) The Contracting Officer cannot authorize the COTR or any other representative to sign documents, such as contracts, contract modifications, etc., that require the signature of the Contracting Officer.

[End of Clause]

G.2 CONTRACTING OFFICER'S AUTHORITY (MAR 2003)

The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract. In the event the Contractor effects any changes at the direction of any person other than the Contracting Officer, the changes will be considered to have been made without authority and no adjustment will be made in the contract price to cover any increase in costs incurred as a result thereof. The Contracting Officer shall be the only individual authorized to accept nonconforming work, waive any requirement of the contract, or to modify any term or condition of the contract. The Contracting Officer is the only individual who can legally obligate Government funds. No cost chargeable to the proposed contract can be incurred before receipt of a fully executed contract or specific authorization from the Contracting Officer.

[End of Clause]

G.3 SUBMISSION OF INVOICES (JUN 2009)

Copies of invoices (paper submissions) may be submitted to the following addresses OR as an alternative, to the email addresses cited below:

1. Payment Center:

DHS/U.S. Customs and Border Protection
National Finance Center/Commercial Accounts
P. O. Box 68908
Indianapolis, Indiana 46268

OR as an alternative:

Email: cbpinvoices@dhs.gov

NOTE - Only for awards with payment terms less than Net 30:

The subject line for all Emailed invoices to the National Finance Center must include the text "**Per CBP, Net [state # days] Invoice**".

2. Contracting Officer's Technical Representative (fill in at time of award):

DHS/U.S. Customs and Border Protection
Attention: (b) (6)

US Mint Annex
799 9th Street, NW Mailstop 1180
Washington, DC 20229

OR as an alternative:

Email: (b) (6)

3. Contracting Officer (or Contract Administrator)(fill in at time of award):

DHS/U.S. Customs and Border Protection
Attention: (b) (6)

1331 Pennsylvania Ave. NW, NP Suite 1310
Washington, DC 20229

OR as an alternative:

Email: (b) (6)

To constitute a proper invoice, the invoice shall include all the items required by Federal Acquisition Regulation (FAR) 32.905.

[End of Clause]

G.4 ADDITIONAL INVOICE REQUIREMENTS

In addition to the invoice requirements contained in FAR 32.905, the following also applies:

- (1) Vouchers/invoices must include, as a minimum, the following information in support of all costs claimed:
 - (a) The period of performance for the costs claimed;
 - (b) The current and cumulative amounts for each CLIN; and
 - (c) A statement signed by an authorized company representative certifying that the costs proposed in the invoice are true and accurate.

- (2) The Contractor shall submit a copy of the invoice/voucher document to the Contracting Officer's Technical Representative (COTR) twice a month for verification. The COTR will forward the certified invoice to Indianapolis, Indiana for payment with a copy to the CBP Procurement Office.

- (3) The Government reserves the right to make adjustments in invoices if the costs are later determined to be unallowable.

[End Clause]

[END OF SECTION G]

SECTION H**SPECIAL CONTRACT REQUIREMENTS****H.1 INSURANCE UNDER COST REIMBURSABLE CONTRACTS -- GROUP PLANS (OCT 2007)**

Pursuant to FAR 28.307-1, prior to purchasing insurance under a group insurance plan, the Contractor must submit the plan to the Contracting Officer for approval.

Any change in benefits provided under an approved plan that can be reasonably be expected to increase significantly the cost to the Government requires similar approval.

Any plan submitted must provide for the Government to share in any premium refunds or credits paid or otherwise provided to the contractor. In determining the Government's share in any refunds or credits, consideration shall be given to any special reserves or other refunds to which the contractor may be entitled in the future.

[End of Clause]

H.2 GOVERNMENT CONSENT OF PUBLICATION/ENDORSEMENT (MAR 2003)

Under no circumstances shall the Contractor, or anyone acting on behalf of the Contractor, refer to the supplies, services, or equipment furnished pursuant to the provisions of this contract in any news release or commercial advertising without first obtaining explicit written consent to do so from the Contracting Officer.

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by the Federal Government or is considered by the Government to be superior to other products or services.

[End of Clause]

H.3 SECURITY PROCEDURES (MAY 2003)**A. Controls**

The Contractor shall comply with the U.S. Customs & Border Protection (CBP) administrative, physical and technical security controls to ensure that the Government's security requirements are met.

B. Identification Badges

All Contractor employees shall be required to wear identification badges when working in Government facilities.

C. Security Background Data

A Contractor employee shall not begin working under the contract until the entire background investigation (BI) is completed with approval from CBP, Security Programs Division. Exceptions to this requirement will be handled on a case-by-case basis, and access to facilities, systems, data, etc. will be limited until the individual is cleared.

Contractor employee personnel hired to work within the United States or its territories and possessions that require access to CBP facilities, information systems, security items and products, and/or sensitive but unclassified information shall either be U.S. citizens or have lawful permanent resident status.

The following security screening requirements apply to both U. S. citizens and lawful permanent residents who are hired as Contractor personnel. All personnel employed by the Contractor or responsible to the Contractor for the performance of work hereunder shall either currently possess or be able to favorably pass a background investigation. The Contractor shall submit within ten (10) working days after award of this contract a list containing the full name, social security number, and date of birth of these people who claim to have successfully passed a background investigation by the CBP, or submit such information and documentation as may be required by the Government to have a BI performed for all personnel. The information must be correct and be reviewed by a Customs Official for completeness. Normally this shall consist of SF-85P, "Questionnaire for Public Trust Positions;" FD-258, "Fingerprint Chart;" and a Financial Statement.

Failure of any Contractor personnel to pass a BI means that the Contractor has failed to satisfy the contract's requirement to provide cleared personnel. The continuing failure to meet the requirement to provide cleared personnel is grounds for termination of the contract, unless cleared personnel are timely provided as replacements. The Contractor must provide a qualified replacement capable of passing a BI for any person who fails to successfully pass a BI. This policy also applies to any personnel hired as replacements during the term of the contract. The Contracting Officer must approve all personnel replacements.

Estimated completion of the investigation is approximately ninety (90) to one-hundred twenty (120) days from the date the completed forms are received in the Security Programs Division.

D. Notification of Personnel Changes

The Contractor shall notify the Contracting Officer's Technical Representative and Contracting Officer via phone, FAX, or electronic transmission, no later than one work day after any personnel changes occur. Written confirmation is required for phone notification. This includes, but is not limited to, name changes, resignations, terminations, and reassignments (i.e., to another contract.)

The Contractor shall notify the OIT Information Systems Security Branch (ISSB) of any change in access requirements for its employees no later than one day after any personnel changes occur. This includes name changes, resignations, terminations, and transfers to other Contractors. The Contractor shall provide the following information to OIT ISSB at TEL: (703) 921-6116 and FAX (703) 921-6570: full name, social security number, effective date, and reason for change.

E. Separation Procedures

In accordance with Customs Directive No. 51715-006, "Separation Procedures for Contractor Employees," the Contractor is responsible for ensuring that all separating employees complete relevant portions of the Contractor Employee Separation Clearance, Customs Form 242. This requirement covers all Contractor employees who depart while a contract is still active (including resignation, termination, etc.) or upon final contract completion. Failure of a Contractor to properly comply with these requirements shall be documented and considered when completing Contractor Performance Reports.

F. General Security Responsibilities During Performance

The Contractor shall ensure that its employees follow the general procedures governing physical, environmental, and information security described in the various CBP regulations pertaining thereto, good business practices, and the specifications, directives, and manuals for conducting work to generate the products as required by this contract. Personnel will be responsible for the physical security of their area and government furnished equipment (GFE) issued to them under the provisions of the contract.

G. Non-Disclosure Agreements

When determined to be appropriate, Contractor employees may be required to execute a non-disclosure agreement as a condition to access of sensitive but unclassified information.

[End of Clause]

H.4 ACCESS TO CLASSIFIED NATIONAL SECURITY INFORMATION (AUG 2008)

This contract requires access to classified national security information up to the SECRET level. The successful contractor must currently possess the appropriate security level clearance and be a participant under the National Industrial Security Program (NISP) prior to award. This requirement also applies to any subcontractors utilized by the Contractor. A DD Form 254 (Contract Security Classification Specification) and security classification guide will be incorporated and made a part of this contract.

[End of Clause]

H.5 DISCLOSURE OF INFORMATION (MAR 2003)

A. General

Any information made available to the Contractor by the Government shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any persons except as may be necessary in the performance of the contract.

