

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE V	PAGE OF PAGES 1 4
2. AMENDMENT/MODIFICATION NO. 03	3. EFFECTIVE DATE 15-May-2009	4. REQUISITION/PURCHASE REQ. NO. N00024-09-MR-56370	5. PROJECT NO. (If applicable) N/A
6. ISSUED BY Naval Sea Systems Command (NAVSEA) BUILDING 197, ROOM 5w-27301333 ISAAC HULL AVENUE SE WASHINGTON NAVY YARD DC 20376-2040	CODE N00024	7. ADMINISTERED BY (If other than Item 6) DCMA TACTICAL WHEELED VEHICLES CHICAGO 1523 WEST CENTRAL ROAD, BLDG. 203 ARLINGTON HEIGHTS IL 60005-2451	CODE S1403A

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and Zip Code) Alion - IPS Corporation 10 West 35th Street Chicago IL 60616	9A. AMENDMENT OF SOLICITATION NO.
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT/ORDER NO. N00178-04-D-4066-EH03
	10B. DATED (SEE ITEM 13) 26-Sep-2008
CAGE CODE 3UWB7	FACILITY CODE 035274158

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(*)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input checked="" type="checkbox"/>	D. OTHER (Specify type of modification and authority) Mutual Agreement of the Parties

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
SEE PAGE 2

15A. NAME AND TITLE OF SIGNER (Type or print) Mark Wartonick, Group Contracts Manager		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) ██████████, Contracting Officer	
15B. CONTRACTOR/OFFEROR /s/Mark Wartonick (Signature of person authorized to sign)	15C. DATE SIGNED 18-May-2009	16B. UNITED STATES OF AMERICA BY /s/██████████ (Signature of Contracting Officer)	16C. DATE SIGNED 18-May-2009

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GENERAL INFORMATION

The purposes of this modification are to 1) realign ceiling and hours from the Program Management CLINs to the Program Management Team CLINs; 2) add a new subcontractor; 3) swap out FY08 funds for FY09 funds; 4) revise various due dates for the Award Fee evaluation; and 5) make administrative changes. Accordingly, said Task Order is modified as follows:

1. **SECTION B SUPPLIES OR SERVICES AND PRICES** is revised as follows:

a. Realigned hours/ceiling and funding from Item 1000 to Item 1001 as follows:

FROM:

Item	Supplies/Services	Qty	Unit	Target Cost	Target Fee	CPIF	Rate/Hr
1000	Base Year CG(X) Program Management and Planning Support (Task 1) (NOTE A) (RDT&E)						
	Max Fee						
	Min Fee			\$0.00			
	Government Overrun Share Line	65.0					
	Government Underrun Share Line	65.0					
<i>FUNDING:</i>							
100001	FY08 RDT&E funding (RDT&E)						
100002	FY09 RDT&E funding (RDT&E)						
	<i>Total Funding 1000:</i>						
Item	Supplies/Services	Qty	Unit	Target Cost	Target Fee	CPIF	Rate/Hr
1001	Base Year CG(X) Team Program Support (Task 2) (NOTE A) (RDT&E)						
	Max Fee						
	Min Fee			\$0.00			
	Government Overrun Share Line	65.0					
	Government Underrun Share Line	65.0					
<i>FUNDING:</i>							
1001	FY08 RDT&E funding (RDT&E)						
	<i>Total Funding 1001:</i>						
	<i>Total Funding 1000 & 1001:</i>						

BY:

Item	Supplies/Services	Qty	Unit	Target Cost	Target Fee	CPIF	# Hrs
1000	Base Year CG(X) Program Management and Planning Support (Task 1) (NOTE A) (RDT&E)						
	Max Fee						
	Min Fee			\$0.00			
	Government Overrun Share Line	65.0					
	Government Underrun Share Line	65.0					
<i>FUNDING:</i>							
100001	FY08 RDT&E funding (RDT&E)						
100002	FY09 RDT&E funding (RDT&E)						
	<i>Total Funding Change 1000:</i>						
Item	Supplies/Services	Qty	Unit	Target Cost	Target Fee	CPIF	# Hrs
1001	Base Year CG(X) Team Program Support (Task 2) (NOTE A) (RDT&E)						
	Max Fee						
	Min Fee			\$0.00			
	Government Overrun Share Line	65.0					
	Government Underrun Share Line	65.0					
<i>FUNDING:</i>							
1001	FY08 RDT&E funding (RDT&E)						
100101	FY08 RDT&E funding (RDT&E)						
100102	FY09 RDT&E funding (RDT&E)						
	<i>Total Funding Change 1001:</i>						
	<i>Total Funding Change 1000 & 1001:</i>						

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Item	Supplies/Services	Qty	Unit	Target Cost	Target Fee	CPIF	Rate/Hr
1000	Base Year CG(X) Program Management and Planning Support (Task 1) (NOTE A) (RDT&E)						
	Max Fee						
	Min Fee		\$0.00				
	Government Overrun Share Line	65.0					
	Government Underrun Share Line	65.0					
<i>FUNDING:</i>							
100001	FY08 RDT&E funding (RDT&E)						
100002	FY09 RDT&E funding (RDT&E)						
	<i>Total Funding 1000:</i>						
Item	Supplies/Services	Qty	Unit	Target Cost	Target Fee	CPIF	Rate/Hr
1001	Base Year CG(X) Team Program Support (Task 2) (NOTE A) (RDT&E)						
	Max Fee			5.42%	3.39%		
	Min Fee		\$0.00				
	Government Overrun Share Line	65.0					
	Government Underrun Share Line	65.0					
<i>FUNDING:</i>							
100101	FY08 RDT&E funding (RDT&E)						
100002	FY09 RDT&E funding (RDT&E)						
	<i>Total Funding 1001:</i>						
	<i>Total Revised Funding 1000 & 1001:</i>						

b. Under the DETERMINATION OF FEE(S) clause, paragraph (b)(9) Award Fee Process, the following is revised FROM:

"Self-Evaluation Process. The Contractor shall provide the Government a written self-evaluation not to exceed twenty-five (25) pages in length which addresses the evaluation factors not later than fourteen (14) calendar days after the evaluation period ends.

Evaluations. Performance monitors submit their evaluation reports to the AFDB after the end of the evaluation period. The AFDB prepares its evaluation report and recommendation for the FDO. The Contractor self-assessment will be provided to the FDO as part of the determination package. The AFDB briefs the evaluation report and recommendation to the FDO. The FDO determines the overall grade and determines the amount of Award Fee earned for the evaluation period within sixty (60) calendar days after each evaluation period. The FDO letter informs the Contractor of the evaluation results. If the Contractor earns Award Fee, the Contracting Officer issues a Task Order modification within fifteen (15) calendar days after the FDO's determination to authorize payment of an Award Fee amount."

TO:

"Self-Evaluation Process. The Contractor shall provide the Government a written self-evaluation not to exceed twenty-five (25) pages in length which addresses the evaluation factors not later than fourteen (14) calendar days after the final cost report is submitted for the last month of the evaluation period.

Evaluations. Performance monitors submit their evaluation reports to the AFDB after the end of the evaluation period. The AFDB prepares its evaluation report and recommendation for the FDO. The Contractor self-assessment will be provided to the FDO as part of the determination package. The AFDB briefs the evaluation report and recommendation to the FDO. The FDO determines the overall grade and determines the amount of Award Fee earned for the evaluation period within ninety (90) calendar days after each evaluation period. The FDO letter informs the Contractor of the evaluation results. If the Contractor earns Award Fee, the Contracting Officer issues a Task Order modification within thirty (30) calendar days after the FDO's determination to authorize payment of an Award Fee amount."

2. Under **SECTION G - CONTRACT ADMINISTRATION DATA**, the Accounting Data was updated with the following:

a. The portal did not reflect the deobligation of funds from CLIN 1001 in the amount of [REDACTED] which were obligated upon Task Order Award. The following should have been reflected in the Accounting Data update with this Task Order modification:

MOD 03

1001 N0002408NR55118 [REDACTED]

LLA :

AB See Attached Financial Accounting Data Sheet

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b. The following funding changes are reflected in the update to the Accounting Data as follows:

MOD 03

100001 N0002409MR56370 [REDACTED]
 LLA :
 AB See Attached Financial Accounting Data Sheet (Attachment 16)
 Standard Number: N0002408AF115AN
 FY08 RDT&E [REDACTED]

100002 N0002409MR56370 [REDACTED]
 LLA :
 AC See Attached Financial Accounting Data Sheet (Attachment 16)
 Standard Number: N0002409AF115AN
 FY09 RDT&E [REDACTED]

100101 N0002409MR56370 [REDACTED]
 LLA :
 AB See Attached Financial Accounting Data Sheet (Attachment 16)
 Standard Number: N0002409AF115AN
 FY08 RDT&E [REDACTED]

100102 N0002409MR56370 [REDACTED]
 LLA :
 AC See Attached Financial Accounting Data Sheet (Attachment 16)
 Standard Number: N0002409AF115AN
 FY09 RDT&E [REDACTED]

3. Under **SECTION I - CONTRACT CLAUSES**, in accordance with the note regarding 52.244-2 -- SUBCONTRACTS, team member additions after Task Order award require approval by the Contracting Officer. Therefore, per Alion's request JMS-09-0059 dated 05 March 2009 to subcontract with MBK Consultants, Inc. (MBK), the Contracting Officer hereby approves the addition of MBK per the terms of the aforementioned letter.

4. Under **SECTION J - LIST OF ATTACHMENTS**, the list of Attachments was updated with the following:

Attachment 15 - FADS for mod 3

5. Alion requested a realignment of hours for two of their proposed subcontractors: Gibbs & Cox and Sabre. The TOM/COR reviewed the request and concurs with the proposed realignment of hours/ceiling for each subcontractor. The realignment of hours will occur under a subsequent Task Order modification when the Financial Accounting Data Sheets (FADS) are prepared.

6. A conformed copy of this Task Order is attached to this modification for information purposes only.

The total amount of funds obligated to the task is hereby increased by [REDACTED]

CLIN/SLIN	Type Of Fund	From (\$)	By (\$)	To (\$)
100001	RDT&E	[REDACTED]	[REDACTED]	[REDACTED]
100002	RDT&E	[REDACTED]	[REDACTED]	[REDACTED]
100101	RDT&E	[REDACTED]	[REDACTED]	[REDACTED]
100102	RDT&E	[REDACTED]	[REDACTED]	[REDACTED]

The total value of the order is hereby increased by [REDACTED]

CLIN/SLIN	Type Of Fund	From (\$)	By (\$)	To (\$)
1000	RDT&E	[REDACTED]	[REDACTED]	[REDACTED]
1001	RDT&E	[REDACTED]	[REDACTED]	[REDACTED]

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SECTION B SUPPLIES OR SERVICES AND PRICES

CLIN - SUPPLIES OR SERVICES

For Cost Type Items:

Item	Supplies/Services Qty	Unit Target Cost	Target Fee	CPIF	
1000	Base Year: CG(X) Program Management and Planning Support (Task 1)(NOTE A) (RDT&E) Max Fee Min Fee Government Overrun Share Line Government Underrun Share Line	[REDACTED] [REDACTED] \$0.00 65.0 65.0			
100001	FY08 RDT&E funding \$5,284,875 (RDT&E)				
100002	FY09 RDT&E funding \$5,159,935 (RDT&E)				
1001	Base Year: CG(X) Team Program Support (Task 2)(NOTE A) (RDT&E) Max Fee Min Fee Government Overrun Share Line Government Underrun Share Line	[REDACTED] [REDACTED] \$0.00 65.0 65.0			
100101	FY08 RDT&E (RDT&E)				
100102	FY09 RDT&E (RDT&E)				
1003	Base Year: Surge Requirements Support (NOTES A, B and E) (RDT&E) Option Max Fee Min Fee Government Overrun Share Line Government Underrun Share Line	[REDACTED] [REDACTED] \$0.00 65.0 65.0			
Item	Supplies/Services Qty	Unit Est.Cost	Base Fee	Award Fee	CPAF
1004	Award Fee related to Base Year Labor CLINS 1000-1001 (NOTE D) (RDT&E)	[REDACTED]			
1005	Award Fee related to Base Year Surge Option CLIN 1003 (NOTES B and D) (RDT&E) Option	[REDACTED]			

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For ODC Items:

Item	Supplies/Services Qty	Unit Est. Cost
3000	ODCs in support of Base Year - Year 1 Labor CLINs (NOTE F) (RDT&E)	[REDACTED]

For Cost Type Items:

Item	Supplies/Services Qty	Unit Target Cost	Target Fee	CPIF
4000	Option Year 1 - YEAR 2: CG(X) Program Management and Planning Support (Task 1)(NOTES A and B) (RDT&E) Option	[REDACTED]	[REDACTED]	[REDACTED]
	Max Fee	[REDACTED]		
	Min Fee	\$0.00		
	Government Overrun Share Line	65.0		
	Government Underrun Share Line	65.0		

4001	Option Year 1 - YEAR 2: CG(X) Team Program Support (Task 2)(NOTES A and B) (RDT&E) Option	[REDACTED]	[REDACTED]	[REDACTED]
	Max Fee	[REDACTED]		
	Min Fee	\$0.00		
	Government Overrun Share Line	65.0		
	Government Underrun Share Line	65.0		

