

ORDER FOR SUPPLIES OR SERVICES

PAGE OF PAGES

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IMPORTANT: Mark all packages and papers with contract and/or order numbers.

1. DATE OF ORDER 05/30/2007	2. CONTRACT NO. (if any)	6. SHIP TO:			
3. ORDER NO. HSBP1007P15714	4. REQUISITION/REFERENCE NO. 0020028158	a. NAME OF CONSIGNEE See Attached Delivery Schedule			
5. ISSUING OFFICE (Address correspondence to) Department of Homeland Security Customs and Border Protection 1300 Pennsylvania Ave, NW NP 1310 Washington DC 20229		b. STREET ADDRESS		c. CITY	d. STATE e. ZIP CODE
7. TO:		f. SHIP VIA			
a. NAME OF CONTRACTOR FNH USA LLC		8. TYPE OF ORDER			
b. COMPANY NAME DBA/Foreign Parent is Herstal SA		<input checked="" type="checkbox"/> a. PURCHASE - Reference Your _____ Please furnish the following on the terms and conditions specified on both sides of this order and on the attached sheet, if any, including delivery as indicated.			
c. STREET ADDRESS 1364 Beverly Rd		<input type="checkbox"/> b. DELIVERY - Except for billing instructions on the reverse, this delivery order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.			
d. CITY MC Lean	e. STATE VA	f. ZIP CODE 22101-3645		10. REQUISITIONING OFFICE (b) (6)	
9. ACCOUNTING AND APPROPRIATION DATA 6100.2671USCSGLCS0909010600Z17K07400BN01 BP0132671		11. BUSINESS CLASSIFICATION (Check appropriate box(es))			
CONTRACTOR TIN: (b) (4)		<input checked="" type="checkbox"/> a. SMALL <input type="checkbox"/> b. OTHER THAN SMALL			
12. F.O.B. POINT Destination		<input type="checkbox"/> c. DISADVANTAGED <input type="checkbox"/> d. WOMEN-OWNED			
13. PLACE OF		14. GOVERNMENT B/L NO.		15. DELIVER TO F.O.B POINT ON OR BEFORE (Date)	
a. INSPECTION BORTAC	b. ACCEPTANCE BORTAC			06/30/2007	
				16. DISCOUNT TERMS NET 30	

17. SCHEDULE (See reverse for Rejections)

ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QTY Accept (g)
00010	48001_ FNH 303 Launcher	24.00	EA	(b) (4)	(b) (4)	
00020	48188 Magazine with cover clip	48.00	EA	(b) (4)	(b) (4)	
00030	48153 Fill Station Adapter	11.00	EA	(b) (4)	(b) (4)	
00040	48048555_Pink Projectile	40.00	EA	(b) (4)	(b) (4)	
00050	48048554 Clear Impact Projectile	40.00	EA	(b) (4)	(b) (4)	
00060	48071 Projectile Speed Loader	11.00	EA	(b) (4)	(b) (4)	
00070	48043 Launcher Air Bottle	48.00	EA	(b) (4)	(b) (4)	

18. SHIPPING POINT	19. GROSS SHIPPING WEIGHT	20. INVOICE NO.		17(h) TOT. (Cont. pages)	
21. MAIL INVOICE TO:					
SEE BILLING INSTRUCTIONS ON REVERSE	a. NAME DHS - Customs & Border Protection		National Finance Center		\$0.00
	b. STREET ADDRESS (or P.O. Box) PO Box 68908				\$54,375.00
	c. CITY Indianapolis	d. STATE IN	e. ZIP CODE 46268		
22. UNITED BY (Signature)	(b) (6)		23. NAME (Typed) Pattie Caulk TITLE: CONTRACTING/ORDERING OFFICER		

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OPTIONAL FORM 347 (REV. 3/2005)
Prescribed by GSA/FAR 48 CFR 53.213 (e)

DATE OF ORDER 05/30/2007	CONTRACT NO. (if any)	ORDER NO. HSBP1007P15714	PAGE OF PAGES 2 8
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Federal Tax Exempt ID: 72-0408780

NOTES:

ATTN: FNH USA, LLC.---

Purchase Order for :

Less Lethal System

Total price of \$54,375 quoted by (b) (6)

Terms and Conditions are attached
.....
.....

Border Patrol Tactical Unit POC:

(b) (6)
Office: (b) (6)

.....
.....

SHIPPING ADDRESS:

Border Patrol Tactical Unit (BORTAC)

(b) (7)(E)

.....
.....

INVOICE PROCEDURES:

1. After delivery and acceptance of all supplies, please send one original invoice to the address in Block 21 of this purchase order. Reference the purchase order number in block 3 on invoice.

2. Send DUPLICATE INVOICE TO:

(b) (6)
Field Operations Supervisor / SRT Coordinator
Border Patrol Tactical Unit (BORTAC)
P.O. Box 6037
El Paso, TX 79906

OR

(b) (6) at (b) (6)

PURCHASE ORDER TERMS AND CONDITIONS

U.S. CUSTOMS and BORDER PROTECTION

Supplemental Clauses/Provisions

Order Number: HSBP1007P15714

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

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

<http://www.acqnet.gov>

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

NUMBER	DATE	TITLE
52.204-7	JUL 2006	CENTRAL CONTRACTOR REGISTRATION
52.212-4	FEB 2007	CONTRACT TERMS AND CONDITIONS-- COMMERCIAL ITEMS
52.232-1	APR 1984	PAYMENTS
52.232-8	FEB 2002	DISCOUNTS FOR PROMPT PAYMENT
52.233-1	JUL 2002	DISPUTES
52.243-1	AUG 1987	CHANGES - FIXED-PRICE
52.247-34	NOV 1991	F.O.B. DESTINATION
52.249-1	APR 1984	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (SHORT FORM)

P.2 52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS--COMMERCIAL ITEMS (NOV 2006)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.233-3, Protest after Award (AUG 1996) (31 U.S.C. 3553).