B. Technical Data Rights

The Contractor shall not use, disclose, reproduce, or otherwise divulge or transfuse to any persons any technical information or data licensed for use by the Government that bears any type of restrictive or proprietary legend except as may be necessary in the performance of the contract. Refer to the Rights in Data clause for additional information.

C. Privacy Act

In performance of this contract the Contractor assumes the responsibility for protection of the confidentiality of all Government records and/or protected data provided for performance under the contract and shall ensure that (a) all work performed by any subcontractor is subject to the disclosure restrictions set forth above and (b) all subcontract work be performed under the supervision of the Contractor or their employees.

[End of Clause]

H.6 INCREMENTAL FUNDING (MAR 2003)

This contract shall be subject to incremental funding with TBD presently made available for performance under this contract. It is estimated that funds presently available are sufficient to permit the Contractor's performance through TBD. In accordance with the "Limitation of Funds" clause (FAR 52.232-22) contained herein, no legal liability on the part of the Government for payment of money in excess of TBD shall arise unless and until additional funds are made available by the Contracting Officer through a modification to this contract.

[End of Clause]

H.7 INCREMENTAL FUNDING RESTRICTIONS

In accordance with Homeland Security Acquisition Manual (HSAM) 3032.702(e), only the cost type portion of this contract may be incrementally funded. As such, Contract Line Item Numbers (CLINs) 0002 through 0006, and if options are exercised, CLINs 1002 through 1005, 2002 through 2005, 3002 through 3005, 4002 through 4005, 5002 through 5005, 6002 through 6005, 7002 through 7005, 8002 through 8005 and 9002 through 9005 may be incrementally funded under this contract.

[End Clause]

H.8 TRAVEL COSTS (AUG 2008)

Costs for transportation, lodging, meals, and incidental expenses shall be reimbursed in accordance with Federal Acquisition Regulation (FAR) Subsection 31.205-46 and acceptable accounting procedures.

If it becomes necessary for the contractor to use the higher actual expense method repetitively or on a continuing basis in a particular area (see FAR 31.205-46(3)(iii)), the contractor must obtain advance approval from the contracting officer and comply with all requirements for justifications and documentation set forth in FAR Subsection 31.205-46 for allowability of travel costs.

As provided in FAR 31.205-46(a)(5), the Contracting Officer may consider an advance agreement (see FAR 31.109) with the contractor to avoid confusion in the treatment of costs anticipated to be incurred in unusual or special travel situations. The advance agreement shall be incorporated in the contract.

[End of Clause]

H.9 NON-PERSONAL SERVICE (MAR 2003)

1. The Government and the contractor agree and understand the services to be performed under this contract are non-personal in nature. The Contractor shall not perform any inherently Governmental functions under this contract as described in Office of Federal Procurement Policy Letter 92-1
2. The services to be performed under this contract do not require the Contractor or his employees to exercise personal judgment and discretion on behalf of the Government, but rather, the Contractor's employees will act and exercise personal judgment and discretion on behalf of the Contractor.
3. The parties also recognize and agree that no employer-employee relationship exists or will exist between the Government and the Contractor. The Contractor and the Contractor's employees **are not** employees of the Federal Government and are not eligible for entitlement and benefits given federal employees. Contractor personnel under this contract shall not:
 - (a) Be placed in a position where there is an appearance that they are employed by the Government or are under the supervision, direction, or evaluation of any Government employee. All individual employee assignments any daily work direction shall be given by the applicable employee supervisor.

- (b) Hold him or herself out to be a Government employee, agent or representative or state orally or in writing at any time that he or she is acting on behalf of the Government. In all communications with third parties in connection with this contract, Contractor employees shall identify themselves as such and specify the name of the company of which they work.
 - (c) Be placed in a position of command, supervision, administration or control over Government personnel or personnel of other Government contractors, or become a part of the government organization. In all communications with other Government Contractors in connection with this contract, the Contractor employee shall state that they have no authority to change the contract in any way. If the other Contractor believes this communication to be direction to change their contract, they should notify the CO for that contract and not carry out the direction until a clarification has been issued by the CO.
4. If the Contractor believes any Government action or communication has been given that would create a personal service relationship between the Government and any Contractor employee, the Contractor shall promptly notify the CO of this communication or action.
 5. Rules, regulations directives and requirements which are issued by U.S. Customs & Border Protection under their responsibility for good order, administration and security are applicable to all personnel who enter U.S. Customs & Border Protection installations or who travel on Government transportation. This is not to be construed or interpreted to establish any degree of Government control that is inconsistent with a non-personal services contract.

[End of Clause]

H.10 POST AWARD EVALUATION OF CONTRACTOR PERFORMANCE (OCT 2007)

a. Contractor Performance Evaluation

Interim and final evaluations of contractor performance will be prepared on this contract in accordance with FAR Subpart 42.15. A final performance evaluation will be prepared at the time of completion of work. In addition to the final evaluation, interim evaluations will be prepared annually to coincide with the anniversary date of the contract. (If evaluations are to be conducted more or less frequently than annually, modify this sentence as appropriate.)

Interim and final evaluations will be provided to the contractor as soon as practicable after completion of the evaluation. The contractor will be permitted thirty days to review the document and to submit additional information or a rebutting statement. Any disagreement between the parties regarding an evaluation will be referred to an individual one level above the Contracting Officer, whose decision will be final.

Copies of the evaluations, Contractor responses, and review comments, if any, will be retained as part of the contract file, and may be used to support future award decisions.

b. Electronic access to contractor Performance Evaluations

Contractors that have Internet capability may access evaluations through a secure Web site for review and comments by completing the registration form that can be obtained at the following address: http://oamp.od.nih.gov/OD/CPS/cps_contractor.htm

The registration process requires the contractor to identify an individual that will serve as a primary contact and who will be authorized access to the evaluation for review and comment. In addition, the contractor will be required to identify an alternate contact who will be responsible for notifying the cognizant contracting official in the event the primary contact is unavailable to process the evaluation within the required 30-day time frame.

[End of Clause]

H.11 HOLIDAYS AND ADMINISTRATIVE LEAVE (MAR 2003)

U.S. Customs & Border Protection (CBP) personnel observe the following days as holidays:

New Year's Day	Labor Day
Martin Luther King's Birthday	Columbus Day
Presidents' Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Any other day designated by Federal statute, by Executive Order or by the President's proclamation.

When any such day falls on a Saturday, the preceding Friday is observed. When any such day falls on a Sunday, the following Monday is observed. Observance of such days by Government personnel shall not be cause for an extension to the delivery schedule or period of performance or adjustment to the price, except as set forth in the contract.

Except for designated around-the-clock or emergency operations, contractor personnel will not be able to perform on site under this contract with CBP on holidays set forth above. The contractor will not charge any holiday as a direct charge to the contract. In the event Contractor personnel work during a holiday other than those above, no form of holiday or other premium compensation will be reimbursed as either a direct or indirect cost. However, this does not preclude reimbursement for authorized overtime work.

In the event CBP grants administrative leave to its Government employees, at the site, on-site contractor personnel shall also be dismissed if the site is being closed. However, the Contractor shall continue to provide sufficient personnel to perform around-the-clock requirements of critical efforts already in progress or scheduled and shall be guided by the instructions issued by the Contracting Officer or her/his duly appointed representative. In each instance when the site is closed to Contractor personnel as a result of inclement weather, potentially hazardous conditions, explosions, or other special circumstances; the Contractor will direct its staff as necessary to take actions such as reporting to its own site(s) or taking appropriate leave consistent with its policies. The cost of salaries and wages to the Contractor for the period of any such site closure are a reimbursable item of direct cost under the contract for employees whose regular time is normally a direct charge if they continue to perform contract work; otherwise, costs incurred because of site closure are reimbursable as indirect cost in accordance with the Contractor's established accounting policy.

[End of Clause]

H.12 ADDITIONAL CONTRACTOR PERSONNEL REQUIREMENTS (OCT 2007)

The Contractor will ensure that its employees will identify themselves as employees of their respective company while working on U.S. Customs & Border Protection (CBP) contracts. For example, contractor personnel shall introduce themselves and sign attendance logs as employees of their respective companies, not as CBP employees.

The contractor will ensure that their personnel use the following format signature on all official e-mails generated by CBP computers:

[Name]
 (Contractor)
 [Position or Professional Title]
 [Company Name]
 Supporting the XXX Division/Office...
 U.S. Customs & Border Protection
 [Phone]
 [FAX]
 [Other contact information as desired]

[End of Clause]

H.13 3052.215-70 KEY PERSONNEL OR FACILITIES (DEC 2003) (MODIFIED)

(a) The personnel or facilities specified below are considered essential to the work being performed under this contract and may be changed from time to time during the course of the contract by adding or deleting personnel or facilities, as appropriate.