4003	Option Year 1 - Year 2: Surge Requirements Support (NOTES A, B and E) (RDT&E) Option	[REDACTED]	[REDACTED]	[REDACTED]
	Max Fee	[REDACTED]		
	Min Fee	\$0.00		
	Government Overrun Share Line	65.0		
	Government Underrun Share Line	65.0		

Item	Supplies/Services Qty	Unit Est.Cost	Base Fee	Award Fee	CPIF
4004	Option Year 1 - YEAR 2: Award Fee related to Year 2 CLINs 4000-4001 (NOTES B and D) (RDT&E) Option	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

4005	Option Year 1 - YEAR 2: Award Fee related to Year 2 Option CLIN 4003 (NOTES B and D) (RDT&E) Option	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
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Item	Supplies/Services Qty	Unit Target Cost	Target Fee	CPIF
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4100 Award Term 1 - [REDACTED]
YEAR 3: CG(X)
Program
Management and
Planning Support
(Task 1)(NOTES A
and C) (TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

4101 Award Term 1 - [REDACTED]
YEAR 3: CG(X)
Team Program
Support (Task
2)(NOTES A and C)
(TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

4103 YEAR 3: Surge [REDACTED]
Requirements
Support (Task 4)
(NOTES A, B and
E) (TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

Item	Supplies/Services Qty	Unit Est.Cost	Base Fee	Award Fee	CPIAF
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4104 Award Term 1 - [REDACTED]
YEAR 3: Award Fee
related to Year 3
CLINs 4100-4101
(NOTES C and D)
(TBD)
Option

4105 YEAR 3: Award Fee [REDACTED]
related to Year 3
Option CLIN 4103
(NOTES B and D)
(TBD)
Option

Item	Supplies/Services Qty	Unit Target Cost	Target Fee	CPIF
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4200 Award Term 2 - [REDACTED]
YEAR 4: CG(X)
Program
Management and
Planning Support
(Task 1)(NOTES A
and C) (TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

4201 Award Term 2 - [REDACTED]
YEAR 4: CG(X)
Team Program
Support (Task
2)(NOTES A and C)

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(TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

4203 YEAR 4: Surge [REDACTED]
Requirements
Support (NOTES A,
B and E) (TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

Item Supplies/Services Qty Unit Est.Cost Base Fee Award Fee CPAF

4204 Award Term 2 - [REDACTED]
YEAR 4: Award Fee
related to Year 4
CLINs 4200-4201
(NOTES C and D)
(TBD)
Option

4205 YEAR 4: Award Fee [REDACTED]
related to Year 4
Option CLIN 4203
(NOTES B and D)
(TBD)
Option

Item Supplies/Services Qty Unit Target Cost Target Fee CPIF

4300 Award Term 3 - [REDACTED]
YEAR 5: CG(X)
Program
Management and
Planning Support
(Task 1)(NOTES A
and C) (TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

4301 Award Term 3 - [REDACTED]
YEAR 5: CG(X)
Team Program
Support (Task
2)(NOTES A and C)
(TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

4303 YEAR 5: Surge [REDACTED]
Requirements
Support (Task 4)
(NOTES A, B and
E) (TBD)
Option
Max Fee [REDACTED]
Min Fee \$0.00
Government Overrun Share Line 65.0
Government Underrun Share Line 65.0

Item Supplies/Services Qty Unit Est.Cost Base Fee Award Fee CPAF

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4304 Award Term 3 -
YEAR 5: Award Fee
related to Year 5
CLINs 4300-4301
(NOTES C and D)
(TBD)
Option

4305 YEAR 5: Award Fee
related to Year 5
Option CLIN 4303
(NOTES B and D)
(TBD)
Option

For ODC Items:

Item	Supplies/Services Qty	Unit Est. Cost
6000	ODCs in support of Option Year 1 - Year 2 Labor CLINs (NOTE F) (TBD) Option	
6100	ODCs in support of Award Term 1 - Year 3 Labor CLINs (NOTE F) (TBD) Option	
6200	ODCs in support of Award Term 2 - Year 4 Labor CLINs (NOTE F) (TBD) Option	
6300	ODCs in support of Award Term 3 - Year 5 Labor CLINs (NOTE F) (TBD) Option	

NOTES:

NOTE A: LEVEL OF EFFORT

For Labor Items, Offerors shall propose man-hours for the level of effort required to perform the requirements of the Statement of Work provided as Attachment 1 for the period of performance specified in SECTION F. The PAYMENT OF FEE(S) (LEVEL OF EFFORT) clause applies to these Items. Proposed labor hours for Task 1 and Task 2 CLINs will be incorporated in Section B pricing structure as well as the Level of Effort clause found in Section H upon Task Order award. Task 3 surge CLINs will be man-hours per surge CLIN in Section B pricing structure. The Government estimate is approximately man-hours (excludes man-hours for surge). The Government estimate is based on the anticipated level of effort by Task area. Offerors should assume a similar labor mix between Tasks 1 and 2 for the purpose of proposal estimates in order that the Government may realign ceiling between said Tasks during performance as necessary. In addition, the "Estimated Cost" column is the "Target Cost" for the purpose of Cost-Plus-Incentive-Fee (CPIF) Items.

NOTE B: OPTION

Option Item to which the OPTION clause in SECTION I applies and which is to be supplied only if and to the extent said Option is exercised.

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NOTE C: AWARD TERM

Award Term Item to which the AWARD TERM clause in SECTION H applies and which is to be supplied only if and to the extent said Item is earned, retained and awarded in accordance with the AWARD TERM PLAN provided in SECTION H. Notwithstanding the word "Option" which appears in the Section B CLIN description or elsewhere in this Task Order, for Award Term Items, Award Terms are not "Option" Items.

NOTE D: AWARD FEE

Award Fee Item to which the AWARD FEE clause found in this SECTION B applies and which is to be awarded only if and to the extent said Item is earned in accordance with the aforementioned clause. **Offerors are instructed that the maximum Award Fee amount allowed on this Task Order shall not exceed 5.5% of Target Cost (excluding ODCs) and therefore Offerors shall not propose an Award Fee amount greater than 5.5% of Target Cost (excluding ODCs). Award Fee related to Option Surge Item(s) is a separate CLIN each year and should be so priced. These Items shall not be priced to include man-hours or an Estimated Cost or Base Fee, only an Award Fee amount. In addition, the "CPAF" column is "Award Fee Only" for the purpose of Award Fee Items.**

NOTE E: SURGE

If, as a result of the final Government selection of a preferred service alternative for the CG(X), or the resulting technology development strategy, it is determined that an increased level of effort for Program Management and Team Support is required, the Government reserves the right to exercise a "surge" Option CLIN for additional work under Tasks 1 and 2. The Contracting Officer may exercise this Surge Option Item by providing written notice to the Contractor at least 60 calendar days prior to exercise of the surge Option Item. In the event the Government does elect to exercise the Surge Option Item, the appropriate ceiling and level of effort (man-hours) may be realigned under Labor CLINs for each Task 1 and 2. The Government further stipulates that award of an Award Term does not include award of the Surge Option Item unless the Surge Option is exercised for that Award Term period. **Surge Option Items are [REDACTED] man-hours per year.**

NOTE F: ODC

The Government estimates travel costs for this Task Order to be no more than [REDACTED] in year 1, [REDACTED] per year in years 2 and 3, and [REDACTED] per year in years 4 and 5. This travel estimate must be included in Section B of the offer for CLIN 3000, Option CLIN 6000, and Award Term CLINs 6100, 6200, and 6300. Other ODC amounts proposed by an Offeror shall be included in said CLINs and the narrative rationale provided by the Offeror. These Items are non-fee bearing CLINs and shall be priced as cost only. Non-fee bearing refers to fee, not allowable indirect costs or burdens.

CLAUSES INCORPORATED IN FULL TEXT:

CONTRACT TYPE SUMMARY FOR PAYMENT OFFICE (COST TYPE) (NAVSEA) (FEB 1997)

This entire Task Order is cost type.

Note: Upon award, the successful Offeror's proposed Maximum Incentive Fee, Target Fee, and Award Fee percentages, if less than the solicitation stated thresholds, will be incorporated in the below clause and in FAR clause 52.216-10 INCENTIVE FEE in Section I.

DETERMINATION OF FEE(S) (APPLICABLE TO ALL LABOR CLINS SERIES 1000 AND 4000)

(a) FEES PAYABLE

(1) There are two fee(s) payable under this Task Order, a cost incentive fee in accordance with FAR 52.216-10 INCENTIVE FEE (MAR 1997) and an award fee in accordance with the AWARD FEE portion of this clause. These fees are exclusive (separate) of one another and shall be calculated as follows:

(i) Cost Incentive Fee. The cost incentive fee payable shall be calculated in accordance with FAR 52.216-10 as follows:

a. Target Fee. A Target Fee of **three and fifty one-hundredths percent (3.50%)*** of Target Cost is payable if the total allowable cost incurred is equal to Target Cost.

b. Maximum Fee. The Target Fee shall *increase* by thirty-five cents (\$.35) for every dollar that the total allowable cost incurred is *less than* Target Cost up to five and seventy-one one-hundredths percent (5.71%) below Target Cost for a Maximum Fee of **five and fifty one-hundredths percent (5.50%)*** of Target Cost. The Maximum Fee is payable if the total allowable cost incurred is less than Target Cost by five and seventy-one one-hundredths percent (5.71%) or at ninety-four and twenty-nine one-hundredths percent (94.29%) of Target Cost.

c. Minimum Fee. The Target Fee shall *decrease* by thirty-five cents (\$.35) for every dollar that the total allowable cost *exceeds* Target Cost until the total allowable cost reaches one hundred ten and zero one-hundredths percent (110.00%) of Target Cost at a Minimum Fee of **zero and zero one-hundredths percent (0.00%)*** of Target Cost. The Minimum Fee of zero and zero one-hundredths percent (0.00%) is payable if the total allowable cost incurred exceeds Target Cost by ten

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and zero one-hundredths percent (10.00%) or at one hundred ten and zero one-hundredths percent (110.00%) of Target Cost.

d. In no event shall the Cost Incentive Fee payable under this Task Order be greater than the Maximum Fee of five and fifty one-hundredths percent (5.50%)* of the Target Cost or less than the Minimum Fee of zero and zero one-hundredths percent (0.00%)* of the Target Cost.

***Note: The successful Offeror's proposed Target, Minimum and Maximum Incentive Fees are as follows:**

CLIN	TARGET	MIN	MAX
1000			
1001			
1003			
4000			
4001	3.40%	0.00%	5.00%
4003	3.50%	0.00%	5.50%
4100			
4101			
4103			
4200			
4201			
4203			
4300			
4301			
4302			

(ii) Award Fee. The award fee payable shall be calculated as follows:

a. General. Pursuit of the award fee shall not come at the expense of the overall effort. The Contractor's performance must be satisfactory in order to be eligible for award fee.

b. Maximum Fee. The Maximum Award Fee payable under shall not exceed **five and thirty-three one-hundredths percent** of Target Cost. In no event shall the Award Fee payable under this provision be greater than five and five one-hundredths percent (5.50%) of Target Cost.

***Note: The successful Offeror's proposed Maximum Award Fee rates by CLIN are as follows:**

CLIN	Max. Award Fee
1004	
1005	
4004	
4005	
4104	
4105	
4204	
4205	
4304	
4305	

c. Fee Determination. The payable Award Fee shall be recommended by the Award Fee Review Board (AFRB) and determined by the Fee Determining Official (FDO) (PMS 502). This determination and the methodology established herein for determining the Award Fee amount earned are unilateral decisions made solely at the discretion of the Government.

d. Payment of Award Fee. The Contractor shall be paid the determined Award Fee amount, if any, upon submittal of a proper invoice or voucher to the cognizant Payment Office, together with a copy of the unilateral modification to the Task Order authorizing payment of such fee as determined by the Government. The invoice shall show the amount of Award Fee determined payable at the Contract Line Item Number (CLIN)/Sub-Line Item Number (SLIN) level, which shall be based upon the allowable costs (exclusive of any fees and FCCM) incurred by the Contractor during the Evaluation Period. The invoice must cite the appropriate accounting data in order for payment to be achieved and be submitted in accordance with the invoicing instructions provided in SECTION G of this Task Order.

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(iii) Total Fees. The total fees payable for the Cost Incentive Fee and the Award Fee are calculated as described in paragraphs (i) and (ii) above. Each of these fees are exclusive of one another and shall be calculated separately. In no event shall the Total Fees payable under this Task Order be greater than Eleven and Zero One-Hundredths Percent (11.00%) of Target Cost, the combined total of Maximum Cost Incentive Fee at 5.50% and Maximum Award Fee Pool of 5.50%.

(2) The *final* target cost, target fee and Award Fee pool amounts shall be based upon the actual level of effort the contractor provides as explained in the following paragraphs.

LABOR ITEMS	LABOR HOURS	TARGET COST	TARGET FEE (3.50%)	AWARD FEE POTENTIAL (5.50%)	TOTAL TARGET COST/AWARD AMOUNT
1000 (CY2008)	TBD	\$TBD	\$TBD	\$TBD	\$TBD
Rate/Hr (CY2008)	BLANK	\$TBD	\$TBD (FEE PER HR)	\$TBD (FEE PER HOUR)	BLANK
1001 (CY2008)	TBD	\$TBD	\$TBD	\$TBD	\$TBD
Rate/Hr (CY2008)	BLANK	\$TBD	\$TBD (FEE PER HR)	\$TBD (FEE PER HOUR)	BLANK
1003 (CY2008)	TBD	\$TBD	\$TBD	\$TBD	\$TBD
Rate/Hr (CY2008)	BLANK	\$TBD	\$TBD (FEE PER HR)	\$TBD (FEE PER HOUR)	BLANK

(i) The *final* CPIF target cost for CLINs 1000, 1001 and (if Options are exercised) 1003, 4000, 4001, 4003, 4103, 4203, and 4303 and (if Award Terms are awarded) 4100-4101, 4200-4201, and 4300-4301 shall be determined by multiplying the allowable hours worked, including subcontractor hours, under the CLIN by the rate/hour in the target cost column including cost of money, in the preceding table.

