ORDER FOR SUPPLIES OR SERVICES

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

1. DATE OF ORDER: 09/25/2008
2. CONTRACT NO. (if any):
3. ORDER NO.: HSBP1108P23891
4. REQUISITION/REFERENCE NO.: 0020037290
5. ISSUING OFFICE (Address correspondence to):
CBP, Procurement Directorate
ATTN: (b) (6) [redacted]
Intech Two, Suite 100
6650 Telecom Drive
Indianapolis IN 46278

6. SHIP TO:
a. NAME OF CONSIGNEE
See Attached Delivery Schedule
b. STREET ADDRESS
c. CITY
d. STATE
e. ZIP CODE
f. SHIP VIA

7. TO:
a. NAME OF CONTRACTOR
FNH USA LLC
b. COMPANY NAME
DBA/Foreign Parent is Herstal SA
c. STREET ADDRESS
1364 BEVERLY RD
STE 200
d. CITY: MCLEAN
e. STATE: VA
f. ZIP CODE: 22101-3645

8. TYPE OF ORDER
[X] 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.
[ ] 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.

9. ACCOUNTING AND APPROPRIATION DATA
CONTRACTOR TIN: (b) (4) [redacted]

10. REQUISITIONING OFFICE
(b) (6) [redacted]

11. BUSINESS CLASSIFICATION (Check appropriate box(es))
[ ] a. SMALL
[X] b. OTHER THAN SMALL
[ ] c. DISADVANTAGED
[ ] d. WOMEN-OWNED
[ ] e. HUBZone
[ ] f. EMERGING SMALL BUSINESS
[ ] g. SERVICE-DISABLED VETERAN-OWNED

12. F.O.B. POINT: Destination

13. PLACE OF
a. INSPECTION
b. ACCEPTANCE

14. GOVERNMENT B/L NO.

15. DELIVER TO F.O.B POINT ON OR BEFORE (Date): 12/01/2008

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 Accpt (g)
00010	Washable Projectiles 48048555	482.00	EA	(b) (4) [redacted]		
00020	Pava Projectiles 48048600	117.00	EA			
00030	Indelible Projectiles 48048552	288.00	EA			
00040	Washable Projectiles 48048555	675.00	EA			
00050	Indelible Projectiles 48048552	251.00	EA			
00060	Pava Projectiles 48048600	117.00	EA			
00070	Indelible Projectiles 48048552	37.00	EA			

18. SHIPPING POINT
19. GROSS SHIPPING WEIGHT
20. INVOICE NO.

17(h) TOT. (Cont. pages): $0.00

21. MAIL INVOICE TO:
SEE BILLING INSTRUCTIONS ON REVERSE
a. NAME
DHS - Customs & Border Protection National Finance Center
b. STREET ADDRESS (or P.O. Box)
P.O. Box 68908
c. CITY: Indianapolis
d. STATE: IN
e. ZIP CODE: 46268

17(i) GRAND TOTAL: $549,796.00

22. BY (b) (6) [redacted]

23. NAME (Typed)
Susan E. Hargett-Evans
TITLE: CONTRACTING/ORDERING OFFICER

Federal Tax Exempt ID: 72-0408780

Emailing Invoices to CBP. As an alternative to mailing invoices to the National Finance Center as shown on page one of this award, you may email invoices to: **cbpinvoices@dhs.gov.**

NOTES:

The purpose of this delivery order is to provide line items 00010 through 00070 per the terms and conditions of the attached Section A.

Reference FedBid Bid No. 4075157 for Buy No. 91718_01 dated 9/24/08.

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

Send invoice to the address in Block 21 or e-mail to cbpinvoices@dhs.gov

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

Contract Specialist: (b) (6)

PURCHASE ORDER TERMS AND CONDITIONS

U.S. CUSTOMS and BORDER PROTECTION
Supplemental Clauses/Provisions

Order Number: HSBP1108P23891

SCHEDULE OF SUPPLIES/SERVICES

Item Number: **00010** **Line Item (Priced/Information/Option): P**
Supplies/Services: Washable Projectiles 48048555
Washable Projectiles (Box 150) FNH USA LLC Part No. 48048555

Qty	Unit	Unit Price	Ext. Price
482	EA	(b) (4) [redacted]	

Item Number: **00020** **Line Item (Priced/Information/Option): P**
Supplies/Services: Pava Projectiles 48048600
Pava Projectiles (Box 150) FNH USA LLC Part No. 48048600

Qty	Unit	Unit Price	Ext. Price
117	EA	(b) (4) [redacted]	

Item Number: **00030** **Line Item (Priced/Information/Option): P**
Supplies/Services: Indelible Projectiles 48048552
Indelible Projectiles (Box 150) FNH USA LLC Part No. 48048552

Qty	Unit	Unit Price	Ext. Price
288	EA	(b) (4) [redacted]	