(b) Before removing or replacing any of the specified individuals or facilities, the Contractor shall notify the Contracting Officer, in writing, before the change becomes effective.

The Key Personnel or Facilities under this Contract:

Program Manager,
 First Line Staff at the Program Office
 Site Managers, Supply Supervisors, Chiefs or Quality Control
 Maintenance Supervisors (if applicable),
 IT Representatives responsible for CARMAC and its associated applications.

[End Clause]

H.14 3052.219-70 SMALL BUSINESS SUBCONTRACTING PLAN REPORTING (JUN 2006)

(a) The Contractor shall enter the information for the Subcontracting Report for Individual Contracts (formally the Standard Form 294 (SF 294)) and the Summary Subcontract Report (formally the Standard Form 295 (SF-295)) into the Electronic Subcontracting Reporting System (eSRS) at <http://www.esrs.gov>.

(b) The Contractor shall include this clause in all subcontracts that include the clause at (FAR) 48 CFR 52.219-9.

[End of Clause]

H.15 3052.219-71 DHS MENTOR-PROTEGE PROGRAM (JUN 2006)

- (a) Large businesses are encouraged to participate in the DHS Mentor-Protege program for the purpose of providing developmental assistance to eligible small business protege entities to enhance their capabilities and increase their participation in DHS contracts.
- (b) The program consists of:
 - (1) Mentor firms, which are large prime contractors capable of providing developmental assistance;
 - (2) Protege firms, which are small businesses, veteran-owned small businesses, service-disabled veteran-owned small businesses, HUBZone small businesses, small disadvantaged businesses, and women-owned small business concerns; and
 - (3) Mentor-Protege agreements, approved by the DHS OSDBU.
- (c) Mentor participation in the program means providing business developmental assistance to aid Protege in developing the requisite expertise to effectively compete for and successfully perform DHS contracts and subcontracts.
- (d) Large business prime contractors serving as mentors in the DHS Mentor-Protege program, are eligible for a post-award incentive for subcontracting plan credit. The mentor may receive credit for costs it incurs to provide assistance to a protege firm. The mentor may use this additional credit towards attaining its subcontracting plan participation goal under the same or another DHS contract. The amount of credit given to a mentor firm for these protege developmental assistance costs shall be calculated on a dollar for dollar basis and reported in the Summary Subcontract Report via the Electronic Subcontracting Reporting System (eSRS) at <http://www.esrs.gov>. For example, a mentor/large business prime contractor would report a \$10,000 subcontract to the protege/small business subcontractor and \$5,000 of developmental assistance to the protege/small business subcontractor as \$15,000. The Mentor and Protege will submit a signed joint statement agreeing on the dollar value of the developmental assistance and the Summary Subcontract Report.
- (e) Contractors interested in participating in the program are encouraged to contact the DHS OSDBU for more information.

[End of Clause]

H.16 3052.204-70 SECURITY REQUIREMENTS FOR UNCLASSIFIED INFORMATION TECHNOLOGY RESOURCES (JUN 2006)

- (a) The Contractor shall be responsible for Information Technology (IT) security for all systems connected to a DHS network or operated by the Contractor for DHS, regardless of location. This clause applies to all or any part of the contract that includes information technology resources or services for which the Contractor must have physical or electronic access to sensitive information contained in DHS unclassified systems that directly support the agency's mission.
- (b) The Contractor shall provide, implement, and maintain an IT Security Plan. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract.
 - (1) Within 30 days after contract award, the contractor shall submit for approval its IT Security Plan, which shall be consistent with and further detail the approach contained in the offeror's proposal. The plan, as approved by the Contracting Officer, shall be incorporated into the contract as a compliance document.
 - (2) The Contractor's IT Security Plan shall comply with Federal laws that include, but are not limited to, the Computer Security Act of 1987 (40 U.S.C. 1441 et seq.); the Government Information Security Reform Act of 2000; and the Federal Information Security Management Act of 2002; and with Federal policies and procedures that include, but are not limited to, OMB Circular A-130.
 - (3) The security plan shall specifically include instructions regarding handling and protecting sensitive information at the Contractor's site (including any information stored, processed, or transmitted using the

Contractor's computer systems), and the secure management, operation, maintenance, programming, and system administration of computer systems, networks, and telecommunications systems.

- (c) Examples of tasks that require security provisions include--
- (1) Acquisition, transmission or analysis of data owned by DHS with significant replacement cost should the contractor's copy be corrupted; and
 - (2) Access to DHS networks or computers at a level beyond that granted the general public (e.g., such as bypassing a firewall).
- (d) At the expiration of the contract, the contractor shall return all sensitive DHS information and IT resources provided to the contractor during the contract, and certify that all non-public DHS information has been purged from any contractor-owned system. Components shall conduct reviews to ensure that the security requirements in the contract are implemented and enforced.
- (e) Within 6 months after contract award, the contractor shall submit written proof of IT Security accreditation to DHS for approval by the DHS Contracting Officer. Accreditation will proceed according to the criteria of the DHS Sensitive System Policy Publication, 4300A (Version 2.1, July 26, 2004) or any replacement publication, which the Contracting Officer will provide upon request. This accreditation will include a final security plan, risk assessment, security test and evaluation, and disaster recovery plan/continuity of operations plan. This accreditation, when accepted by the Contracting Officer, shall be incorporated into the contract as a compliance document. The contractor shall comply with the approved accreditation documentation.

[End of Clause]

H.17 ORGANIZATIONAL CONFLICTS OF INTEREST

1. The Contractor warrants that, to best of its knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as defined in Federal Acquisition Regulation (FAR) Subpart 9.5, or that the Contractor has disclosed all such relevant information in writing to the Contracting Officer.
2. The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make full disclosure in writing to the Contracting Officer no later than three working days after discovery. This disclosure shall include a description of actions which the Contractor has taken or proposes to take, after consultation with the Contracting Officer, to avoid, mitigate, or neutralize the actual or potential conflict.
3. Remedies. The U.S. Customs and Border Protection may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware, or should have been to award of a potential conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Contracting Officer, the Government may terminate the contract for default, debar the Contractor from Government contracting, or pursue such other remedies as may be permitted by law or this contract.
4. The Contractor further agrees to insert provisions which shall conform substantially to the language of this clause, including this paragraph 4, in any subcontract or consultant agreement hereunder.

[End Clause]

H.18 PREFERENCE FOR PACKAGING CONSISTING OF ENVIRONMENTALLY-SOUND MATERIALS AND RECOVERED MATERIAL CONTENT

It is the policy of Customs and Border Protection to encourage the use of environmentally-sound materials and materials containing recovered content. Contractors are encouraged to utilize packaging materials which are environmentally-sound and consist of recovered material content to the maximum extent possible.

Any adjustment in cost offer after contract award due to the issuance of a DOL Area Wage Determination or a negotiated Collective Bargaining Agreement shall be limited to an increase/decrease in employee wages/fringe benefits and shall not include any general and administrative (G&A) costs, overhead or fee.

[End Clause]

H.19 INSURANCE - WORK ON A GOVERNMENT INSTALLATION

In accordance with FAR 52.228-7, INSURANCE-LIABILITY TO THIRD PERSONS, under Section I, insurance of the following types and minimum amounts shall be procured and maintained during the entire period of performance under contract.

(a) Workman's Compensation and Employees Liability Insurance - as specified by applicable statute, not less than \$100,000.

(b) General Liability Insurance - Bodily Injury Liability - \$500,000 per occurrence.

(c) Automobile Liability Insurance - \$200,000 per person, \$100,000 per occurrence bodily injury, \$20,000 per occurrence property damage.

[End Clause]

H.20 ACCESS TO GOVERNMENT SITES

The major portion of the effort required to be accomplished under this contract must be performed at specified Government sites. The Contractor shall be granted access in accordance with Customs and Border Protection and the specific sites' regulations where work is to be performed.

While Contractor personnel are at the Government sites, they are required to comply with all rules and regulations of the site. They shall comply with all federal, state, and local government health and safety regulations governing on the job conduct.

[End Clause]

H.21 SECURITY REQUIREMENTS

The Contractor shall be responsible for complying with the security requirements as stipulated by the "Contract Security Classification Specification" (Form DD 254, Appendix 11 of PWS)).