(ii) The *final* CPIF target fee for CLINs 1000, 1001 and (if Options are exercised) 1003, 4000, 4001, 4003, 4103, 4203, and 4303 and (if Award Terms are awarded) 4100-4101, 4200-4201, and 4300-4301 shall be determined by multiplying the allowable hours worked, including subcontractor hours, under the CLIN by the rate/hr in the target fee column of the preceding table.

(iii) The share ratio for the CPIF portion of the fee structure is 65/35 (65% Government and 35% Contractor) for both underruns and overruns. The fee earned under the CPIF portion of the fee structure will be based on the total allowable cost incurred by the contractor in comparison to the *final* target cost for each of the aforementioned labor CLINs. See the Incentive Fee clause (FAR 52.216-10) in Section I of this Task Order for further information on how the target cost and target fee are determined and the fee earned is calculated.

(iv) The *final* Award Fee pool for CLINs 1000, 1001 and (if Options are exercised) 1003, 4000, 4001, 4003, 4103, 4203, and 4303 and (if Award Terms are awarded) 4100-4101, 4200-4201, and 4300-4301 shall be calculated by multiplying the allowable hours worked under the CLIN by the rate/hr in the Award Fee Potential column of the preceding table. The *final* Award Fee pool amount will not be determined by the actual cost incurred but by the number of LOE hours worked. The fee earned under the Award Fee portion of the fee structure will be based on the Award Fee score given by the Fee Determining Official (FDO) as stipulated in the below Award Fee Plan, paragraph (b).

(v) Separate Target Fee and Award Fee pools have been established for CLINs 1000, 1001 and (if Options are exercised) 1003, 4000, 4001, 4003, 4103, 4203, and 4303 and (if Award Terms are awarded) 4100-4101, 4200-4201, and 4300-4301. Accordingly, the cost performance on one (or more) of the CLINs in the above table cannot be used by the Contractor to offset the cost performance on one or more of the other CLINs in the above table. For example, if the contractor underruns CLIN 1000 this underrun cannot be used by the Contractor to offset an overrun on CLIN 1003.

(b) AWARD FEE PLAN

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(1) Organization:

Fee Determining Official (FDO): PMS 502 (or designee)

Award Fee Review Board (AFRB):

Chairman: PMS 502 (or designee)

Contracting Officer: SEA 02653 (or other Government contracting representative)

Performance Monitors: Representatives from PMW 760, AIR 4.1, SEA 05, OPNAV
N86, warfare centers, and PMS 502

Legal Advisor (SEA 00L)

Member: Other members as designated

(2) Responsibilities:

- Fee Determining Official (FDO):

- Approves the membership of the AFRB

- Reviews recommendations of the AFRB and determines the amount of award fee earned and payable to the contractor for each evaluation period. The FDO may accept, modify, or amend the AFRB recommendation and the award fee. When the FDO determines a fee other than that recommended by the AFRB, a written rationale will be provided for the record.

- Provides written notification to the Contracting Officer within 60 calendar days of the end of the award fee evaluation period and upon determination of the award fee amount to authorize issuance of a unilateral modification setting forth the specified award fee.

- Provides an award fee authorization letter to the contractor when authorized by the Contracting Officer. A summary evaluation, including the rating assigned to each evaluation area will be included as an attachment.

- Discusses evaluation findings with the contractor, as necessary.

- Award Fee Review Board (AFRB):

- Collects and reviews reported metrics from performance monitors and compiles a recommended rating for each evaluation factor and provides a summary evaluation to the FDO.

- Completes the summary evaluation within 60 days after the evaluation period ends.

- Contracting Officer:

- Issues a unilateral modification to the Task Order to authorize payment of the award fee within 15 calendar days of receipt of the written notification from the FDO.

- Reviews the award fee documentation and advises the FDO as to when the unilateral Task Order modification to authorize payment of performance incentive fee may be executed.

(3) Evaluation Criteria. The Government will evaluate the qualitative evidence submitted to PMS 502 by the Contractor at the conclusion of each evaluation period in addition to any other relevant evidence related to the Contractor's performance based on the following criteria to determine the Award Fee payable, if any, under this provision:

Factor No. 1 Deliverables and services are provided on time by the due date(s) as scheduled in this Task Order and Technical Instructions. Each deliverable due date will be compared to the actual delivery date resulting in a plus or minus difference in days. A deliverable is late if it is one working day or more past due.

Factor No. 2 Acceptable quality of work products/deliverables and services provided. Acceptable quality is defined as in compliance with the Technical Instructions which shall specify the nature of deliverables and level of effort required to complete the tasks. The deliverables must be in compliance with the format and content requirements specified in the Technical Instructions.

Factor No. 3 Availability. Availability of personnel will be measured as the percentage of qualified Contractor personnel that are available to the Government in compliance with the technical capabilities and experience requirements of the contract/task order. This will be assessed by taking total number of onboard qualified personnel divided by the total number of qualified personnel that are required to be available to the Government, as identified under this Task Order and as specified in Technical Instructions.

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Factor No. 4 Subcontract Management. Ability to manage contractor and subcontractor efforts efficiently and effectively with transparent performance within the team. Emphasis will be placed on the contractor's ability to staff positions with appropriate personnel who have the necessary skills and requisite technical capability and experience to effectively perform the work. For Large Businesses, The Contractor's actual Small Business subcontracting percentage will also be evaluated to determine whether the Task Order requirement of 25% small business subcontracting is met. Extra consideration may be given for small business subcontracting which exceeds this requirement. (Note: The small business subcontracting requirement will be evaluated if the successful Offeror is a Large Business Prime.)

(4) Factor Weights. The evaluation criteria are weighted for the purpose of determining the percentage of the Award Fee available for each factor. The Award Fee payable shall be calculated using a weighted-average of the evaluation factors and their ratings. The factor weights may be changed unilaterally by the Government if notice is provided to the Contractor prior to the evaluation period in which the changed weights will apply. The Contractor may request a change in the factor weights upon written request to the Contracting Officer. It is at the Government's discretion to alter the weights upon request by the Contractor. The factor weights are as follows:

Factor No. 1. WEIGHT: 40%

This evaluation factor is weighted at 40% for purposes of determining the total possible Award Fee payable under this provision. Up to but no more than 40% of the total possible Award Fee is payable for this factor for the evaluation period.

Factor No. 2. WEIGHT: 40%

This evaluation factor is weighted at 40% for purposes of determining the total possible Award Fee payable under this provision. Up to and no more than 40% of the total possible Award Fee is payable for this factor for the evaluation period.

Factor No. 3. WEIGHT: 10%

This evaluation factor is weighted at 10% for purposes of determining the total possible Award Fee payable under this provision. Up to and no more than 10% of the total possible Award Fee is payable for this factor for the evaluation period.

Factor No. 4. WEIGHT: 10%

This evaluation factor is weighted at 10% for purposes of determining the total possible Award Fee payable under this provision. Up to and no more than 10% of the total possible Award Fee is payable for this factor for the evaluation period.

(5) Evaluation Periods. The Government will evaluate Contractor performance every six months in accordance with the above criteria. Evaluation for each period shall take place no later than 60 days after the completion of each period. The Government reserves the right to unilaterally change the frequency with which evaluations are conducted.

<u>Evaluation Period</u>	<u>Start Date</u>	<u>End Date</u>
1	26 SEP 2008	25 MAR 2009
2	26 MAR 2009	25 SEP 2009
3	26 SEP 2009	25 MAR 2010
4	26 MAR 2010	25 SEP 2010
5	26 SEP 2010	25 MAR 2011
6	26 MAR 2011	25 SEP 2011
7	26 SEP 2011	25 MAR 2012
8	26 MAR 2012	25 SEP 2012
9	26 SEP 2012	25 MAR 2013
10	26 MAR 2013	25 SEP 2013

*Note: The above table was updated with actual start/end dates upon TOA.

(6) Ratings. In evaluating Contractor performance for this Award Fee, the following ratings shall be used to determine the percentage of fee payable:

<u>Rating</u>	<u>Performance Rating</u>	<u>Definition of Rating</u>
Outstanding	91-100	Contractor has met the basic (minimum essential) requirements of the Task Order, and has met at least 90% of the Award Fee

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		criteria established in the Award Fee Plan.
Excellent	81-90	Contractor has met the basic (minimum essential) requirements of the Task Order, and has met at least 75% of the Award Fee criteria established in the Award Fee Plan.
Good	71-80	Contractor has met the basic (minimum essential) requirements of the Task Order, and has met at least 50% of the Award Fee criteria established in the Award Fee Plan.
Satisfactory	61-70	Contractor has met the basic (minimum essential) requirements of the Task Order.
Unsatisfactory	60 and Below	Contractor has failed to meet the basic (minimum essential) requirements of the Task Order.

Rating	Percentage of Award Fee
Outstanding	Actual Rating Received
Excellent	(Performance Rating x 0.85) x (5.5% of Target Cost)
Good	(Performance Rating x 0.75) x (5.5% of Target Cost)
Satisfactory	(Performance Rating x 0.50) x (5.5% of Target Cost)
Unsatisfactory	0.00%

**Note: In the event an Unsatisfactory performance rating is given in any factor, no Award Fee shall be paid for that that factor to the Contractor. Hence, an unsatisfactory rating for any factor will result in no Award Fee for that factor.*

(7) Change Procedure. It is anticipated that award fee evaluation criteria may need to be revised to place increased emphasis on specific areas, to take advantage of lessons learned and identify new approaches to measuring the quality of service/deliverables received, and to incentivize continuous improved performance in that regard. As such, the Contractor may propose changes and the Government may unilaterally make changes to this plan. The Contractor shall submit any proposed changes no later than 60 calendar days prior to the start of the next evaluation period. Contractor proposed changes, if approved by the Government, will be made by bilateral agreement via a Task Order modification, no later than 30 calendar days prior to the start of the next evaluation period. However, the Government reserves the right to unilaterally change criteria prior to the start of an Award Fee period.

(8) Definitions.

Award Fee: An additional fee which the contractor may earn in whole or in part under the Task Order. The amount of fee is determined by the Fee Determining Official (FDO) on the basis of a semi-annual evaluation of contractor performance using specified evaluation criteria outlined herein.

Evaluation Periods: The Government will evaluate the contractor's performance in a series of six-month evaluation periods. The first period shall begin upon task order award.

Fee Determining Official (FDO): A designated Government official who will review recommendations of the Award Fee Determination Board (AFDB) and determine the amount of award fee earned by the contractor.

Award Fee Determination Board (AFDB): A committee of Government officials responsible for assessing the contractor's performance during each evaluation period and recommending to the FDO an award fee amount.

Award Fee Evaluation Criteria: Specific factors which detail the various elements of performance and upon which performance is evaluated.

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Technical Instruction (TI): Used to supplement the Statement of Work with specific details on efforts to be accomplished and the deliverables to be provided during a specified period of time, within a specified cost, and at an acceptable quality. Each TI will contain cost, schedule and requirements for the tasks and deliverables. Award Fee will be calculated based on how the contractor performs against these criteria.

(9) Award Fee Process.

Available Award Fee Pool. The amount of available Award Fee will be determined as described in this clause (paragraph (a)(2)(iv)) at the end of each evaluation period.

Evaluation Criteria. If the Contracting Officer does not give specific notice in writing to the contractor of any change to the evaluation criteria prior to the start of a new evaluation period, then the same criteria listed for the preceding evaluation period will be used in the following Award Fee evaluation period. Modifications to the Award Fee Plan shall take effect in the next evaluation period.

Self-Evaluation Process. The Contractor shall provide the Government a written self-evaluation not to exceed twenty-five (25) pages in length which addresses the evaluation factors not later than fourteen (14) calendar days after the final cost report is submitted for the last month of the evaluation period.

Evaluations. Performance monitors submit their evaluation reports to the AFDB after the end of the evaluation period. The AFDB prepares its evaluation report and recommendation for the FDO. The Contractor self-assessment will be provided to the FDO as part of the determination package. The AFDB briefs the evaluation report and recommendation to the FDO. The FDO determines the overall grade and determines the amount of Award Fee earned for the evaluation period within ninety (90) calendar days after each evaluation period. The FDO letter informs the Contractor of the evaluation results. If the Contractor earns Award Fee, the Contracting Officer issues a Task Order modification within thirty (30) calendar days after the FDO's determination to authorize payment of an Award Fee amount.

EXPEDITING CONTRACT CLOSEOUT (NAVSEA) (DEC 1995)

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

LIMITATION OF COST OR LIMITATION OF FUNDS LANGUAGE

The clause entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF FUNDS" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified estimated cost.

PAYMENTS OF FEE(S) (LEVEL OF EFFORT) (NAVSEA) (MAY 1993)

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, or "fixed fee" in cost-plus-fixed-fee type contracts for level of effort type contracts.