(2) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Pub. L. 108-77, 108-78).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]

— (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (SEP 2006), with Alternate I (OCT 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).

— (2) 52.219-3, Notice of Total HUBZone Set-Aside (JAN 1999) (15 U.S.C. 657a).

- ___ (3) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JUL 2005) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).
- ___ (4) [Reserved]
- XX (5) (i) 52.219-6, Notice of Total Small Business Set-Aside (JUN 2003) (15 U.S.C. 644).
- ___ (ii) Alternate I (OCT 1995) of 52.219-6
- ___ (iii) Alternate II (MAR 2004) of 52.219-6
- ___ (6) (i) 52.219-7, Notice of Partial Small Business Set-Aside (JUN 2003) (15 U.S.C. 644).
- ___ (ii) Alternate I (OCT 1995) of 52.219-7
- ___ (iii) Alternate II (MAR 2004) of 52.219-7
- ___ (7) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637(d)(2) and (3)).
- ___ (8) (i) 52.219-9, Small Business Subcontracting Plan (SEP 2006) (15 U.S.C. 637(d)(4)).
- ___ (ii) Alternate I (OCT 2001) of 52.219-9
- ___ (iii) Alternate II (OCT 2001) of 52.219-9
- ___ (9) 52.219-14, Limitations on Subcontracting (DEC 1996) (15 U.S.C. 637(a)(14)).
- ___ (10) (i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (SEP 2005) (10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).
- ___ (ii) Alternate I (JUN 2003) of 52.219-23.
- ___ (11) 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting (OCT 1999) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- ___ (12) 52.219-26, Small Disadvantaged Business Participation Program--Incentive Subcontracting (OCT 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- ___ (13) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (MAY 2004)
- ___ (14) 52.222-3, Convict Labor (JUN 2003) (E.O. 11755).
- ___ (15) 52.222-19, Child Labor--Cooperation with Authorities and Remedies (JAN 2006) (E.O. 13126).
- XX (16) 52.222-21, Prohibition of Segregated Facilities (FEB 1999).
- XX (17) 52.222-26, Equal Opportunity (APR 2002) (E.O. 11246).
- XX (18) 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).
- XX (19) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).
- XX (20) 52.222-37, Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006) (38 U.S.C. 4212).
- ___ (21) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201).
- ___ (22) (i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (AUG 2000) (42 U.S.C. 6962(c)(3)(A)(ii)).
- ___ (ii) Alternate I (AUG 2000) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).
- ___ (23) 52.225-1, Buy American Act--Supplies (JUN 2003) (41 U.S.C. 10a-10d).

- ___ (24) (i) 52.225-3, Buy American Act--Free Trade Agreements--Israeli Trade Act (NOV 2006) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, Pub. L. 108-77, 108-78, 108-286, 109-53 and 109-169).
 - ___ (ii) Alternate I (JAN 2004) of 52.225-3.
 - ___ (iii) Alternate II (JAN 2004) of 52.225-3.
 - ___ (25) 52.225-5, Trade Agreements (NOV 2006) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).
 - XX (26) 52.225-13, Restrictions on Certain Foreign Purchases (FEB 2006) (E.o.s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).
 - ___ (27) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (42 U.S.C. 5150).
 - ___ (28) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (42 U.S.C. 5150).
 - XX (29) 52.232-29, Terms of Financing of Purchases of Commercial Items (FEB 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
 - XX (30) 52.232-30, Installment Payments for Commercial Items (OCT 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
 - XX (31) 52.232-33, Payment by Electronic Funds Transfer-- Central Contractor Registration (OCT 2003) (31 U.S.C. 3332).
 - ___ (32) 52.232-34, Payment by Electronic Funds Transfer-- Other than Central Contractor Registration (MAY 1999) (31 U.S.C. 3332).
 - ___ (33) 52.232-36, Payment by Third Party (MAY 1999) (31 U.S.C. 3332).
 - ___ (34) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).
 - ___ (35) (i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).
 - ___ (ii) Alternate I (APR 2003) of 52.247-64.
- (c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]
- ___ (1) 52.222-41, Service Contract Act of 1965, as Amended (JUL 2005) (41 U.S.C. 351, et seq.).
 - ___ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (MAY 1989) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).
 - ___ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act--Price Adjustment (Multiple Year and Option Contracts) (NOV 2006) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).
 - ___ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act--Price Adjustment (FEB 2002) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).
- (d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records--Negotiation.
- (1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.
 - (2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under

this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

- (3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.
- (e) (1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in paragraphs (i) through (vii) of this paragraph in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause--
 - (i) 52.219-8, Utilization of Small Business Concerns (MAY 2004) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer 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.
 - (ii) 52.222-26, Equal Opportunity (APR 2002) (E.O. 11246).
 - (iii) 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).
 - (iv) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).
 - (v) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201).
 - (vi) 52.222-41, Service Contract Act of 1965, as Amended (JUL 2005), flow down required for all subcontracts subject to the Service Contract Act of 1965 (41 U.S.C. 351, et seq.).
 - (vii) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.
- (2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

[End of Clause]

52.233-4 OCT 2004 APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM

P.3 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]