A. All contractor employees temporarily deployed, as well as permanently assigned, outside the United States, Puerto Rico, U.S. Possessions and Trust Territories must have, at a minimum, a secret security clearance issued by the Defense Security Service. All contractor employees requiring access to the various Department of Defense supply systems also must have, at a minimum, a secret security clearance issued by the Defense Security Service.

A "Top Secret" Facility Clearance is required because of certain missions that U.S. Customs and Border Protection expects to support. A "Top Secret" clearance will only be required for the Contractor's Program Manager for this contract so that he/she will be able to formulate maintenance and acquisition strategies to support the missions or projects that have been classified "Top Secret". All other contractor employees will require no higher than a "Secret" clearance when deemed necessary by the position being held.

From time to time, a requirement for additional security clearance may be placed on the Contractor. In such cases, the Government reserves the right to require the Contractor to institute additional background investigations of any

contractor personnel. Customs and Border Protection shall provide guidance regarding the scope of any such investigation requirement.

B. The Contractor shall be responsible for compliance by its employees with security regulations of Customs and Border Protection and the host Department of Defense (DOD) installation where work is performed under this contract, including the safekeeping, wearing and visibility of badges if so required by DOD.

C. The Contractor shall be responsible for safeguarding data and protecting against loss or theft of equipment, property, and supplies used in connection with the performance of work under this contract.

D. Contractor personnel shall be responsible for installation, troubleshooting (external to the equipment only), and removing cryptographic CBP COMSEC equipment from aircraft. The contractor shall not have access to canisters or segments of CBP COMSEC keying material in any form. Further, the Contractor shall only remove CBP COMSEC equipment from aircraft when directed by CBP COMSEC custodian or alternate custodian. In the absence of the CBP COMSEC custodian, direction to remove CBP COMSEC equipment will be given by the CBP Director of Air Operation (DAO) or his designated representative. The Contractor will be responsible for safeguarding CBP COMSEC equipment that has been removed and returning it to CBP COMSEC custodian or alternate custodian upon his or her return. All Contractor personnel who shall perform the above responsibilities shall have, at a minimum, a Secret Security Clearance.

[End Clause]

H.22 DEPARTMENT OF LABOR (DOL) AREA WAGE DETERMINATION AND COLLECTIVE BARGAINING AGREEMENTS (CBA)

Any adjustment in cost offer after contract award due to the issuance of a DOL Area Wage Determination or a negotiated Collective Bargaining Agreement shall be limited to an increase/decrease in employee wages/fringe benefits and shall not include any general and administrative (G&A) costs, overhead or fee.

[End Clause]

H.23 NOTICE OF DRUG DETECTION PROCEDURES

Pursuant to military policy applicable to both Government and Contractor personnel, measures will be taken to prevent the introduction and utilization of illegal drugs and related paraphernalia into Government work areas.

In implementing drug control measures, unannounced periodic inspections of the following nature may be considered by military installation security authorities:

1. Routine inspection of contractor occupied work spaces.
2. Random inspections of vehicles on entry or exit with drug detection dog teams as available, to eliminate vehicles as a safe haven for storage of or trafficking of illegal drugs.
3. Random inspections of personal possessions on entry or exit of any installations.

When there is probable cause to believe that a Contractor employee on board a military installation has been engaged in use, possession, or trafficking of drugs, the installation authorities may detain said employee until the employee can be removed from the installation, or can be released to the local authorities having jurisdiction.

Trafficking in illegal drugs and drug paraphernalia by Contractor employees while on military installation may lead to possible withdrawal or downgrading of security clearance, and/or referral for prosecution by appropriate law enforcement authorities.

The Contractor is responsible for the conduct of employees performing work under this contract and is, therefore, responsible to ensure that employees are notified of these provisions prior to assignment.

The removal of Contractor personnel from a Government installation as a result of drug offense(s) shall not be cause for excusable delay, nor shall such action be deemed a basis for an equitable adjustment to price/cost, delivery, or other provisions of this contract.

[End Clause]

H.24 NOTICE OF DRUG TESTING PROCEDURES

The Government has the right to require drug testing of Contractor employees on site.

In those instances where drug testing is required, the Contractor shall obtain necessary tests and report the results to CBP. For all new personnel hired under this contract, drug tests will be required prior to commencement of work.

[End Clause]

H.25 TECHNICAL DATA

Customs and Border Protection shall have rights to all data generated/delivered under this contract in accordance with the contract, Statement of Work and Federal Acquisition Regulation clause 52.227-14 RIGHTS IN DATA - GENERAL.

[End Clause]

[END OF SECTION H]

I.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
52.202-1	JUL 2004	DEFINITIONS
52.203-5	APR 1984	COVENANT AGAINST CONTINGENT FEES
52.203-6	SEP 2006	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT Alternate I (OCT 1995)
52.203-7	JUL 1995	ANTI-KICKBACK PROCEDURES
52.203-8	JAN 1997	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY
52.203-10	JAN 1997	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
52.203-12	SEP 2007	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS
52.204-2	AUG 1996	SECURITY REQUIREMENTS
52.204-4	AUG 2000	PRINTED OR COPIED DOUBLED-SIDED ON RECYCLED PAPER
52.204-9	SEP 2007	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL
52.207-3	MAY 2006	RIGHT OF FIRST REFUSAL OF EMPLOYMENT
52.209-6	SEP 2006	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
52.215-2	MAR 2009	AUDIT AND RECORDS--NEGOTIATION
52.215-8	OCT 1997	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT
52.215-11	OCT 1997	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA--MODIFICATIONS
52.215-13	OCT 1997	SUBCONTRACTOR COST OR PRICING DATA--MODIFICATIONS
52.215-14	OCT 1997	INTEGRITY OF UNIT PRICES
52.215-15	OCT 2004	PENSION ADJUSTMENTS AND ASSET REVERSIONS
52.215-18	JUL 2005	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS
52.216-7	DEC 2002	ALLOWABLE COST AND PAYMENT
52.216-10	MAR 1997	INCENTIVE FEE
52.219-8	MAY 2004	UTILIZATION OF SMALL BUSINESS CONCERNS
52.219-9	SEP 2006	SMALL BUSINESS SUBCONTRACTING PLAN (DEVIATION) Alternate I (OCT 2001)
52.219-16	JAN 1999	LIQUIDATED DAMAGES--SUBCONTRACTING PLAN
52.222-1	FEB 1997	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES
52.222-3	JUN 2003	CONVICT LABOR
52.222-19	AUG 2009	CHILD LABOR--COOPERATION WITH AUTHORITIES AND REMEDIES
52.222-21	FEB 1999	PROHIBITION OF SEGREGATED FACILITIES
52.222-26	MAR 2007	EQUAL OPPORTUNITY
52.222-35	SEP 2006	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS

52.222-36	JUN 1998	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
52.222-41	NOV 2007	SERVICE CONTRACT ACT OF 1965
52.222-43	SEP 2009	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT--PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)
52.223-6	MAY 2001	DRUG-FREE WORKPLACE
52.223-10	AUG 2000	WASTE REDUCTION PROGRAM
52.223-14	AUG 2003	TOXIC CHEMICAL RELEASE REPORTING
52.225-13	JUN 2008	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
52.227-1	DEC 2007	AUTHORIZATION AND CONSENT
52.227-2	DEC 2007	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-3	APR 1984	PATENT INDEMNITY
52.228-5	JAN 1997	INSURANCE - WORK ON A GOVERNMENT INSTALLATION
52.228-7	MAR 1996	INSURANCE - LIABILITY TO THIRD PERSONS
52.229-3	APR 2003	FEDERAL, STATE, AND LOCAL TAXES
52.230-2	OCT 2008	COST ACCOUNTING STANDARDS
52.230-3	OCT 2008	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES
52.232-17	OCT 2008	INTEREST
52.232-20	APR 1984	LIMITATION OF COST
52.232-23	JAN 1986	ASSIGNMENT OF CLAIMS
52.232-25	OCT 2008	PROMPT PAYMENT
52.232-33	OCT 2003	PAYMENT BY ELECTRONIC FUNDS TRANSFER-- CENTRAL CONTRACTOR REGISTRATION
52.233-1	JUL 2002	DISPUTES Alternate I (DEC 1991)
52.233-3	AUG 1996	PROTEST AFTER AWARD Alternate I (JUN 1985)
52.237-2	APR 1984	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION
52.242-1	APR 1984	NOTICE OF INTENT TO DISALLOW COSTS
52.242-2	APR 1991	PRODUCTION PROGRESS REPORTS
52.242-4	JAN 1997	CERTIFICATION OF FINAL INDIRECT COSTS
52.242-13	JUL 1995	BANKRUPTCY
52.243-1	AUG 1987	CHANGES - FIXED-PRICE Alternate II (APR 1984)
52.243-2	AUG 1987	CHANGES - COST-REIMBURSEMENT
52.243-6	APR 1984	CHANGE ORDER ACCOUNTING
52.244-5	DEC 1996	COMPETITION IN SUBCONTRACTING
52.245-1	JUN 2007	GOVERNMENT PROPERTY
52.245-9	JUN 2007	USE AND CHARGES
52.246-25	FEB 1997	LIMITATION OF LIABILITY - SERVICES
52.247-63	JUN 2003	PREFERENCE FOR U.S.-FLAG AIR CARRIERS
52.247-68	FEB 2006	REPORT OF SHIPMENT (REPSHIP)
52.249-2	MAY 2004	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)
52.249-6	MAY 2004	TERMINATION (COST-REIMBURSEMENT)
52.249-8	APR 1984	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)
52.249-14	APR 1984	EXCUSABLE DELAYS
52.251-1	APR 1984	GOVERNMENT SUPPLY SOURCES
52.251-2	JAN 1991	INTERAGENCY FLEET MANAGEMENT SYSTEM (IFMS) VEHICLES AND RELATED SERVICES
52.253-1	JAN 1991	COMPUTER GENERATED FORMS