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR 52.216-10), as applicable. Such payments shall be equal to **THREE AND FIFTY ONE-HUNDREDTHS** percent (**3.50%**) of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) The fee(s) specified in SECTION B, and payment thereof, is subject to adjustment pursuant to paragraph (g) of the special contract requirement entitled "LEVEL OF EFFORT." If the fee(s) is reduced and the reduced fee(s) is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the final adjusted fee exceeds all fee payments made to the contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

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(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee (s) in accordance with the "LEVEL OF EFFORT" special contract requirement, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

TRAVEL COSTS - ALTERNATE I (NAVSEA) (DEC 2005) (APPLICABLE TO ODC CLIN SERIES 3000 AND 6000)

(a) Except as otherwise provided herein, the Contractor shall be reimbursed for its reasonable actual travel costs in accordance with FAR 31.205-46. The costs to be reimbursed shall be those costs accepted by the cognizant DCAA.

(b) Reimbursable travel costs include only that travel performed from the Contractor's facility to the worksite, in and around the worksite, and from the worksite to the Contractor's facility.

(c) Relocation costs and travel costs incident to relocation are allowable to the extent provided in FAR 31.205-35; however, Contracting Officer approval shall be required prior to incurring relocation expenses and travel costs incident to relocation.

(d) The Contractor shall not be reimbursed for the following daily local travel costs:

(i) travel at U.S. Military Installations where Government transportation is available,

(ii) travel performed for personal convenience/errands, including commuting to and from work, and

(iii) travel costs incurred in the replacement of personnel when such replacement is accomplished for the Contractor's or employee's convenience.

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SECTION C DESCRIPTIONS AND SPECIFICATIONS

The Statement of Work (SOW) is provided as an Attachment to this Task Order. The Contractor shall perform the SOW is listed in Section J as Attachment 1.

CLAUSES INCORPORATED IN FULL TEXT

ACCESS TO PROPRIETARY DATA OR COMPUTER SOFTWARE

(a) Performance under this contract may require that the Contractor have access to technical data, computer software, or other sensitive data of another party who asserts that such data or software is proprietary. If access to such data or software is required or to be provided, the Contractor shall enter into a written agreement with such party prior to gaining access to such data or software. The agreement shall address, at a minimum, (1) access to, and use of, the proprietary data or software exclusively for the purposes of performance of the work required by this contract, and (2) safeguards to protect such data or software from unauthorized use or disclosure for so long as the data or software remains proprietary. In addition, the agreement shall not impose any limitation upon the Government or its employees with respect to such data or software. A copy of the executed agreement shall be provided to the Contracting Officer. The Government may unilaterally modify the contract to list those third parties with which the Contractor has agreement(s).

(b) The Contractor agrees to: (1) indoctrinate its personnel who will have access to the data or software as to the restrictions under which access is granted; (2) not disclose the data or software to another party or other Contractor personnel except as authorized by the Contracting Officer; (3) not engage in any other action, venture, or employment wherein this information will be used, other than under this contract, in any manner inconsistent with the spirit and intent of this requirement; (4) not disclose the data or software to any other party, including, but not limited to, joint venturer, affiliate, successor, or assign of the Contractor; and (5) reproduce the restrictive stamp, marking, or legend on each use of the data or software whether in whole or in part.

(c) The restrictions on use and disclosure of the data and software described above also apply to such information received from the Government through any means to which the Contractor has access in the performance of this contract that contains proprietary or other restrictive markings.

(d) The Contractor agrees that it will promptly notify the Contracting Officer of any attempt by an individual, company, or Government representative not directly involved in the effort to be performed under this contract to gain access to such proprietary information. Such notification shall include the name and organization of the individual, company, or Government representative seeking access to such information.

(e) The Contractor shall include this requirement in subcontracts of any tier which involve access to information covered by paragraph (a), substituting "subcontractor" for "Contractor" where appropriate.

(f) Compliance with this requirement is a material requirement of this contract.

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COMPUTER SOFTWARE AND/OR COMPUTER DATABASE(S) DELIVERED TO AND/OR RECEIVED FROM THE GOVERNMENT (NAVSEA) (APR 2004)

(a) The Contractor agrees to test for viruses all computer software and/or computer databases, as defined in the clause entitled "RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION" (DFARS 252.227-7014), before delivery of that computer software or computer database in whatever media and on whatever system the software is delivered. The Contractor warrants that any such computer software and/or computer database will be free of viruses when delivered.

(b) The Contractor agrees to test any computer software and/or computer database(s) received from the Government for viruses prior to use under this contract.

(c) Unless otherwise agreed in writing, any license agreement governing the use of any computer software to be delivered as a result of this contract must be paid-up and perpetual, or so nearly perpetual as to allow the use of the computer software or computer data base with the equipment for which it is obtained, or any replacement equipment, for so long as such equipment is used. Otherwise the computer software or computer database does not meet the minimum functional requirements of this contract. In the event that there is any routine to disable the computer software or computer database after the software is developed for or delivered to the Government, that routine shall not disable the computer software or computer database until at least twenty-five calendar years after the delivery date of the affected computer software or computer database to the Government.

(d) No copy protection devices or systems shall be used in any computer software or computer database delivered under this contract to restrict or limit the Government from making copies. This does not prohibit license agreements from specifying the maximum amount of copies that can be made.

(e) Delivery by the Contractor to the Government of certain technical data and other data is now frequently required in digital form rather than as hard copy. Such delivery may cause confusion between data rights and computer software rights. It is agreed that, to the extent that any such data is computer software by virtue of its delivery in digital form, the Government will be licensed to use that digital-form data with exactly the same rights and limitations as if the data had been delivered as hard copy.

(f) Any limited rights legends or other allowed legends placed by a Contractor on technical data or other data delivered in digital form shall be digitally included on the same media as the digital-form data and must be associated with the corresponding digital-form technical data to which the legends apply to the extent possible. Such legends shall also be placed in human-readable form on a visible surface of the media carrying the digital-form data as delivered, to the extent possible.

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SECTION D PACKAGING AND MARKING

APPLICABLE TO ALL ITEMS -There are no packaging or marking requirements for the services ordered under this Task Order. All requirements for packaging and marking of supplies or documents associated with the services shall be packaged, packed and marked in accordance with the provisions set forth below or as specified in the Technical Instructions.

DATA PACKAGING LANGUAGE

All unclassified data shall be prepared for shipment in accordance with best commercial practice.

Classified reports, data, and documentation shall be prepared for shipment in accordance with National Industrial Security Program Operating Manual (NISPO), DOD 5220.22-M dated 28 February 2006.

MARKING OF REPORTS (NAVSEA) (SEP 1990)

All reports delivered by the Contractor to the Government under this contract shall prominently show on the cover of the report:

- (1) name and business address of the Contractor
- (2) contract number
- (3) task order number
- (4) whether the contract was competitively or non-competitively awarded
- (5) sponsor:

Sharon Linsenmeyer (PMS 502A)
(Name of Individual Sponsor)

NAVSEA - PMS 502
(Name of Requiring Activity)

Washington Navy Yard, DC
(City and State)

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SECTION E INSPECTION AND ACCEPTANCE

Supplies/services will be inspected/accepted as follows:

<u>ITEM(S)</u>	<u>INSPECT AT</u>	<u>INSPECT BY</u>	<u>ACCEPT AT</u>	<u>ACCEPT BY</u>
All	Destination	Government	Destination	Government

**Note that Inspection and Acceptance will be performed by the Contracting Officer's Representative (COR) identified as the Task Order Manager (TOM) in Section G unless otherwise specified in the Technical Instructions issued under this Task Order.*

CLAUSES INCORPORATED BY REFERENCE

52.246-3 Inspection Of Supplies Cost-Reimbursement MAY 2001
52.246-5 Inspection Of Services Cost-Reimbursement APR 1984

CLAUSES INCORPORATED IN FULL TEXT

INSPECTION AND ACCEPTANCE LANGUAGE FOR DATA

Inspection and acceptance of all data shall be as specified on the attached Contract Data Requirements List(s), DD Form 1423. **Note that not all Data deliverables will be specified by or on CDRL DD Form 1423. Inspection and Acceptance for all data will be specified at the Technical Instruction level.*

INSPECTION AND ACCEPTANCE LANGUAGE FOR LOE SERVICES

Item(s) 1000 AND 4000 SERIES - Inspection and acceptance shall be made by the Contracting Officer's Representative (COR) or a designated representative of the Government. **Note that the COR is the TOM identified in Section G of this Task Order.*

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SECTION F DELIVERABLES OR PERFORMANCE

PERFORMANCE LANGUAGE FOR LOE SERVICES

The Contractor shall perform the work described in SECTION C and Attachment 1, at the level of effort specified in SECTION B, as follows:

<u>ITEM(S)</u>	<u>FROM</u>	<u>TO</u>
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The periods of performance for the following firm items are from date of task order award through 12 months thereafter, estimated at:

1000	9/26/2008 - 9/25/2009
1001	9/26/2008 - 9/25/2009
1004	9/26/2008 - 9/25/2009
3000	9/26/2008 - 9/25/2009

The period of performance for the following option items are from date of option exercise through 12 months thereafter, estimated at:

1003	9/26/2008 - 9/25/2009
1005	9/26/2008 - 9/25/2009
4000	9/26/2009 - 9/25/2010
4001	9/26/2009 - 9/25/2010
4003	9/26/2009 - 9/25/2010
4004	9/26/2009 - 9/25/2010
4005	9/26/2009 - 9/25/2010
4103	9/26/2010 - 9/25/2011
4105	9/26/2010 - 9/25/2011
4203	9/26/2011 - 9/25/2012
4205	9/26/2011 - 9/25/2012
4303	9/26/2012 - 9/25/2013
4305	9/26/2012 - 9/25/2013
6000	9/26/2009 - 9/25/2010

The period of performance for the following award-term items are from date of option exercise through 12 months thereafter, estimated at:

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4100	9/26/2010 - 9/25/2011
4101	9/26/2010 - 9/25/2011
4104	9/26/2010 - 9/25/2011
4200	9/26/2011 - 9/25/2012
4201	9/26/2011 - 9/25/2012
4204	9/26/2011 - 9/25/2012
4300	9/26/2012 - 9/25/2013
4301	9/26/2012 - 9/25/2013
4304	9/26/2012 - 9/25/2013
6100	9/26/2010 - 9/25/2011
6200	9/26/2011 - 9/25/2012
6300	9/26/2012 - 9/25/2013

**For the above listed Award Term Items, the periods of performance are from date of award of the Award Term through 12 months thereafter.*

CLAUSES INCORPORATED BY REFERENCE

52.242-15 Stop-Work Order AUG 1989
52.242-15 Alt I Stop-Work Order (Aug 1989) - Alternate I APR 1984
52.247-34 F.O.B. Destination NOV 1991

CLAUSES INCORPORATED IN FULL TEXT

CONTRACTOR NOTICE REGARDING LATE DELIVERY

In the event the contractor anticipates or encounters difficulty in complying with the contract delivery schedule or date, he/she shall immediately notify, in writing, the Task Order Contracting Officer and the cognizant Contract Administration Services Office, if assigned. The notice shall give the pertinent details; however such notice shall not be construed as a waiver by the Government of any contract delivery schedule, or of any rights or remedies provided by law or under this contract.

DATA DELIVERY LANGUAGE FOR SERVICES ONLY PROCUREMENTS

All data to be furnished under this contract shall be delivered prepaid to the destination(s) and at the time (s) specified on the Contract Data Requirements List(s), DD Form 1423. **Note that not all Data deliverables will be specified by or on CDRL DD Form 1423. Inspection and Acceptance for all data will be specified at the Technical Instruction level.*

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SECTION G CONTRACT ADMINISTRATION DATA

CONTRACTOR CENTRAL REGISTRATION (CCR) - The contractor must be registered with the Contractor Central Registration (CCR) in order to be eligible for award. The Contractor must maintain registration throughout the period of performance. PAYMENT will not be made to the contractor if the Contractor's registration lapses.

INVOICE INSTRUCTIONS (NAVSEA) (JAN 2008)

(a) In accordance with the clause of this contract entitled "ELECTRONIC SUBMISSION OF PAYMENT REQUESTS" (DFARS 252.232-7003), the Naval Sea Systems Command (NAVSEA) will utilize the DoD Wide Area Workflow Receipt and Acceptance (WAWF) system to accept supplies/services delivered under this contract. This web-based system located at <https://wawf.eb.mil> provides the technology for government contractors and authorized Department of Defense (DoD) personnel to generate, capture and process receipt and payment-related documentation in a paperless environment. Invoices for supplies/services rendered under this contract shall be submitted electronically through WAWF. Submission of hard copy DD250/invoices may no longer be accepted for payment.

(b) It is recommended that the person in your company designated as the Central Contractor Registration (CCR) Electronic Business (EB) Point of Contact and anyone responsible for the submission of invoices, use the online training system for WAWF at <http://wawftraining.com>. The Vendor, Group Administrator (GAM), and sections marked with an asterisk in the training system should be reviewed. Vendor Quick Reference Guides also are available at <http://acquisition.navy.mil/navyaos/content/view/full/3521/>. The most useful guides are "Getting Started for Vendors" and "WAWF Vendor Guide".

