

**INCENTIVE FEE MATRIX from:**

**B.1 DETERMINATION OF INCENTIVE FEE**

**Paragraph:**

**B.1.2.1.3 Operational Performance Fee Calculation**

The minimum incentive fee for Operational Performance is (b) (4) and the maximum fee is (b) (4). The annual Fee Pool will be established as the annual Target Cost multiplied by (b) (4). If the OPM is equal to 75% or greater, the incentive fee will be equal to (b) (4) of the Target Cost, or (b) (4) of the Fee Pool. The following table details the fee calculation:

Incentive Fee Matrix for Operational Performance		
OPM (LR x MCR)	Fee Equivalent for illustration purpose only	Incentive Fee as % of Fee Pool
=>95%	(b) (4) MAX	(b) (4)
=>90%		(b) (4)
=>85%		(b) (4)
=>80%		(b) (4)
=>75%	(b) (4) Target	(b) (4)
=>70%		(b) (4)
=>65%		(b) (4)
=>60%		(b) (4)
=<59%	(b) (4) MIN	(b) (4)

The Incentive fee will be calculated and paid quarterly. At the end of each quarter of the Government Fiscal Year, the contractor shall submit the OPM data to the CBP Management team for review. Once the data has been accepted by the Government the OPM derived from this data for the quarter will be applied to the incentive fee pool. The annual incentive fee pool as established for the contract period will be apportioned quarterly. This quarterly pool amount will be used to calculate the quarterly fee payable based on the Incentive Fee percentage in the table above.