[End of By-Reference Clauses]

I.2 52.204-7 CENTRAL CONTRACTOR REGISTRATION (APR 2008)

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

"Central Contractor Registration (CCR) database" means the primary Government repository for Contractor information required for the conduct of business with the Government.

"Data Universal Numbering System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

"Data Universal Numbering System +4 (DUNS+4) number" means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see the FAR at Subpart 32.11) for the same concern.

"Registered in the CCR database" means that--

- (1) The Contractor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the CCR database; and
 - (2) The Government has validated all mandatory data fields, to include validation of the Taxpayer Identification Number (TIN) with the Internal Revenue Service (IRS), and has marked the record "Active". The Contractor will be required to provide consent for TIN validation to the Government as a part of the CCR registration process.
- (b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the CCR database prior to award, during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.
- (2) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" or "DUNS +4" followed by the DUNS or DUNS +4 number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.
- (c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.
- (1) An offeror may obtain a DUNS number--
 - (i) Via the Internet at <http://fedgov.dnb.com/webform> or if the offeror does not have internet access, it may call Dun and Bradstreet at 1-866-705-5711 if located within the United States; or
 - (ii) If located outside the United States, by contacting the local Dun and Bradstreet office. The offeror should indicate that it is an offeror for a U.S. Government contract when contacting the local Dun and Bradstreet office.
 - (2) The offeror should be prepared to provide the following information:
 - (i) Company legal business.
 - (ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.
 - (iii) Company Physical Street Address, City, State, and Zip Code.
 - (iv) Company Mailing Address, City, State and Zip Code (if separate from physical).
 - (v) Company Telephone Number.
 - (vi) Date the company was started.
 - (vii) Number of employees at your location.
 - (viii) Chief executive officer/key manager.
 - (ix) Line of business (industry).

- (x) Company Headquarters name and address (reporting relationship within your entity).
- (d) If the Offeror does not become registered in the CCR database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror.
- (e) Processing time, which normally takes 48 hours, should be taken into consideration when registering. Offerors who are not registered should consider applying for registration immediately upon receipt of this solicitation.
- (f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete. Updating information in the CCR does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.
- (g) (1) (i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in Subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to (A) change the name in the CCR database; (B) comply with the requirements of Subpart 42.12 of the FAR; and (C) agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor must provide with the notification sufficient documentation to support the legally changed name.
- (ii) If the Contractor fails to comply with the requirements of paragraph (g)(1)(i) of this clause, or fails to perform the agreement at paragraph (g)(1)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the CCR information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract.
- (2) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the CCR record to reflect an assignee for the purpose of assignment of claims (see FAR Subpart 32.8, Assignment of Claims). Assignees shall be separately registered in the CCR database. Information provided to the Contractor's CCR record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the "Suspension of payment" paragraph of the EFT clause of this contract.
- (h) Offerors and Contractors may obtain information on registration and annual confirmation requirements via the internet at <http://www.ccr.gov> or by calling 1-888-227-2423, or 269-961-5757.

[End of Clause]

I.3 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

- (a) The Contractor shall make the following notifications in writing:
 - (1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.
 - (2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.
- (b) The Contractor shall--
 - (1) Maintain current, accurate, and complete inventory records of assets and their costs;
 - (2) Provide the ACO or designated representative ready access to the records upon request;

- (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and
 - (4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.
- (c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

[End of Clause]

I.4 52.215-22 LIMITATIONS ON PASS-THROUGH CHARGES-IDENTIFICATION OF SUBCONTRACT EFFORT (OCT 2009)

- (a) Definitions. Added value, excessive pass-through charge, subcontract, and subcontractor, as used in this provision, are defined in the clause of this solicitation entitled "Limitations on Pass-Through Charges" (FAR 52.215-23).
- (b) General. The offeror's proposal shall exclude excessive pass-through charges.
- (c) Performance of work by the Contractor or a subcontractor.
 - (1) The offeror shall identify in its proposal the total cost of the work to be performed by the offeror, and the total cost of the work to be performed by each subcontractor, under the contract, task order, or delivery order.
 - (2) If the offeror intends to subcontract more than 70 percent of the total cost of work to be performed under the contract, task order, or delivery order, the offeror shall identify in its proposal-
 - (i) The amount of the offeror's indirect costs and profit/fee applicable to the work to be performed by the subcontractor(s); and
 - (ii) A description of the added value provided by the offeror as related to the work to be performed by the subcontractor(s).
 - (3) If any subcontractor proposed under the contract, task order, or delivery order intends to subcontract to a lower-tier subcontractor more than 70 percent of the total cost of work to be performed under its subcontract, the offeror shall identify in its proposal-
 - (i) The amount of the subcontractor's indirect costs and profit/fee applicable to the work to be performed by the lower-tier subcontractor(s); and
 - (ii) A description of the added value provided by the subcontractor as related to the work to be performed by the lower-tier subcontractor(s).

(End of provision)

I.5 52.215-23 LIMITATIONS ON PASS-THROUGH CHARGES (OCT 2009)

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

"Added value" means that the Contractor performs subcontract management functions that the Contracting Officer determines are a benefit to the Government (e.g., processing orders of parts or services, maintaining inventory, reducing delivery lead times, managing multiple sources for contract requirements, coordinating deliveries, performing quality assurance functions).

"Excessive pass-through charge", with respect to a Contractor or subcontractor that adds no or negligible value to a contract or subcontract, means a charge to the Government by the Contractor or subcontractor that is for indirect costs or profit/fee on work performed by a subcontractor (other than charges for the costs of managing subcontracts and any applicable indirect costs and associated profit/fee based on such costs).

“No or negligible value” means the Contractor or subcontractor cannot demonstrate to the Contracting Officer that its effort added value to the contract or subcontract in accomplishing the work performed under the contract (including task or delivery orders).

“Subcontract” means any contract, as defined in FAR 2.101, entered into by a subcontractor to furnish supplies or services for performance of the contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

“Subcontractor”, as defined in FAR 44.101, means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor or another subcontractor.

- (b) General. The Government will not pay excessive pass-through charges. The Contracting Officer shall determine if excessive pass-through charges exist.
- (c) Reporting. Required reporting of performance of work by the Contractor or a subcontractor. The Contractor shall notify the Contracting Officer in writing if-
 - (1) The Contractor changes the amount of subcontract effort after award such that it exceeds 70 percent of the total cost of work to be performed under the contract, task order, or delivery order. The notification shall identify the revised cost of the subcontract effort and shall include verification that the Contractor will provide added value; or
 - (2) Any subcontractor changes the amount of lower-tier subcontractor effort after award such that it exceeds 70 percent of the total cost of the work to be performed under its subcontract. The notification shall identify the revised cost of the subcontract effort and shall include verification that the subcontractor will provide added value as related to the work to be performed by the lower-tier subcontractor(s).
- (d) Recovery of excessive pass-through charges. If the Contracting Officer determines that excessive pass-through charges exist;
 - (1) For other than fixed-price contracts, the excessive pass-through charges are unallowable in accordance with the provisions in FAR subpart 31.2; and
 - (2) For applicable DoD fixed-price contracts, as identified in 15.408(n)(2)(i)(B), the Government shall be entitled to a price reduction for the amount of excessive pass-through charges included in the contract price.
- (e) Access to records.
 - (1) The Contracting Officer, or authorized representative, shall have the right to examine and audit all the Contractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the Contractor proposed, billed, or claimed excessive pass-through charges.
 - (2) For those subcontracts to which paragraph (f) of this clause applies, the Contracting Officer, or authorized representative, shall have the right to examine and audit all the subcontractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the subcontractor proposed, billed, or claimed excessive pass-through charges.
- (f) Flowdown. The Contractor shall insert the substance of this clause, including this paragraph (f), in all cost-reimbursement subcontracts under this contract that exceed the simplified acquisition threshold, except if the contract is with DoD, then insert in all cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in 15.408(n)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in accordance with FAR 15.403-4.