(c) The designated CCR EB point of contact is responsible for activating the company's CAGE code on WAWF by calling 1-866-618-5988. Once the company is activated, the CCR EB point of contact will self-register under the company's CAGE code on WAWF and follow the instructions for a group administrator. After the company is set-up on WAWF, any additional persons responsible for submitting invoices must self-register under the company's CAGE code at <https://wawf.eb.mil>.

(d) The contractor shall use the following document types, DODAAC codes and inspection and acceptance locations when submitting invoices in WAWF:

Type of Document (*contracting officer check all that apply*)

- Invoice (FFP Supply & Service)
- Invoice and Receiving Report Combo (FFP Supply)
- Invoice as 2-in-1 (FFP Service Only)
- Cost Voucher (Cost Reimbursable, T&M , LH, or FPI)
- Receiving Report (FFP, DD250 Only)


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DODAAC Codes and Inspection and Acceptance Locations (*contracting officer complete appropriate information as applicable*)

Issue DODAAC	N00024
Admin DODAAC	S1403A
Pay Office DODAAC	HQ0339
Inspector DODAAC	N00024
Service Acceptor DODAAC	N00024
Service Approver DODAAC	N00024
Ship To DODAAC	N00024
DCAA Auditor DODAAC	HAA643
LPO DODAAC	N/A
Inspection Location	N00024
Acceptance Location	N00024

Attachments created in any Microsoft Office product may be attached to the WAWF invoice, e.g., backup documentation, timesheets, etc. Maximum limit for size of each file is 2 megabytes. Maximum limit for size of files per invoice is 5 megabytes.

(e) Before closing out of an invoice session in WAWF, but after submitting the document(s), you will be prompted to send additional email notifications. Click on “Send More Email Notification” and add the acceptor/receiver email addresses noted below in the first email address block, and add any other additional email addresses desired in the following blocks. This additional notification to the government is important to ensure that the acceptor/receiver is aware that the invoice documents have been submitted into WAWF.

Send Additional Email Notification To:


(f) The contractor shall submit invoices/cost vouchers for payment per contract terms and the government shall process invoices/cost vouchers for payment per contract terms. Contractors approved by DCAA for direct billing will submit cost vouchers directly to DFAS via WAWF. Final voucher submission will be approved by the ACO.

(g) The WAWF system has not yet been implemented on some Navy programs; therefore, upon written concurrence from the cognizant Procuring Contracting Officer, the Contractor is authorized to use DFAS’s WInS for electronic end to end invoicing until the functionality of WInS has been incorporated

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into WAWF.

(h) If you have any questions regarding WAWF, please contact the WAWF helpdesk at the above 1-866 number or the NAVSEA WAWF point of contact [REDACTED] or [REDACTED]

POINTS OF CONTACT - The Government points of contact for this Task Order are as follows:

ALTERNATE TASK ORDER MANAGER (ATOM)

Naval Sea Systems Command
Attn: [REDACTED], PMS 502
1333 Isaac Hull Avenue, SE
Washington Navy Yard, DC 20376
Telephone: 202-781-4968
[REDACTED]

BUSINESS FINANCIAL MANAGER (BFM)

Naval Sea Systems Command
Attn: [REDACTED], PMS 502
1333 Isaac Hull Avenue, SE
Washington Navy Yard, DC 20376
Telephone: 202-781-4968
[REDACTED]

OMBUDSMAN (NAVSEA AND OVERARCHING)

Naval Sea Systems Command
Attn: [REDACTED] Morgan, SEA 021
1333 Isaac Hull Avenue, SE
Washington Navy Yard, DC 20376
Telephone: 202-781-2910
[REDACTED]

PROCURING CONTRACTING OFFICER (PCO)

Naval Sea Systems Command
Attn: [REDACTED], SEA 02653
1333 Isaac Hull Avenue, SE
Washington Navy Yard, DC 20376
Telephone: 202-781-3563
[REDACTED]

PURCHASE OFFICE REPRESENTATIVE (POR)

Naval Sea Systems Command
Attn: [REDACTED], SEA 0265
1333 Isaac Hull Avenue, SE
Washington Navy Yard, DC 20376
Telephone: 202-781-3581
[REDACTED]

**Note that the POR is the Contract Specialist*

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TASK ORDER MANAGER (TOM)

Naval Sea Systems Command
 Attn: [REDACTED] PMS 502A
 1333 Isaac Hull Avenue, SE
 Washington Navy Yard, DC 20376
 Telephone: 202-781-3550
 [REDACTED]

**Note that the TOM is the CONTRACTING OFFICER'S REPRESENTATIVE (COR) for this Task Order.*

The Government reserves the right to unilaterally change the points of contact at anytime.

TYPE OF ORDER

This Task Order is a Cost-Plus-Incentive-Fee (CPIF) type with Award Fee and Award Terms. The contractor shall devote the specified level of effort for time period(s) stated in Sections F and H, as applicable. If contractor performance is considered satisfactory by the Government, the fee(s) is payable at the expiration of the agreed-upon period(s) and upon contractor certification that the level of effort specified in this Task Order has been expended in performing the work.

Accounting Data

SLINID	PR Number	Amount
1000	N0002408NR55118	[REDACTED]
LLA :		
AB See Attached Financial Accounting Data Sheet		
1001	N0002408NR55118	[REDACTED]
LLA :		
AB See Attached Financial Accounting Data Sheet		
3000	N0002408NR55118	[REDACTED]
LLA :		
AA See Attached Financial Accounting Data Sheet		
MOD 2		
100001	N0002409MR30522	[REDACTED]
LLA :		
AB See Attached Financial Accounting Data Sheet		
Standard Number: N0002408AF115AN		
FY08 RDT&E		
100002	N0002409MR30522	[REDACTED]
LLA :		
AC See Attached Financial Accounting Data Sheet		
Standard Number: N0002409AF115AN		
FY09 RDT&E		
MOD 03		
100001	N0002409MR56370	[REDACTED]
LLA :		
AB See Attached Financial Accounting Data Sheet (Attachment 16)		
Standard Number: N0002408AF115AN		

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FY08 RDT&E [REDACTED]

100002 N0002409MR56370 [REDACTED]

LLA :

AC See Attached Financial Accounting Data Sheet (Attachment 16)

Standard Number: N0002409AF115AN

FY09 RDT&E [REDACTED]

100101 N0002409MR56370 [REDACTED]

LLA :

AB See Attached Financial Accounting Data Sheet (Attachment 16)

Standard Number: N0002409AF115AN

FY08 RDT&E [REDACTED]

100102 N0002409MR56370 [REDACTED]

LLA :

AC See Attached Financial Accounting Data Sheet (Attachment 16)

Standard Number: N0002409AF115AN

FY09 RDT&E [REDACTED]

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SECTION H SPECIAL CONTRACT REQUIREMENTS

NAVSEA 5252.232-9104 ALLOTMENT OF FUNDS (JAN 2008)*(Applicable to CLINs 1000, 1001 and 3000, Option CLINs (if exercised) 1003, 4000, 4001, 4003, 4103, 4203, 4303 and 6000, and Award Term CLINs (if awarded) 4100, 4101, 4200, 4201, 4300, 4301, 6100, 6200 and 6300.)*

(a) This contract is incrementally funded with respect to both cost and fee. The amount(s) presently available and allotted to this contract for payment of fee for incrementally funded contract line item number/contract subline item number (CLIN/SLIN), subject to the clause entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE" (FAR 52.216-10), as appropriate, is specified below. The amount (s) presently available and allotted to this contract for payment of cost for incrementally funded CLINs/SLINs is set forth below. As provided in the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22), the CLINs/SLINs covered thereby, and the period of performance for which it is estimated the allotted amount(s) will cover are as follows:

<u>ITEM</u>	<u>ALLOTTED TO COST</u>	<u>ALLOTTED TO FEE</u>	<u>ESTIMATED PERIOD OF PERFORMANCE</u>
1000	████████████████████	████████████████████	9/26/2008 - 9/25/2009
1001	████████████████████	████████████████████	9/26/2008 - 9/25/2009
3000	████████████████████	N/A	9/26/2008 - 9/25/2009

**Note that the amount allotted to fee is equal to the Target Fee specified in Section B.*

(b) The parties contemplate that the Government will allot additional amounts to this contract from time to time for the incrementally funded CLINs/SLINs by unilateral contract modification, and any such modification shall state separately the amount(s) allotted for cost, the amount(s) allotted for fee, the CLINs/SLINs covered thereby, and the period of performance which the amount(s) are expected to cover.

(c) CLINs/SLINs 1000, 1001 and 3000 are fully funded and performance under these CLINs/SLINs is subject to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20).

(d) The Contractor shall segregate costs for the performance of incrementally funded CLINs/SLINs from the costs of performance of fully funded CLINs/SLINs.

ALLOTMENT OF FUNDS – ALTERNATE I (JAN 2008) *(Applicable to CLIN 1004, Option CLINs (if exercised) 1005, 4004-4005, 4105, 4205 and 4305, and Award Term CLINs (if awarded) 4104, 4204, and 4304)*

(a) This contract is incrementally funded with respect to both cost and fee. The amounts presently available and allotted to this contract for payment of base fee, if any, and award fee are set forth below. Base fee amount is subject to the clause entitled "FIXED FEE" (FAR 52.216-8). Award fee amount is

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subject to the requirements delineated in SECTION B. The amount(s) presently available and allotted to this contract for payment of cost for incrementally funded CLINs/SLINs is set forth below. As provided in the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22), the CLINs/SLINs covered thereby, and the period of performance for which it is estimated the allotted amount(s) will cover are as follows:

<u>ITEM(S)</u>	<u>ALLOTTED TO EST.COST</u>	<u>ALLOTTED TO BASE FEE</u>	<u>ALLOTTED TO AWARD FEE</u>	<u>ESTIMATED PERIOD OF PERFORMANCE</u>
1004	N/A	N/A		
1005	N/A	N/A		
4004	N/A	N/A		
4005	N/A	N/A		
4104	N/A	N/A		
4105	N/A	N/A		
4204	N/A	N/A		
4205	N/A	N/A		
4304	N/A	N/A		
4305	N/A	N/A		

**Note that the above listed Items are Award Fee only. No amounts are allotted to cost or base fee for these Items. The amount allotted to Award Fee shall not exceed 5.50% of Target Costs for Labor CLINs 1000, 1001, 1003, 4000, 4001, 4003, 4100, 4101, 4103, 4200, 4201, 4203, 4300, 4301 and 4303.*

(b) The parties contemplate that the Government will allot additional amounts to this contract from time to time for the incrementally funded CLINs/SLINs by unilateral contract modification, and any such modification shall state separately the amount(s) allotted for cost, the amount(s) allotted for fee, the CLINs/SLINs covered thereby, and the period of performance which the amount(s) are expected to cover.

(c) CLINs/SLINs are fully funded and performance under these CLINs/SLINs is subject to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20).

(d) The Contractor shall segregate costs for the performance of incrementally funded CLINs/SLINs from the costs of performance of fully funded CLINs/SLINs.

AWARD FEE DETERMINATION IN EVENT OF TERMINATION OR DISCONTINUANCE

In the event that this Task Order is terminated in whole or pursuant to the contract clause entitled "TERMINATION (COST-REIMBURSEMENT)" (FAR 52.249-6) or in the event this Task Order is discontinued pursuant to the contract clause entitled "LIMITATION OF COST" (FAR 52.232-20), the last award fee period shall end with the effective date of such termination or discontinuance. In either of such events, the amount of award fee, if any, determined to be otherwise payable shall be adjusted or prorated to reflect the difference, if any, in award fee periods resulting from termination or discontinuance.

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AWARD TERM CLAUSE

(a) Maximum Period of Performance

The initial Task Order period of performance, if previously extended by exercise of the option for Year 2, may be further extended through the award of up to three one-year Award Terms (years 3 through 5), as provided for in this Award Term clause. These additional “award term” periods will be awarded by the Government based on contractor performance as determined by the Government in accordance with this clause.

(b) Monitoring Performance

Contractor performance is monitored by the Government. A panel hereinafter referred to as the Award Term Review Board (ATRB) is responsible for monitoring and will make recommendations to the Term Determining Official (TDO). The ATRB and TDO may accept monitoring input from any source it chooses. The ATRB may be changed at any time at the discretion of the TDO. Notice of such change will be provided to the contractor.

The ATRB shall be composed of the following:

- PMS 502, or designee
- Task Order Manager (TOM), as defined in Section G of the Task Order
- PMS 502 appointed Task Managers
- Procuring Contracting Officer (PCO), SEA 02653 or designee
- Legal Counsel, SEA 00L designee

The ATRB reports its findings and recommendations to the TDO. The TDO makes the final decision on whether the contractor’s performance during the evaluation period is sufficient to earn the contractor an award term or to retain an already earned term.

The TDO shall be PMS 502 or his designee.

(c) Award Term Evaluation Periods

Each year of performance shall be evaluated. Each of the first three years shall be evaluated to determine whether the contractor earns and retains an award term. Years two through four will be evaluated to determine whether the contractor retains award terms already earned.

The Government reserves the right to conduct an *interim* evaluation at approximately the half-way point of each evaluation period. These interim evaluations are intended to provide the contractor with the Government’s assessment of the contractor’s performance through the first half of each award term evaluation period.

A *final* evaluation will occur on an annual basis. The final evaluation will consider all effort that has occurred during the evaluation period.