Item Number: **00040** **Line Item (Priced/Information/Option): P**
Supplies/Services: Washable Projectiles 48048555
Washable Projectiles (Box 150) FNH USA LLC Part No. 48048555

Qty	Unit	Unit Price	Ext. Price
675	EA	(b) (4) [redacted]	

Item Number: **00050** **Line Item (Priced/Information/Option): P**
Supplies/Services: Indelible Projectiles 48048552
Indelible Projectiles (Box 150) FNH USA LLC Part No. 48048552

Qty	Unit	Unit Price	Ext. Price
251	EA	(b) (4) [redacted]	

Item Number: **00060** **Line Item (Priced/Information/Option): P**
Supplies/Services: Pava Projectiles 48048600
Pava Projectiles (Box 150) FNH USA LLC Part No. 48048600

Qty	Unit	Unit Price	Ext. Price
117	EA	(b) (4) [redacted]	

Item Number: 00070 **Line Item (Priced/Information/Option):** P

Supplies/Services: Indelible Projectiles 48048552
Indelible Projectiles (Box 150) FNH USA LLC Part No. 48048552

Qty	Unit	Unit Price	Ext. Price
37	EA	(b) (4) [redacted]	

Total Funded Contract Value: **$549,796.0000**

ACCOUNTING AND APPROPRIATION INFORMATION

Item: 00010	6100.2671USCSGLCS0901800000Z00008400HQ01 111262671	**Amount**	(b) (4) [redacted]
Item: 00020	6100.2671USCSGLCS0901800000Z00008400HQ01 111262671	**Amount**	[redacted]
Item: 00030	6100.2671USCSGLCS0901800000Z00008400HQ01 111262671	**Amount**	[redacted]
Item: 00040	6100.2671USCSGLCS0901800000Z00008400BN01 111262671	**Amount**	[redacted]
Item: 00050	6100.2671USCSGLCS0901800000Z00008400BN01 111262671	**Amount**	[redacted]
Item: 00060	6100.2671USCSGLCS0901800000Z00008400BN01 111262671	**Amount**	[redacted]
Item: 00070	6100.2671USCSGLCS0901800000Z00008400BN05 111262671	**Amount**	[redacted]

DELIVERY SCHEDULE

==========

Deliver To: Customs and Border Protection

(b) (7)(E)

Instructions:

Item	Quantity	Delivery Date	Recipient	Unloading PT.
00010	482	12/01/2008		
00020	117	12/01/2008		
00030	288	12/01/2008		
00040	675	12/01/2008		
00050	251	12/01/2008		
00060	117	12/01/2008		
00070	37	12/01/2008		

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	APR 2008	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

P.2 52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS--COMMERCIAL ITEMS (JUN 2008)

(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).

XX (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]

__ (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

XX (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 (APR 2008) (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) 52.219-16, Liquidated Damages--Subcontracting Plan (JAN 1999) (15 U.S.C. 637(d)(4)(F)(i)).

__ (11) (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).

XX (ii) Alternate I (JUN 2003) of 52.219-23.

__ (12) 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting (APR 2008) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

__ (13) 52.219-26, Small Disadvantaged Business Participation Program--Incentive Subcontracting (OCT 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

__ (14) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (MAY 2004) (15 U.S.C. 657 f).

XX (15) 52.219-28, Post-Award Small Business Program Rerepresentation (JUN 2007) (15 U.S.C. 632(a)(2)).

XX (16) 52.222-3, Convict Labor (JUN 2003) (E.O. 11755).

__ (17) 52.222-19, Child Labor--Cooperation with Authorities and Remedies (FEB 2008) (E.O. 13126).

XX (18) 52.222-21, Prohibition of Segregated Facilities (FEB 1999).

XX (19) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246).

XX (20) 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 (21) 52.222-36, Affirmative Action for Workers with Disabilities (JUN 1998) (29 U.S.C. 793).

XX (22) 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).

XX (23) 52.222-39, Notification of Employee Rights Concerning Payment of Union Dues or Fees (DEC 2004) (E.O. 13201).

XX (24) (i) 52.222-50, Combating Trafficking in Persons (AUG 2007) (Applies to all contracts).

__ (ii) Alternate I (AUG 2007) of 52.222-50.

__ (25) (i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Items (MAY 2008) (42 U.S.C. 6962(c)(3)(A)(ii)).

__ (ii) Alternate I (MAY 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)).

__ (26) 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007) (42 U.S.C. 8259b).

__ (27) (i) 52.223-16, IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (DEC 2007) (E.O. 13423).

__ (ii) Alternate I (DEC 2007) of 52.223-16

__ (28) 52.225-1, Buy American Act--Supplies (JUN 2003) (41 U.S.C. 10a-10d).

__ (29) (i) 52.225-3, Buy American Act--Free Trade Agreements--Israeli Trade Act (AUG 2007) (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.