(End of clause)

I.6 INCENTIVE FEE

In accordance with FAR 52.216-10, Incentive Fee, the following terms apply:

Fee Payable:

The fee payable under this contract shall be the target fee increased by (b) (4) for Base Year and Option Year 1 (b) (4) for Option Years 2 through 9, for every dollar that the total allowable cost is less than the target cost or decreased by (b) (4) for Base Year and Option Year 1, (b) (4) for Option Years 2 through 9, for every dollar that the total allowable cost exceeds the target costs. In no event shall the fee be greater than (b) (4) of the total allowable costs or less than (b) (4)

[End Clause]

I.7 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 60 days.

[End of Clause]

I.8 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

- (a) The Government may extend the term of this contract by written notice to the Contractor within 30 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended contract shall be considered to include this option clause.
- (c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 120 months.

[End of Clause]

I.9 52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

- (a) The use of overtime is authorized under this contract if the overtime premium does not exceed \$5,523,134 over the life of contract or the overtime premium is paid for work--
 - (1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;
 - (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;
 - (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or
 - (4) That will result in lower overall costs to the Government.
- (b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--

- (1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;
- (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
- (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and
- (4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

[End of Clause]

I.10 52.222-39 NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES (DEC 2004)

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

United States means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

- (b) Except as provided in paragraph (e) of this clause, during the term of this contract, the Contractor shall post a notice, in the form of a poster, informing employees of their rights concerning union membership and payment of union dues and fees, in conspicuous places in and about all its plants and offices, including all places where notices to employees are customarily posted. The notice shall include the following information (except that the information pertaining to National Labor Relations Board shall not be included in notices posted in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)).

Notice to Employees

Under Federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their jobs. Under certain conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay uniform periodic dues and initiation fees. However, employees who are not union members can object to the use of their payments for certain purposes and can only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment.

If you do not want to pay that portion of dues or fees used to support activities not related to collective bargaining, contract administration, or grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been required to pay dues or fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment, you may be entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, you may wish to contact the National Labor Relations Board (NLRB) either at one of its Regional offices or at the following address or toll free number:

National Labor Relations Board
 Division of Information
 1099 14th Street, N.W.
 Washington, DC 20570
 1-866-667-6572
 1-866-316-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at <http://www.nlr.gov>.

- (c) The Contractor shall comply with all provisions of Executive Order 13201 of February 17, 2001, and related implementing regulations at 29 CFR part 470, and orders of the Secretary of Labor.

- (d) In the event that the Contractor does not comply with any of the requirements set forth in paragraphs (b), (c), or (g), the Secretary may direct that this contract be cancelled, terminated, or suspended in whole or in part, and declare the Contractor ineligible for further Government contracts in accordance with procedures at 29 CFR part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures. Such other sanctions or remedies may be imposed as are provided by 29 CFR part 470, which implements Executive Order 13201, or as are otherwise provided by law.
- (e) The requirement to post the employee notice in paragraph (b) does not apply to--
- (1) Contractors and subcontractors that employ fewer than 15 persons;
 - (2) Contractor establishments or construction work sites where no union has been formally recognized by the Contractor or certified as the exclusive bargaining representative of the Contractor's employees;
 - (3) Contractor establishments or construction work sites located in a jurisdiction named in the definition of the United States in which the law of that jurisdiction forbids enforcement of union-security agreements;
 - (4) Contractor facilities where upon the written request of the Contractor, the Department of Labor Deputy Assistant Secretary for Labor-Management Programs has waived the posting requirements with respect to any of the Contractor's facilities if the Deputy Assistant Secretary finds that the Contractor has demonstrated that--
 - (i) The facility is in all respects separate and distinct from activities of the Contractor related to the performance of a contract; and
 - (ii) Such a waiver will not interfere with or impede the effectuation of the Executive order; or
 - (5) Work outside the United States that does not involve the recruitment or employment of workers within the United States.
- (f) The Department of Labor publishes the official employee notice in two variations; one for contractors covered by the Railway Labor Act and a second for all other contractors. The Contractor shall--
- (1) Obtain the required employee notice poster from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-5605, Washington, DC 20210, or from any field office of the Department's Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;
 - (2) Download a copy of the poster from the Office of Labor-Management Standards website at <http://www.olms.dol.gov>; or
 - (3) Reproduce and use exact duplicate copies of the Department of Labor's official poster.
- (g) The Contractor shall include the substance of this clause in every subcontract or purchase order that exceeds the simplified acquisition threshold, entered into in connection with this contract, unless exempted by the Department of Labor Deputy Assistant Secretary for Labor-Management Programs on account of special circumstances in the national interest under authority of 29 CFR 470.3(c). For indefinite quantity subcontracts, the Contractor shall include the substance of this clause if the value of orders in any calendar year of the subcontract is expected to exceed the simplified acquisition threshold. Pursuant to 29 CFR part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures, the Secretary of Labor may direct the Contractor to take such action in the enforcement of these regulations, including the imposition of sanctions for noncompliance with respect to any such subcontract or purchase order. If the Contractor becomes involved in litigation with a subcontractor or vendor, or is threatened with such involvement, as a result of such direction, the Contractor may request the United States, through the Secretary of Labor, to enter into such litigation to protect the interests of the United States.

[End of Clause]

I.11 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) Alternate I (JUL 1995)

- (a) "Hazardous material," as used in this clause, includes any material defined as hazardous under the latest version of Federal Standard No. 313 (including revisions adopted during the term of the contract).
- (b) The offeror must list any hazardous material, as defined in paragraph (a) of this clause, to be delivered under this contract. The hazardous material shall be properly identified and include any applicable identification number, such as National Stock Number or Special Item Number. This information shall be included on the Material Safety Data Sheet submitted under this contract.

Material (If none, insert NONE)

Identification No.

- (c) This list must be updated during performance of the contract whenever the Contractor determines that any other material to be delivered under this contract is hazardous.
- (d) The apparently successful offeror agrees to submit, for each item as required prior to award, a Material Safety Data Sheet, meeting the requirements of 29 CFR 1910.1200(g) and the latest version of Federal Standard No. 313, for all hazardous material identified in paragraph (b) of this clause. Data shall be submitted in accordance with Federal Standard No. 313, whether or not the apparently successful offeror is the actual manufacturer of these items. Failure to submit the Material Safety Data Sheet prior to award may result in the apparently successful offeror being considered nonresponsible and ineligible for award.
- (e) If, after award, there is a change in the composition of the item(s) or a revision to Federal Standard No. 313, which renders incomplete or inaccurate the data submitted under paragraph (d) of this clause, the Contractor shall promptly notify the Contracting Officer and resubmit the data.
- (f) Neither the requirements of this clause nor any act or failure to act by the Government shall relieve the Contractor of any responsibility or liability for the safety of Government, Contractor, or subcontractor personnel or property.
- (g) Nothing contained in this clause shall relieve the Contractor from complying with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits) in connection with hazardous material.
- (h) The Government's rights in data furnished under this contract with respect to hazardous material are as follows:
 - (1) To use, duplicate, and disclose any data to which this clause is applicable. The purposes of this right are to--
 - (i) Apprise personnel of the hazards to which they may be exposed in using, handling, packaging, transporting, or disposing of hazardous materials;
 - (ii) Obtain medical treatment for those affected by the material; and
 - (iii) Have others use, duplicate, and disclose the data for the Government for these purposes.
 - (2) To use, duplicate, and disclose data furnished under this clause, in accordance with subparagraph (h)(1) of this clause, in precedence over any other clause of this contract providing for rights in data.
 - (3) The Government is not precluded from using similar or identical data acquired from other sources.