(d) Self-Evaluation

The Contractor shall submit a self-evaluation to the PCO within fourteen (14) calendar days after the

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end of each evaluation period. The written self-evaluation may contain any information that may be reasonably expected to assist the ATRB in evaluating the Contractor's performance. The self-evaluation will be considered in the ATRB's evaluation of the Contractor's performance based on the evaluation factors. The self-evaluation may not exceed twenty-five (25) pages in length.

(e) Award Term Procedures

After the conclusion of an evaluation period, the Performance Monitors shall submit evaluation reports to the ATRB. If requested, Performance Monitors will provide an oral presentation of their evaluation to the ATRB. The Contractor may be invited to present information in addition to that contained in the self-evaluation to assist in the ATRB's evaluation. The criteria to be considered in the evaluation are set forth elsewhere in this Award Term clause.

A numerical score, on a scale of 0-100, will be determined for each of the evaluation criteria. The numerical weights for each evaluation criterion will be applied to the score. The weighted criteria scores will be summed to arrive at a total, weighted evaluation score. This score, along with any supporting narrative that may be prepared by the ATRB, will be provided to the TDO. The TDO will determine the final award term rating for an evaluation period. The Contracting Officer will inform the Contractor of the award term rating in a letter to the Contractor.

The contractor must receive a total evaluation rating score of 71 or higher to be eligible to earn an award term year. If the overall evaluation rating score is 70 or below, the contractor shall not have earned an additional award term year based on the period evaluated.

(f) Retention

The Contractor will be evaluated again during the year following the period that was evaluated initially for determining if an award term extension was earned. The contractor must receive a total evaluation rating score of 71 or higher to retain an award term year. If the overall evaluation rating score is 70 or below, the contractor shall not have retained the award term year previously earned.

(g) Finality of Decisions

Award Term decisions are at the sole discretion of the TDO. All decisions rendered by the TDO are final. The phrase "award term decision" refers to both the decision by the TDO as to whether the Contractor has earned an award term and the decision by the TDO as to whether the Contractor has retained an award term already earned.

(h) Fair and Reasonable Price A Necessary Condition

The Contracting Officer must determine that the price set forth in the Task Order for the services covered by the Task Order continues to be fair and reasonable for a given award term period. Such a decision is at the sole discretion of the PCO. A decision that the price is no longer fair and reasonable will result in the Government voiding any award terms earned.

(i) Option Exercise A Necessary Condition

If at any time the Government does not exercise an option, any previously awarded award term(s) shall be void.

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(j) Retention of Award Terms A Necessary Condition

If at any time the Contractor has not retained an award term already earned, any subsequent terms shall be void.

(k) Continued Funds A Necessary Condition

The PCO must make a determination that sufficient funds are available before an earned/retained award term becomes effective. The determination that sufficient funds are available does not constitute a finding that funds equal to the full total estimated cost of performance for a given year are available. Award term periods may be incrementally funded. In the event of incremental funding, the clause entitled LIMITATION OF FUNDS (FAR 52.232-22) shall apply. The decision that sufficient funds are available is at the sole discretion of the PCO. Resources available to the program manager are subject to the managerial discretion of a program manager and a decision that sufficient funds are not available for this contract may be made even if there are funds available to the program office. A determination regarding the availability of funds may be made at any time.

(l) Continued Requirement A Necessary Condition

The Contracting Officer must determine that a continuing need for the same services covered by this Task Order exists for a given award term period. Such a decision is at the sole discretion of the Contracting Officer. A decision that the requirement has changed or that a requirement for the same services no longer exists will result in the Government voiding any award terms earned. A determination regarding whether there is a continued need for the same services may be made at any time.

(m) Failure to Retain Earned Award Terms Not a Termination

If at any time the Government does not authorize performance of a previously earned award term, the subsequent terms shall be considered void. The Contractor shall not be entitled to any costs arising out of or related to those award terms that are made void by virtue of the operation of this clause. An award term decision that an earned award term has not been retained is not a termination for convenience or default. A decision by the PCO that any of the necessary conditions of this clause have not been satisfied is not a termination for convenience or default. For example, if the Contractor has earned three award terms but the Government fails to exercise the Award Term for the fifth year of the contract, then the contract shall end at the completion of the period of performance for the fourth year.

(n) Contractor Right to Decline

The contractor retains the right to decline previously earned award terms not later than nine (9) months prior to the start of an Award Term Year. The Contractor must notify the PCO in writing prior to nine (9) months before the start of the award term year of its desire not to perform the next award term year. Failure to so notify the PCO may result in a default termination if the Contractor fails to perform an award term that the Government has authorized. In the event the Contractor elects its rights to decline an earned award term, all subsequent award terms shall be void.

(o) Extension of the Task Order

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The PCO will unilaterally modify the contract to extend the period of performance in one-year increments when each of the following conditions apply:

- an award term earned has been retained;
- the Government has a continuing requirement for the service(s) covered;
- the price established for the covered line items remains fair and reasonable;
- appropriated funds are available; and
- the Contractor has not expressly stated in writing that it is unwilling to perform an award term no later than nine (9) months before the beginning of an award term period.

(p) Evaluation Criteria

1. Evaluation Categories and Factors. Following each evaluation period, the Contractor's performance will be evaluated in the following categories, weighted as shown:

<u>EVALUATION CATEGORY</u>	<u>WGT</u>
Cost Performance	25%
Schedule Performance	25%
Technical Performance	25%
Management Performance	25%

The Government may unilaterally change any evaluation categories, weights, or factors it deems necessary. The Contractor, however, will be notified of changes prior to the beginning of an affected evaluation period. Performance issues in any evaluation category may result in an increased weight for that category in subsequent evaluation periods.

2. The following performance categories will be evaluated:

Performance Category	Evaluation Weight	Specific Areas of Interest
Cost Control	25%	Ability to control cost and avoid unnecessary cost increases. Emphasis will be placed on the contractor's ability to estimate correctly the first time and maintain initial budgets. Ability to make cost effective decisions with respect to technical requirements, schedule and quality control. Early identification of cost and schedule problems. The timely and accurate submission of cost performance data.
Schedule Performance	25%	Ability to perform or adhere to the scheduled delivery dates as specified in the Task Order and Technical Instructions. Ability to make decisions with respect to schedule adjustments required by the Government without effecting cost or quality. Early identification of schedule

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		problems to include self-correcting. Timeliness of deliverables and provided services.
Technical Performance	25%	Quality and accuracy of deliverables as well as services provided. Ability to provide services commensurate with the Tasks specified in the Task Order and Technical Instructions.
Management Performance	25%	Ability to manage contractor and subcontractor efforts efficiently and effectively with transparent performance within the team. Emphasis will be placed on the contractor's ability to staff positions with appropriate personnel who have the necessary skills and requisite technical capability and experience to effectively perform the work. *Percentage of actual small business subcontracting towards the 25% requirement.
Total	100%	

**Note: 25% Small Business Subcontracting requirement only applies to Large Business awardee.*

3. The following grading table is to be used for this Task Order:

Adjective Rating	Range of Evaluation rating	Description
Outstanding	91-100	Of exceptional merit; exemplary performance in a timely, efficient and economical manner; very minor (if any) weaknesses with no adverse effect on overall performance. No deficiencies in any area.
Excellent	81-90	Very effective performance, fully responsive to contract; contract requirements accomplished in a timely, efficient and economical manner for the most part; only minor weaknesses. No deficiencies in any area.
Good	71-80	Effective performance; fully responsive to contract requirements; reportable weaknesses, but with little identifiable effect on overall performance. No deficiencies in any area.
Satisfactory	61-70	Meets the minimum acceptable standards; adequate results; reportable weaknesses with identifiable, but not substantial effects on overall performance. No deficiencies in any area.
Unsatisfactory	60 and Below	Does not meet minimum acceptable standards in one or more areas; reportable deficiencies with remedial action required in one or more areas which adversely affect overall performance.

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AWARD TERM PLAN

1.0 INTRODUCTION

This is the basis for evaluation of the contractor's performance and for presenting an assessment of that performance to the Term-Determining Official (TDO). The evaluation will begin at the start of the Task Order.

Award-term contracting is effective when performance metrics are objective, a long-term business relationship is of value to the Government and to the Contractor, and the expected outcomes are known up-front. The specific criteria and procedures used for assessing the contractor's performance and for determining the Award Term earned are described herein. All TDO decisions regarding the award-term score, the methodology used to calculate the score, the calculation of the score, the Contractor's entitlement to the score, and the nature and success of the evaluation of the Contractor's performance are final.

An Award Term earned and retained will be awarded to the Contractor through unilateral Task Order modification based upon the score as determined by the TDO.

2.0 ORGANIZATION

The Award Term organization includes the TDO and an Award-Term Review Board (ATRB) consisting of a chairperson, the contracting officer, a recorder, other functional area participants, advisory members, and the performance monitors.

3.0 RESPONSIBILITIES

a. Term Determining Official. The TDO approves the Award Term plan and any significant changes to it. The TDO reviews the recommendations of the ATRB, considers all pertinent data, and determines the earned Award Term score for each evaluation period. The TDO appoints the ATRB Chairperson.

b. Award Term Review Board Chairperson. The ATRB Chairperson chairs the meetings of the ATRB and appoints the non-mandatory members of the board and the performance monitors. The ATRB Chairperson briefs the TDO on the evaluation results including the recommended score and the Contractor's overall performance and recommends Award Term plan changes to the TDO.

c. Award Term Review Board. ATRB members review performance monitors' evaluation of the Contractor's performance, consider all information and pertinent sources, prepare interim performance reports, if any, and arrive at the Award Term score recommendation to be presented to the TDO. The ATRB will also recommend changes to this plan.

d. ATRB Recorder. The ATRB recorder is responsible for coordinating the administrative actions required by the performance monitors, the ATRB, and the TDO.

e. Contracting Officer (CO). The CO is the liaison between Contractor and Government personnel.

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Subsequent to the TDO decision, the CO reviews the Award Term documentation, concurs with the TDO's decision, and modifies the Task Order, if necessary, to reflect the decision.

f. Performance Monitors. Performance monitors maintain written records of the Contractor's performance in their assigned evaluation areas so that a fair and accurate evaluation is obtained. Monitors prepare interim and end-of-period evaluation reports as directed by the ATRB.

4.0 AWARD-TERM PROCESSES

a. Award Term Score. The Award Term score will be based on the Contractor's performance during each evaluation period.

b. Evaluation Criteria. If the CO does not give specific notice in writing to the Contractor of any change to the evaluation criteria prior to the start of a new evaluation period, then the same criteria listed for the preceding period will be used in the following Award Term evaluation period. Modifications to the plan shall take effect in the next evaluation period.

c. Interim Evaluation Process. Interim evaluations will be conducted at the discretion of the Government. If it is determined that an Interim Evaluation will be conducted, it will be conducted at approximately the six-month period and the Contractor will be notified thirty (30) days before the end of the interim period if a self-evaluation will be required. Performance monitors submit their evaluation reports to the ATRB after the end of the evaluation period. The ATRB Chairperson prepares its evaluation results and notifies the Contractor of the strengths and weaknesses for the current evaluation period within 45 days of conclusion of the interim evaluation period. The CO may also issue letters at any other time when deemed necessary to highlight areas of Government concern.

d. End-of-Period Evaluations. The ATRB Recorder notifies ATRB members and performance monitors 14 calendar days before the end of the evaluation period. The Contractor will provide the Government a self-assessment within fourteen (14) calendar days after the end of the evaluation period. Performance monitors submit their evaluation reports to the ATRB after the end of the evaluation period. The ATRB Chairperson prepares its evaluation report and recommendation. The Contractor self-assessment will be provided to the TDO as part of the determination package. The ATRB Chairperson briefs the evaluation report and recommendation to the TDO. The TDO determines the overall score and determines whether an Award Term has been earned for the evaluation period within 45 calendar days after each evaluation period. The TDO letter informs the Contractor of the evaluation results. Upon concurrence with the TDO decision, the CO issues a modification within fifteen (15) calendar days after the TDO's determination to authorize an award extension or reduction reflecting the earned award term amount.

5.0 AWARD-TERM PLAN CHANGE PROCEDURE

It is anticipated that Award Term Evaluation Categories may need to be revised to place increased emphasis on specific areas, to take advantage of lessons learned and identify new approaches to measuring the quality of service/deliverables received, and to incentivize continuous improved performance in that regard. As such, the Contractor may propose changes and the Government may unilaterally make changes to this plan. The Contractor shall submit any proposed changes no later than sixty (60) calendar days prior to the start of the next evaluation period. Contractor proposed changes, if approved by the Government, will be made by bilateral agreement via a Task Order modification prior to the start of the next evaluation period. However, the Government reserves the right to unilaterally change evaluation categories prior to the start of an Award Term period.

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6.0 AWARD-TERM EVALUATION CATEGORIES

a. The Award Term Evaluation Categories are weighted based upon projected emphasis over the planned contract period. The following table outlines the structure and weighted value of each evaluation criteria:

<u>Evaluation Category</u>	<u>Category Weight</u>
Cost Performance	25% of Total
Schedule Performance	25% of Total
Management Performance	25% of Total
Technical Performance	25% of Total

(1) Cost Performance

Of major importance in evaluating the Contractor's cost performance will be the Contractor's cost planning and timely, complete, and accurate reporting of costs. In addition, the Contractor's efforts in the area of cost reduction/cost avoidance will also be considered (e.g. management approach to performance of task assigned to minimize the cost, and demonstrated ability to keep the cost of work to be performed in line with the contract estimated cost).