__ (30) 52.225-5, Trade Agreements (NOV 2007) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).

XX (31) 52.225-13, Restrictions on Certain Foreign Purchases (JUN 2008) (E.O's, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

__ (32) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (NOV 2007) (42 U.S.C. 5150).

__ (33) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (NOV 2007) (42 U.S.C. 5150).

XX (34) 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 (35) 52.232-30, Installment Payments for Commercial Items (OCT 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

XX (36) 52.232-33, Payment by Electronic Funds Transfer--Central Contractor Registration (OCT 2003) (31 U.S.C. 3332).

__ (37) 52.232-34, Payment by Electronic Funds Transfer--Other than Central Contractor Registration (MAY 1999) (31 U.S.C. 3332).

__ (38) 52.232-36, Payment by Third Party (MAY 1999) (31 U.S.C. 3332).

__ (39) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a).

__ (40) (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, (NOV 2007) (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.).

__ (5) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment--Requirements (NOV 2007) (41 U.S.C. 351, et seq.).

__ (6) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services--Requirements (NOV 2007) (41 U.S.C. 351, et seq.).

__ (7) 52.237-11, Accepting and Dispensing of $1 Coin (AUG 2007) (31 U.S.C. 5112(p)(1)).

(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) and (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 (MAR 2007) (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, (NOV 2007) (41 U.S.C. 351, et seq.).

(vii) 52.222-50, Combating Trafficking in Persons (AUG 2007) (22 U.S.C.7104(g)). Flow down required in accordance with paragraph (f) of FAR clause 52.222-50.

(viii) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment--Requirements (NOV 2007) (41 U.S.C. 351, et seq.).

(ix) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services--Requirements (NOV 2007) (41 U.S.C. 351 et seq.).

(x) 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]

52.204-4	AUG 2000	PRINTED OR COPIED DOUBLED-SIDED ON RECYCLED PAPER
52.233-4	OCT 2004	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM

P.3 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2004)

(a) It is the policy of the United States that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns, veteran-owned small business concerns, service- disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women- owned small business concerns.

(b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.

(c) Definitions. As used in this contract--

"HUBZone small business concern" means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

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

(1) Means a small business concern--

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

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

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

(1) It has received certification as a small disadvantaged business concern consistent with 13 CFR part 124, subpart B;

(2) No material change in disadvantaged ownership and control has occurred since its certification;

(3) Where the concern is owned by one or more individuals, the net worth of each individual upon whom the certification is based does not exceed $750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(4) It is identified, on the date of its representation, as a certified small disadvantaged business in the database maintained by the Small Business Administration (PRO-Net).

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

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

(2) The management and daily business operations of which are controlled by one or more veterans.

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

(1) That is at least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

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

[End of Clause]

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

(a) Prohibitions.

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

(b) Definitions. As used in this clause:

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

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

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

(1) The entity completes the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership;

(2) After the acquisition at least 80 percent of the stock (by vote or value) of the entity is held--

(i) In the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or

(ii) In the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; and

(3) The expanded affiliated group which after the acquisition includes the entity does not have substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group.

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

(c) Special rules. The following definitions and special rules shall apply when determining whether a foreign incorporated entity should be treated as an inverted domestic corporation.

(1) Certain stock disregarded. For the purpose of treating a foreign incorporated entity as an inverted domestic corporation these shall not be taken into account in determining ownership:

(i) Stock held by members of the expanded affiliated group which includes the foreign incorporated entity; or

(ii) Stock of such entity which is sold in a public offering related to an acquisition described in section 835(b)(1) of the Homeland Security Act, 6 U.S.C. 395(b)(1).

(2) Plan deemed in certain cases. If a foreign incorporated entity acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is 2 years before the ownership requirements of subsection (b)(2) are met, such actions shall be treated as pursuant to a plan.

(3) Certain transfers disregarded. The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

(d) Special rule for related partnerships. For purposes of applying section 835(b) of the Homeland Security Act, 6 U.S.C. 395 (b) to the acquisition of a domestic partnership, except as provided in regulations, all domestic partnerships which are under common control (within the meaning of section 482 of the Internal Revenue Code of 1986) shall be treated as a partnership.

(e) Treatment of Certain Rights.

(1) Certain rights shall be treated as stocks to the extent necessary to reflect the present value of all equitable interests incident to the transaction, as follows:

(i) Warrants;

(ii) Options;

(iii) Contracts to acquire stock;

(iv) Convertible debt instruments;

(v) Others similar interests.

(2) Rights labeled as stocks shall not be treated as stocks whenever it is deemed appropriate to do so to reflect the present value of the transaction or to disregard transactions whose recognition would defeat the purpose of section 835.

(f) Disclosure. The offeror under this solicitation represents that [Check one]:

[__] it is not a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73;

[__] it is a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73, but it has submitted a request for waiver pursuant to 3009.104-74, which has not been denied; or

[__] it is a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of (HSAR) 48 CFR 3009.104-70 through 3009.104-73, but it plans to submit a request for waiver pursuant to 3009.104-74.

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

[End of Clause]