- (i) Except as provided in paragraph (i)(2) the Contractor shall prepare and submit a sufficient number of Material Safety Data Sheets (MSDS's), meeting the requirements of 29 CFR 1910.1200(g) and the latest version of Federal Standard No. 313, for all hazardous materials identified in paragraph (b) of this clause.
- (1) For items shipped to consignees, the Contractor shall include a copy of the MSDS's with the packing list or other suitable shipping document which accompanies each shipment. Alternatively, the Contractor is permitted to transmit MSDS's to consignees in advance of receipt of shipments by consignees, if authorized in writing by the Contracting Officer.
 - (2) For items shipped to consignees identified by mailing address as agency depots, distribution centers or customer supply centers, the Contractor shall provide one copy of the MSDS's in or on each shipping container. If affixed to the outside of each container, the MSDS's must be placed in a weather resistant envelope.

[End of Clause]

I.12 52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)

Except for data contained on pages N/A, it is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the Government shall have unlimited rights (as defined in the Rights in Data--General" clause contained in this contract) in and to the technical data contained in the proposal dated April 24, 2008 and April 10, 2009, upon which this contract is based.

[End of Clause]

I.13 52.232-18 AVAILABILITY OF FUNDS (APR 1984)

Funds are not presently available for this contract. The Government's obligation under this contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the Contracting Officer for this contract and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer.

[End of Clause]

I.14 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]

I.15 52.237-3 CONTINUITY OF SERVICES (JAN 1991)

- (a) The Contractor recognizes that the services under this contract are vital to the Government and must be continued without interruption and that, upon contract expiration, a successor, either the Government or another contractor, may continue them. The Contractor agrees to (1) furnish phase-in training and (2) exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.
- (b) The Contractor shall, upon the Contracting Officer's written notice, (1) furnish phase-in, phase-out services for up to 90 days after this contract expires and (2) negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the Contracting Officer's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.
- (c) The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.
- (d) The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract.

[End of Clause]

I.16 52.233-4 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM (OCT 2004)

United States law will apply to resolve any claim of breach of this contract.

[End of Clause]

I.17 52.244-2 SUBCONTRACTS (JUN 2007) Alternate I (JUN 2007)

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

"Approved purchasing system" means a Contractor's purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR).

"Consent to subcontract" means the Contracting Officer's written consent for the Contractor to enter into a particular subcontract.

"Subcontract" means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

- (b) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (d) or (e) of this clause.
- (c) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that--
 - (1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or
 - (2) Is fixed-price and exceeds--

- (i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or
 - (ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.
- (d) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer's written consent before placing the following subcontracts:

N/A

- (e) (1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (b), (c), or (d) of this clause, including the following information:
- (i) A description of the supplies or services to be subcontracted.
 - (ii) Identification of the type of subcontract to be used.
 - (iii) Identification of the proposed subcontractor.
 - (iv) The proposed subcontract price.
 - (v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.
 - (vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.
 - (vii) A negotiation memorandum reflecting--
 - (A) The principal elements of the subcontract price negotiations;
 - (B) The most significant considerations controlling establishment of initial or revised prices;
 - (C) The reason cost or pricing data were or were not required;
 - (D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;
 - (E) The extent to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;
 - (F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and
 - (G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.
- (2) If the Contractor has an approved purchasing system and consent is not required under paragraph (c), or (d) of this clause, the Contractor nevertheless shall notify the Contracting Officer reasonably in advance of entering into any (i) cost-plus-fixed-fee subcontract, or (ii) fixed-price subcontract that exceeds either the simplified acquisition threshold or 5 percent of the total estimated cost of this contract. The notification shall include the information required by paragraphs (e)(1)(i) through (e)(1)(iv) of this clause.

- (f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination--
 - (1) Of the acceptability of any subcontract terms or conditions;
 - (2) Of the allowability of any cost under this contract; or
 - (3) To relieve the Contractor of any responsibility for performing this contract.
- (g) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).
- (h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.
- (i) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.
- (j) Paragraphs (d) and (f) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

[End of Clause]

I.18 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS (AUG 2009)

- (a) Definitions. As used in this clause--
 - "Commercial item" has the meaning contained in Federal Acquisition Regulation 2.101, Definitions.
 - "Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.
- (b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.
- (c) (1) The Contractor shall insert the following clauses in subcontracts for commercial items:
 - (i) 52.203-13, Contractor Code of Business Ethics and Conduct (DEC 2008) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)), if the subcontract exceeds \$5,000,000 and has a performance period of more than 120 days. In altering this clause to identify the appropriate parties, all disclosures of violation of the civil False Claims Act or of Federal criminal law shall be directed to the agency Office of the Inspector General, with a copy to the Contracting Officer.
 - (ii) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (MAR 2009) (Section 1553 of Pub. L. 111-5), if the subcontract is funded under the Recovery Act.
 - (iii) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637(d)(2) and (3)), if the subcontract offers further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$550,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

- (iv) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246).
 - (v) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212(a)).
 - (vi) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).
 - (vii) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201), if flow down is required in accordance with paragraph (g) of FAR clause 52.222-39).
 - (viii) 52.222-50, Combating Trafficking in Persons (FEB 2009) (22 U.S.C. 7104(g)).
 - (ix) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. App. 1241 and 10 U.S.C. 2631), if flow down is required in accordance with paragraph (d) of FAR clause 52.247-64.
- (2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.
- (d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

[End of Clause]

I.19 52.246-24 LIMITATION OF LIABILITY--HIGH-VALUE ITEMS (FEB 1997) Alternate I (APR 1984)

- (a) Except as provided in paragraphs (b) through (e) below, and notwithstanding any other provision of this contract, the Contractor shall not be liable for loss of or damage to property of the Government (including the supplies delivered under this contract) that (1) occurs after Government acceptance of the supplies delivered under this contract and (2) results from any defects or deficiencies in the supplies.
- (b) The limitation of liability under paragraph (a) above shall not apply when a defect or deficiency in, or the Government's acceptance of, the supplies results from willful misconduct or lack of good faith on the part of any of the Contractor's managerial personnel. The term "Contractor's managerial personnel," as used in this clause, means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or equivalent representatives who have supervision or direction of--
 - (1) All or substantially all of the Contractor's business;
 - (2) All or substantially all of the Contractor's operations at any one plant, laboratory, or separate location at which the contract is being performed; or
 - (3) A separate and complete major industrial operation connected with the performance of this contract.
- (c) If the Contractor carries insurance, or has established a reserve for self-insurance, covering liability for loss or damage suffered by the Government through purchase or use of the supplies required to be delivered under this contract, the Contractor shall be liable to the Government, to the extent of such insurance or reserve, for loss of or damage to property of the Government occurring after Government acceptance of, and resulting from any defects or deficiencies in, the supplies delivered under this contract.
- (d) (1) This clause does not diminish the Contractor's obligations, to the extent that they arise otherwise under this contract, relating to correction, repair, replacement, or other relief for any defect or deficiency in supplies delivered under this contract.
- (2) Unless this is a cost-reimbursement contract, if loss or damage occurs and correction, repair, or replacement is not feasible or desired by the Government, the Contractor shall, as determined by the Contracting Officer--
 - (i) Pay the Government the amount it would have cost the Contractor to make correction, repair, or replacement before the loss or damage occurred; or
 - (ii) Provide other equitable relief.

- (e) This clause shall not limit or otherwise affect the Government's rights under clauses, if included in this contract, that cover--
- (1) Warranty of technical data;
 - (2) Ground and flight risks or aircraft flight risks; or
 - (3) Government property.
- (f) This clause shall apply only to those items identified in this contract as being subject to this clause. These include:
- All Material and Aircraft Repairable Line Items

[End of Clause]

I.20 52.247-67 SUBMISSION OF TRANSPORTATION DOCUMENTS FOR AUDIT (FEB 2006)

- (a) The Contractor shall submit to the address identified below, for prepayment audit, transportation documents on which the United States will assume freight charges that were paid--
- (1) By the Contractor under a cost-reimbursement contract, and
 - (2) By a first-tier subcontractor under a cost-reimbursement subcontract thereunder.
- (b) Cost-reimbursement Contractors shall only submit for audit those bills of lading with freight shipment charges exceeding \$100. Bills under \$100 shall be retained on-site by the Contractor and made available for on-site audits. This exception only applies to freight shipment bills and is not intended to apply to bills and invoices for any other transportation services.
- (c) Contractors shall submit the above referenced transportation documents to--
- DHS/U.S. Customs and Border Protection
Attn: (b) (6)
US Mint Annex
799 9th Street, NW Mailstop 1180
Washington, DC 20229

[End of Clause]

I.21 52.252-4 ALTERATIONS IN CONTRACT (APR 1984)

Portions of this contract are altered as follows:

Contract will be modified as necessary
during the course of contract periods.