(2) Schedule Performance

The Government will consider whether all deliverables are submitted on time, ahead of schedule, or late. The Contractor's early identification of problem areas and accomplishments in overcoming problems to maintain schedules shall also be considered.

(3) Management Performance

The Government will consider whether the Contractor's organizational structure provides for highly qualified personnel assigned with duties, responsibilities, and authority necessary to achieve project goals and whether their lines of communication are well defined, clearly understood, and always facilitate rapid exchanges of information, both technical and contractual, in order to meet project goals. In addition, the Government will consider whether the Contractor effectively integrates all functional area requirements into an overall team effort in order to optimize program efficiencies and if applicable, whether they meet or exceed their small business subcontracting goals.

(4) Technical Performance

Of major importance in evaluating the Contractor's technical performance will be the demonstration of commitment by the Contractor to meet the requirements of the Task Order. Specifically, the Contractor's response to taskings and accuracy of work produced will be evaluated in this category. In addition, the Contractor's approach to solving problem areas presented by the Government will be evaluated as a measure of competence.

b. The following evaluation ratings are descriptive of the elements that will be evaluated. Not all elements under a rating description may apply. Elements of Contractor performance may be descriptive under more than one rating and therefore the Government reserves the right to determine the most

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appropriate rating for the performance category based on which rating the preponderance of the elements fall under.

Cost Performance

Unsatisfactory - Failed to manage or control costs within contract and task projections. A large percentage of actual costs exceeded task estimates. Most cost documentation was inadequate and costs were difficult to track. Reporting of costs were untimely, incomplete, and inaccurate. Contractor made no efforts in cost reduction/cost avoidance.

Satisfactory - Took minimum action to manage and control costs within contract and task. Some actual costs exceeded task estimates. Some cost documentation was adequate, but costs were difficult to track. Reporting of costs were sometimes timely, complete, and accurate. Contractor made little effort in cost reduction/cost avoidance.

Good - Costs were managed and used in a cost-effective manner. Costs incurred were consistent with estimated costs and cost management guidelines. Budget and cost management practices and procedures met requirements. Most cost projections were met. Cost documentation was adequate and easy to track. Cost reporting was timely, complete and accurate. Cost made some effort in cost reduction/cost avoidance.

Excellent - Costs were managed and controlled by working with customers and program office. Almost all cost projections were met or under-run. Some gains were made in reducing task costs. Costs were tracked well enough to identify most variances. Projections were made for the use of some excess funds & efforts were undertaken to ensure these funds were used or returned to the customer. Contractor made great effort in the area of cost reduction/cost avoidance.

Outstanding - Costs were managed and controlled by working with customers and program office. All cost projections were met or under-run. Significant gains were made in reducing task costs. Costs were tracked well enough to identify all variances. Projections were made for the use of most excess funds and efforts were undertaken to ensure these funds were used or returned to the customer. Contractor's efforts in the area of cost reduction/cost avoidance went beyond the expectations of the Government.

Schedule Performance

Unsatisfactory - Failed to manage or control scheduled deliverables within contract and task projections. A large percentage of scheduled deliverables were late. Deliverables were often submitted in a format that was incomplete, unclear, not concise, technically inaccurate, and not easily understood. Most documentation was inadequate and schedule was difficult to track. Schedule and deliverable reporting were untimely, incomplete, and inaccurate. Any required corrections were extensive in nature and Contractor was slow to correct. The Contractor did not identify problems areas upfront, and made no efforts to overcome problems to maintain schedules.

Satisfactory - Took minimum action to manage and control scheduled deliverables within contract and task. Some actual scheduled deliverables met task estimates. Deliverables were submitted in an acceptable format but were sometimes incomplete, not concise, technically inaccurate, and not easily understood. Some documentation was adequate but schedule was difficult to track. Schedule and deliverable reporting were sometimes timely, complete, and accurate. Some corrections were extensive in nature and Contractor was usually timely in making corrections. The Contractor sometimes identified

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problems areas upfront and made little effort to overcome problems to maintain schedules.

Good - Schedule was managed within contract and task requirements. Deliverables were consistent with estimated schedule and deliverable guidelines. Deliverables were submitted in an acceptable format and were complete, concise, technically accurate, and easily understood. Documentation is adequate and schedule was easy to track. Corrections were minor in nature and Contractor made corrections in a timely manner. The Contractor identified problems areas upfront and made efforts to overcome problems to maintain schedules.

Excellent - Schedule was managed within contract and task requirements and deliverables were submitted on time or sometimes ahead of schedule. Deliverables sometimes exceeded requirements and were submitted in a manner that was complete, concise, technically accurate, and easily understood. Corrections were very few and minor and corrected in an expeditious manner. The Contractor was proactive in identifying problem areas upfront and made great efforts to overcome problems to maintain schedules.

Outstanding - Schedule was managed so that deliverables were consistently ahead of schedule and within contract and task requirements. Deliverables consistently exceeded requirements and were submitted in a manner that was complete, concise, and technically accurate, and easily understood. No corrections were required for deliverables. The Contractor provided early identification of problems areas and made great accomplishments in overcoming problems to maintain schedules.

Management Performance

Unsatisfactory - Contractor's organizational structure did not provide qualified personnel assigned duties, responsibilities, and authority necessary to achieve project goals. Lines of communication were not defined, clearly understood, and did not facilitate rapid exchanges of information, both technical and contractual, to meet project goals. Contractor did not effectively integrate all functional area requirements into an overall team effort in order to optimize program efficiencies. Failed to provide qualified personnel for all tasks. Management was extremely slow in updating staffing after repeated feedback from customer. A large percentage of the staff was not in place when required by the task. Customer was very dissatisfied with staffing efforts. If applicable, small business subcontracting goals were not met.

Satisfactory - Contractor's organizational structure was marginally adequate to provide qualified personnel assigned duties, responsibilities, and authority necessary to achieve project goals. Lines of communication were defined and understood but did not facilitate rapid exchanges of information, both technical and contractual, to meet project goals. Contractor sometimes integrated all functional area requirements into an overall team effort in order to produce program efficiencies. Management was slow to update manning after repeated feedback from customer or as required by this Task Order and Technical Instructions. Some staff were not available when required by the task. Customer was marginally dissatisfied with staffing efforts. If applicable, Small business subcontracting goals were not totally met.

Good - Contractor's organizational structure was adequate to provide qualified personnel assigned duties, responsibilities, and authority necessary to achieve project goals. Lines of communication were defined, understood, and facilitated exchanges of information, both technical and contractual, to meet project goals. Contractor integrated all functional area requirements into an overall

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team effort in order to provide program efficiencies. Provided fully qualified staff in almost all cases. Management was cognizant of customer needs and provided almost all of the staffing required on assigned tasks when required by the task. Customer was reasonably satisfied with staffing efforts. If applicable, small business subcontracting goals were met.

Excellent - Contractor's organizational structure provided highly qualified personnel assigned duties, responsibilities, and authority necessary to achieve project goals. Lines of communication were clearly understood, and facilitated rapid exchanges of information, both technical and contractual, to meet project goals. Contractor effectively integrated all functional area requirements into an overall team effort in order to optimize program efficiencies. Provided fully qualified staff in all cases. Management was cognizant of customer needs and provided 100% of the staffing required on assigned tasks when required by the task. Customer was well satisfied with staffing efforts. If applicable, small business subcontracting goals were met and sometimes exceeded.

Outstanding - Contractor's organizational structure provided highly qualified personnel assigned duties, responsibilities, and authority necessary to achieve and sometime exceed project goals. Lines of communication were clearly understood, and facilitated rapid exchanges of information, both technical and contractual, to meet and sometimes exceed project goals. Contractor effectively integrated all functional area requirements into an overall team effort in order to optimize program efficiencies and exceed Government expectations. Provided fully qualified staff in all cases and exceptionally qualified staff in some cases. Personnel status was frequently reviewed to ensure customer needs were met. 100% of the staffing required on assigned tasks was provided when required by the task. Customer was extremely satisfied with staffing efforts. If applicable, small business subcontracting goals were consistently exceeded.

Technical Performance

Unsatisfactory - Failed to meet most task/contract requirements. Work was poorly organized, unprofessional, and required much interpretation or rework. Contractor's response to taskings was slow and work produced was consistently inaccurate. Contractor's approach to solving problem areas presented by the Government did not demonstrate a level of competence. Customer was very dissatisfied with performance.

Satisfactory - Work was of marginal quality in some cases and required some interpretation or rework. Contractor's response to taskings was sometimes slow and work produced is sometimes inaccurate. Contractor's approach to solving problem areas presented by the Government demonstrated a minimum-level of competence. Customer was marginally satisfied with performance.

Good - Majority of work was adequate and required little rework. Contractor's response to taskings was timely. Contractor's approach to solving problem areas presented by the Government demonstrated competence. Customer was reasonably satisfied with overall performance.

Excellent - Support to customer was very good, well coordinated, and ensured task accomplishment. Employees put forth an extra effort to accomplish tasks. Contractor's response to taskings was prompt and work produced was accurate and highly proficient. The Contractor demonstrated instances of being proactive by anticipating Government needs and providing effective solutions. Contractor's approach to solving problem areas presented by the Government demonstrated a high-level of competence. Customer was very satisfied with performance.

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Outstanding - Met all task/contract requirements (100%). Support to customer was excellent, well coordinated, and all task goals were met. Employees displayed exceptional knowledge and put forth a commendable effort to accomplish tasks. Contractor's response to taskings was consistently prompt and work produced was consistently impressive. Contractor's approach to solving problem areas presented by the Government demonstrated high-level of competence. The Contractor was consistently proactive in anticipating Government needs and providing effective solutions. Customer was extremely satisfied with performance.

NAVSEA 5252.216-9122 LEVEL OF EFFORT (DEC 2000)

(a) The Contractor agrees to provide the total level of effort specified in the next sentence in performance of the work described in Sections B and C of this contract. The total level of effort for the performance of this contract shall be [REDACTED] total man-hours of direct labor, including subcontractor direct labor for those subcontractors specifically identified in the Contractor's proposal as having hours included in the proposed level of effort.

(b) Of the total man-hours of direct labor set forth above, it is estimated that **THE SUCCESSFUL OFFEROR'S PROPOSED HOURS FOR UNCOMPENSATED EFFORT WILL BE INCORPORATED HERE BY THE GOVERNMENT UPON AWARD OF TASK ORDER** (Offeror to fill-in) man-hours are uncompensated effort.

Uncompensated effort is defined as hours provided by personnel in excess of 40 hours per week without additional compensation for such excess work. All other effort is defined as compensated effort. If no effort is indicated in the first sentence of this paragraph, uncompensated effort performed by the Contractor shall not be counted in fulfillment of the level of effort obligations under this contract.

(c) Effort performed in fulfilling the total level of effort obligations specified above shall only include effort performed in direct support of this contract and shall not include time and effort expended on such things as (local travel to and from an employee's usual work location), uncompensated effort while on travel status, truncated lunch periods, work (actual or inferred) at an employee's residence or other non-work locations (except as provided in paragraph (j) below), or other time and effort which does not have a specific and direct contribution to the tasks described in Sections B and C.

(d) The level of effort for this contract shall be expended at an average rate of approximately **THE SUCCESSFUL OFFEROR'S PROPOSED "BURN" RATE WILL BE INCORPORATED HERE BY THE GOVERNMENT UPON AWARD OF TASK ORDER** hours per week. It is understood and agreed that the rate of man-hours per month may fluctuate in pursuit of the technical objective, provided such fluctuation does not result in the use of the total man-hours of effort prior to the expiration of the term hereof, except as provided in the following paragraph.

(e) If, during the term hereof, the Contractor finds it necessary to accelerate the expenditure of direct labor to such an extent that the total man-hours of effort specified above would be used prior to the expiration of the term, the Contractor shall notify the Contracting Officer in writing setting forth the

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acceleration required, the probable benefits which would result, and an offer to undertake the acceleration at no increase in the estimated cost or fee together with an offer, setting forth a proposed level of effort, cost breakdown, and proposed fee, for continuation of the work until expiration of the term hereof. The offer shall provide that the work proposed will be subject to the terms and conditions of this contract and any additions or changes required by then current law, regulations, or directives, and that the offer, with a written notice of acceptance by the Contracting Officer, shall constitute a binding contract. The Contractor shall not accelerate any effort until receipt of such written approval by the Contracting Officer. Any agreement to accelerate will be formalized by contract modification.

(f) The Contracting Officer may, by written order, direct the Contractor to accelerate the expenditure of direct labor such that the total man-hours of effort specified in paragraph (a) above would be used prior to the expiration of the term. This order shall specify the acceleration required and the resulting revised term. The Contractor shall acknowledge this order within five days of receipt.

(g) If the total level of effort specified in paragraph (a) above is not provided by the Contractor during the period of this contract, the Contracting Officer, at its sole discretion, shall either (i) reduce the fee of this contract as follows:

$$\text{Fee Reduction} = \text{Fee} \frac{(\text{Required LOE} - \text{Expended LOE})}{\text{Required LOE}}$$

or (ii) subject to the provisions of the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable, require the Contractor to continue to perform the work until the total number of man-hours of direct labor specified in paragraph (a) above shall have been expended, at no increase in the fee of this contract.