[End of Clause]

I.22 3052.204-71 CONTRACTOR EMPLOYEE ACCESS (JUN 2006) ALTERNATE I (JUN 2006)

- (a) Sensitive Information, as used in this Chapter, means any information, the loss, misuse, disclosure, or unauthorized access to or modification of which could adversely affect the national or homeland security interest, or the conduct of Federal programs, or the privacy to which individuals are entitled under section 552a of title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept secret in the interest of national defense, homeland security or foreign policy. This definition includes the following categories of information:
- (1) Protected Critical Infrastructure Information (PCII) as set out in the Critical Infrastructure Information Act of 2002 (Title II, Subtitle B, of the Homeland Security Act, Public Law 107-296, 196 Stat. 2135), as amended, the implementing regulations thereto (Title 6, Code of Federal Regulations, Part 29) as amended, the applicable PCII Procedures Manual, as amended, and any supplementary guidance officially communicated by an authorized official of the Department of Homeland Security (including the PCII Program Manager or his/her designee);
 - (2) Sensitive Security Information (SSI), as defined in Title 49, Code of Federal Regulations, Part 1520, as amended, "Policies and Procedures of Safeguarding and Control of SSI," as amended, and any supplementary guidance officially communicated by an authorized official of the Department of Homeland Security (including the Assistant Secretary for the Transportation Security Administration or his/her designee);
 - (3) Information designated as "For Official Use Only," which is unclassified information of a sensitive nature and the unauthorized disclosure of which could adversely impact a person's privacy or welfare, the conduct of Federal programs, or other programs or operations essential to the national or homeland security interest; and
 - (4) Any information that is designated "sensitive" or subject to other controls, safeguards or protections in accordance with subsequently adopted homeland security information handling procedures.
- (b) "Information Technology Resources" include, but are not limited to, computer equipment, networking equipment, telecommunications equipment, cabling, network drives, computer drives, network software, computer software, software programs, intranet sites, and internet sites.
- (c) Contractor employees working on this contract must complete such forms as may be necessary for security or other reasons, including the conduct of background investigations to determine suitability. Completed forms shall be submitted as directed by the Contracting Officer. Upon the Contracting Officer's request, the Contractor's employees shall be fingerprinted, or subject to other investigations as required. All contractor employees requiring recurring access to Government facilities or access to sensitive information or IT resources are required to have a favorably adjudicated background investigation prior to commencing work on this contract unless this requirement is waived under Departmental procedures.
- (d) The Contracting Officer may require the contractor to prohibit individuals from working on the contract if the government deems their initial or continued employment contrary to the public interest for any reason, including, but not limited to, carelessness, insubordination, incompetence, or security concerns.
- (e) Work under this contract may involve access to sensitive information. Therefore, the Contractor shall not disclose, orally or in writing, any sensitive information to any person unless authorized in writing by the Contracting Officer. For those contractor employees authorized access to sensitive information, the contractor shall ensure that these persons receive training concerning the protection and disclosure of sensitive information both during and after contract performance.
- (f) The Contractor shall include the substance of this clause in all subcontracts at any tier where the subcontractor may have access to Government facilities, sensitive information, or resources.
- (g) Before receiving access to IT resources under this contract the individual must receive a security briefing, which the Contracting Officer's Technical Representative (COTR) will arrange, and complete any nondisclosure agreement furnished by DHS.
- (h) The contractor shall have access only to those areas of DHS information technology resources explicitly stated in this contract or approved by the COTR in writing as necessary for performance of the work under this

contract. Any attempts by contractor personnel to gain access to any information technology resources not expressly authorized by the statement of work, other terms and conditions in this contract, or as approved in writing by the COTR, is strictly prohibited. In the event of violation of this provision, DHS will take appropriate actions with regard to the contract and the individual(s) involved.

- (i) Contractor access to DHS networks from a remote location is a temporary privilege for mutual convenience while the contractor performs business for the DHS Component. It is not a right, a guarantee of access, a condition of the contract, or Government Furnished Equipment (GFE).
- (j) Contractor access will be terminated for unauthorized use. The contractor agrees to hold and save DHS harmless from any unauthorized use and agrees not to request additional time or money under the contract for any delays resulting from unauthorized use or access.
- (k) Non-U.S. citizens shall not be authorized to access or assist in the development, operation, management or maintenance of Department IT systems under the contract, unless a waiver has been granted by the Head of the component or designee, with the concurrence of both the Department's Chief Security Officer (CSO) and the Chief Information Officer (CIO) or their designees. Within DHS Headquarters, the waiver may be granted only with the approval of both the CSO and the CIO or their designees. In order for a waiver to be granted:
 - (1) The individual must be a legal permanent resident of the U. S. or a citizen of Ireland, Israel, the Republic of the Philippines, or any nation on the Allied Nations List maintained by the Department of State;
 - (2) There must be a compelling reason for using this individual as opposed to a U. S. citizen; and
 - (3) The waiver must be in the best interest of the Government.
- (l) Contractors shall identify in their proposals the names and citizenship of all non-U.S. citizens proposed to work under the contract. Any additions or deletions of non-U.S. citizens after contract award shall also be reported to the contracting officer.

[End of Clause]

I.23 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]

I.24 3052.222-70 STRIKES OR PICKETING AFFECTING TIMELY COMPLETION OF THE CONTRACT WORK (DEC 2003)

Notwithstanding any other provision hereof, the Contractor is responsible for delays arising out of labor disputes, including but not limited to strikes, if such strikes are reasonably avoidable. A delay caused by a strike or by picketing which constitutes an unfair labor practice is not excusable unless the Contractor takes all reasonable and appropriate action to end such a strike or picketing, such as the filing of a charge with the National Labor Relations Board, the use of other available Government procedures, and the use of private boards or organizations for the settlement of disputes.

[End of Clause]

I.25 3052.222-71 STRIKES OR PICKETING AFFECTING ACCESS TO A DHS FACILITY (DEC 2003)

If the Contracting Officer notifies the Contractor in writing that a strike or picketing: (a) is directed at the Contractor or subcontractor or any employee of either; and (b) impedes or threatens to impede access by any person to a DHS facility where the site of the work is located, the Contractor shall take all appropriate action to end such strike or picketing, including, if necessary, the filing of a charge of unfair labor practice with the National Labor Relations Board or the use of other available judicial or administrative remedies.

[End of Clause]

I.26 3052.223-70 REMOVAL OR DISPOSAL OF HAZARDOUS SUBSTANCES--APPLICABLE LICENSES AND PERMITS (JUN 2006)

The Contractor shall have all licenses and permits required by Federal, state, and local laws to perform hazardous substance(s) removal or disposal services. If the Contractor does not currently possess these documents, it shall obtain all requisite licenses and permits within 30 days after date of award. The Contractor shall provide evidence of said documents to the Contracting Officer or designated Government representative prior to commencement of work under the contract.

[End of Clause]

I.27 3052.228-70 INSURANCE (DEC 2003)

In accordance with the clause entitled "Insurance--Work on a Government Installation" [or Insurance--Liability to Third Persons] in Section I, insurance of the following kinds and minimum amounts shall be provided and maintained during the period of performance of this contract:

- (a) Worker's compensation and employer's liability. The contractor shall, as a minimum, meet the requirements specified at (FAR) 48 CFR 28.307-2(a).
- (b) General liability. The contractor shall, as a minimum, meet the requirements specified at (FAR) 48 CFR 28.307-2(b).
- (c) Automobile liability. The contractor shall, as a minimum, meet the requirements specified at (FAR) 48 CFR 28.307-2(c).

[End of Clause]

[END OF SECTION I]

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J

LIST OF ATTACHMENTS

<u>Attachment No.</u>	<u>No. of Pages</u>	<u>Attachment Title</u>
1	60	Performance Work Statement
2	35	Quality Assurance Surveillance Plan
3	1	Applicable Area Wage Determination References
4	TBD	Incentive Fee Schedule (To Be Incorporated via Contract Modification)
5	TBD	Contract Security Classification Specification (DD-254) (To Be Incorporated via Contract Modification)
6	3	Contractor Employee Separation Clearance (CBP Form 242)
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[END OF SECTION]