(h) The Contractor shall provide and maintain an accounting system, acceptable to the Administrative Contracting Officer and the Defense Contract Audit Agency (DCAA), which collects costs incurred and effort (compensated and uncompensated, if any) provided in fulfillment of the level of effort obligations of this contract. The Contractor shall indicate on each invoice the total level of effort claimed during the period covered by the invoice, separately identifying compensated effort and uncompensated effort, if any.

(i) Within 45 days after completion of the work under each separately identified period of performance hereunder, the Contractor shall submit the following information in writing to the Contracting Officer with copies to the cognizant Contract Administration Office and to the DCAA office to which vouchers are submitted: (1) the total number of man-hours of direct labor expended during the applicable period; (2) a breakdown of this total showing the number of man-hours expended in each direct labor classification and associated direct and indirect costs; (3) a breakdown of other costs incurred; and (4) the Contractor's estimate of the total allowable cost incurred under the contract for the period. Within 45 days after completion of the work under the contract, the Contractor shall submit, in addition, in the case of a cost underrun; (5) the amount by which the estimated cost of this contract may be reduced to recover excess funds and, in the case of an underrun in hours specified as the total level of effort; and (6) a calculation of the appropriate fee reduction in accordance with this clause. All submissions shall include subcontractor information.

(j) Unless the Contracting Officer determines that alternative worksite arrangements are detrimental to contract performance, the Contractor may perform up to 10% of the hours at an alternative worksite, provided the Contractor has a company-approved alternative worksite plan. The primary worksite is

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the traditional "main office" worksite. An alternative worksite means an employee's residence or a telecommuting center. A telecommuting center is a geographically convenient office setting as an alternative to an employee's main office. The Government reserves the right to review the Contractor's alternative worksite plan. In the event performance becomes unacceptable, the Contractor will be prohibited from counting the hours performed at the alternative worksite in fulfilling the total level of effort obligations of the contract. Regardless of work location, all contract terms and conditions, including security requirements and labor laws, remain in effect. The Government shall not incur any additional cost nor provide additional equipment for contract performance as a result of the Contractor's election to implement an alternative worksite plan.

(k) Notwithstanding any of the provisions in the above paragraphs, the Contractor may furnish man-hours up to five percent in excess of the total man-hours specified in paragraph (a) above, provided that the additional effort is furnished within the term hereof, and provided further that no increase in the estimated cost or fee is required.

NOTIFICATION OF POTENTIAL ORGANIZATIONAL CONFLICT(S) OF INTEREST

The successful Offeror, in performing the tasks associated with this Statement of Work, may create a potential or actual organizational conflict of interest in its, its parent company's, its subsidiary or wholly owned affiliates, ability to provide existing or future hardware, software, integration, construction or other products or services for consideration for use on the CG(X).

ORGANIZATIONAL CONFLICT OF INTEREST (NAVSEA) (JUL 2000)

(a) "Organizational Conflict of Interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the Government, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage. "Person" as used herein includes Corporations, Partnerships, Joint Ventures, and other business enterprises.

(b) The Contractor warrants that to the best of its knowledge and belief, and except as otherwise set forth in the contract, the Contractor does not have any organizational conflict of interest(s) as defined in paragraph (a).

(c) It is recognized that the effort to be performed by the Contractor under this contract may create a potential organizational conflict of interest on the instant contract or on a future acquisition. In order to avoid this potential conflict of interest, and at the same time to avoid prejudicing the best interest of the Government, the right of the Contractor to participate in future procurement of equipment and/or services that are the subject of any work under this contract shall be limited as described below in accordance with the requirements of FAR 9.5.

(d) (1) The Contractor agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the Government any information provided to the Contractor by the Government during or as a result of performance of this contract. Such information includes, but is not limited to, information submitted to the Government on a confidential basis by other persons. Further, the prohibition against release of Government provided information extends to cover such information whether or not in its original form, e.g., where the information has been included in Contractor generated work or where it is discernible from materials incorporating or based upon such information. This prohibition shall not expire after a given period of time.

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(2) The Contractor agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the Government any information generated or derived during or as a result of performance of this contract. This prohibition shall expire after a period of three years after completion of performance of this contract.

(3) The prohibitions contained in subparagraphs (d)(1) and (d)(2) shall apply with equal force to any affiliate of the Contractor, any subcontractor, consultant, or employee of the Contractor, any joint venture involving the Contractor, any entity into or with which it may merge or affiliate, or any successor or assign of the Contractor. The terms of paragraph (f) of this Special Contract Requirement relating to notification shall apply to any release of information in contravention of this paragraph (d).

(e)(1) The Contractor further agrees that, during the performance of this contract and for a period of three years after completion of performance of this contract, the Contractor, any affiliate of the Contractor, any subcontractor, consultant, or employee of the Contractor, any joint venture involving the Contractor, any entity into or with which it may subsequently merge or affiliate, or any other successor or assign of the Contractor, shall not furnish to the United States Government, either as a prime contractor or as a subcontractor, or as a consultant to a prime contractor or subcontractor, any system, component or services which is the subject of the work to be performed under this contract. This exclusion does not apply to any recompetition for those systems, components or services furnished pursuant to this contract. As provided in FAR 9.505-2, if the Government procures the system, component, or services on the basis of work statements growing out of the effort performed under this contract, from a source other than the contractor, subcontractor, affiliate, or assign of either, during the course of performance of this contract or before the three year period following completion of this contract has lapsed, the Contractor may, with the authorization of the cognizant Contracting Officer, participate in a subsequent procurement for the same system, component, or service. In other words, the Contractor may be authorized to compete for procurement(s) for systems, components or services subsequent to an intervening procurement.

(e)(2) The exclusion in the first sentence of paragraph (e)(1) may not apply to a subcontractor under this Task Order where that subcontractor provides support only in one or a few functional areas or works only on one or a few systems, subsystems or components. For example, a subcontractor [or affiliate of a subcontractor] working only in the area of CG(X) Topside Design may [not necessarily will] be permitted to provide a different, unrelated system, subsystem or component [or services regarding such system, subsystem or component] for the CG(X) such as the design, integration or production of the HVAC system, provided that the subcontractor has not performed work nor had access to non-public information under the Task Order relating to the HVAC system. In such cases, during the course of performance of this Task Order, the subcontractor may submit to the cognizant Contracting Officer for the future CG(X) contract/subcontract documentation demonstrating the lack of an organizational conflict of interest regarding that future contract/subcontract. In accordance with FAR 9.505, the ultimate decision by the cognizant Contracting Officer as to whether there is a conflict will depend on the particular facts and the nature of the proposed future contract.

(f) The Contractor agrees that, if after award, it discovers an actual or potential organizational conflict of interest, it shall make immediate and full disclosure in writing to the Contracting Officer. The notification shall include a description of the actual or potential organizational conflict of interest, a description of the action which the Contractor has taken or proposes to take to avoid, mitigate, or neutralize the conflict, and any other relevant information that would assist the Contracting Officer in making a determination on this matter. Notwithstanding this notification, the Government may terminate the contract for the

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convenience of the Government if determined to be in the best interest of the Government.

(g) Notwithstanding paragraph (f) above, if the Contractor was aware, or should have been aware, of an organizational conflict of interest prior to the award of this contract or becomes, or should become, aware of an organizational conflict of interest after award of this contract and does not make an immediate and full disclosure in writing to the Contracting Officer, the Government may terminate this contract for default.

(h) If the Contractor takes any action prohibited by this requirement or fails to take action required by this requirement, the Government may terminate this contract for default.

(i) The Contracting Officer's decision as to the existence or nonexistence of an actual or potential organizational conflict of interest shall be final.

(j) Nothing in this requirement is intended to prohibit or preclude the Contractor from marketing or selling to the United States Government its product lines in existence on the effective date of this contract; nor, shall this requirement preclude the Contractor from participating in any research and development or delivering any design development model or prototype of any such equipment. Additionally, sale of catalog or standard commercial items are exempt from this requirement.

(k) The Contractor shall promptly notify the Contracting Officer, in writing, if it has been tasked to evaluate or advise the Government concerning its own products or activities or those of a competitor in order to ensure proper safeguards exist to guarantee objectivity and to protect the Government's interest.

(l) The Contractor shall include this requirement in subcontracts of any tier which involve access to information or situations/conditions covered by the preceding paragraphs, substituting "subcontractor" for "contractor" where appropriate.

(m) The rights and remedies described herein shall not be exclusive and are in addition to other rights and remedies provided by law or elsewhere included in this contract.

(n) Compliance with this requirement is a material requirement of this contract.

****In the event that the service preferred alternative selected for the CG(X) is nuclear, the following clause shall apply. This clause may also apply during the analysis of alternatives in the Government's selection of a service preferred alternative.***

NAVSEA 5252.227-9100 PROTECTION OF NAVAL NUCLEAR PROPULSION INFORMATION (JAN 1986)

(a) During the performance of this contract Naval Nuclear Propulsion Information (NNPI) may be developed or used. Naval Nuclear Propulsion Information is defined as that information and/or hardware concerning the design, arrangement, development, manufacturing, testing, operation, administration, training, maintenance, and repair of the propulsion plants of Naval Nuclear Powered Ships including the associated shipboard and shore-based nuclear support facilities. Appropriate safeguards must be proposed by the Contractor and approved by the Contracting Officer for Security for the safeguarding from actual, potential or inadvertent release by the Contractor, or any

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subcontractor, of any Naval Nuclear Propulsion Information in any form, classified or unclassified. Such safeguards shall ensure that only Governmental and Contractor parties, including subcontractors, that have an established need-to-know, have access in order to perform work under this contract, and then only under conditions which assure that the information is properly protected. Access by foreign nationals or immigrant aliens is not permitted. A foreign national or immigrant alien is defined as a person not a United States citizen or a United States National. United States citizens representing a foreign government, foreign private interest or other foreign nationals, are considered to be foreign nationals for industrial security purposes and the purpose of this restriction. In addition, any and all issue or release of such information beyond such necessary parties, whether or not ordered through an administrative or judicial tribunal, shall be brought to the attention of the Contracting Officer for Security.

(b) The Contracting Officer for Security shall be immediately notified of any litigation, subpoenas, or requests which either seek or may result in the release of Naval Nuclear Propulsion Information.

(c) In the event that a court or administrative order makes immediate review by the Contracting Officer for security impractical, the Contractor agrees to take all necessary steps to notify the court or administrative body of the Navy's interest in controlling the release of such information through review and concurrence in any release.

(d) The Contracting Agency reserves the right to audit Contractor facilities for compliance with the above restrictions.

(e) Exceptions to these requirements may only be obtained with prior approval from the Commander, Naval Sea Systems Command (Contact SEA 09T1).

5252.237-9106 SUBSTITUTION OF PERSONNEL (SEP 1990)

(a) The Contractor agrees that a partial basis for award of this contract is the list of key personnel proposed. Accordingly, the Contractor agrees to assign to this contract those key persons whose resumes were submitted with the proposal necessary to fulfill the requirements of the contract. No substitution shall be made without prior notification to and concurrence of the Contracting Officer in accordance with this requirement.

(b) All proposed substitutes shall have qualifications equal to or higher than the qualifications of the person to be replaced. The Contracting Officer shall be notified in writing of any proposed substitution at least forty-five (45) days, or ninety (90) days if a security clearance is to be obtained, in advance of the proposed substitution. Such notification shall include: (1) an explanation of the circumstances necessitating the substitution; (2) a complete resume of the proposed substitute; and (3) any other information requested by the Contracting Officer to enable him/her to judge whether or not the Contractor is maintaining the same high quality of personnel that provided the partial basis for award.

NAVSEA 5252.242-9115 TECHNICAL INSTRUCTIONS (APR 1999)

(a) Performance of the work hereunder may be subject to written technical instructions signed by the Contracting Officer's Representative specified in Section G of this contract. As used herein, technical instructions are defined to include the following:

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(1) Directions to the Contractor which suggest pursuit of certain lines of inquiry, shift work emphasis, fill in details or otherwise serve to accomplish the contractual statement of work.

(2) Guidelines to the Contractor which assist in the interpretation of drawings, specifications or technical portions of work description.

(b) Technical instructions must be within the general scope of work stated in the contract. Technical instructions may not be used to: (1) assign additional work under the contract; (2) direct a change as defined in the "CHANGES" clause of this contract; (3) increase or decrease the contract price or estimated contract amount (including fee), as applicable, the level of effort, or the time required for contract performance; or (4) change any of the terms, conditions or specifications of the contract.

(c) If, in the opinion of the Contractor, any technical instruction calls for effort outside the scope of the contract or is inconsistent with this requirement, the Contractor shall notify the Contracting Officer in writing within ten (10) working days after the receipt of any such instruction. The Contractor shall not proceed with the work affected by the technical instruction unless and until the Contractor is notified by the Contracting Officer that the technical instruction is within the scope of this contract.

(d) Nothing in the foregoing paragraph shall be construed to excuse the Contractor from performing that portion of the contractual work statement which is not affected by the disputed technical instruction.

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SECTION I CONTRACT CLAUSES

CLAUSES INCORPORATED BY REFERENCE

All clauses incorporated by reference in the basic IDIQ contract apply to this Task Order, as applicable.

Note: Regarding 52.244-2 -- SUBCONTRACTS (JUNE 2007) - ALTERNATE I (JUNE 2007), teaming arrangement with any firm not included in the Contractor's basic IDIQ contract must be submitted to the basic MAC Contracting Officer for approval prior to proposal submission. Team member (subcontract) additions after Task Order award must be approved by the Task Order Contracting Officer.

CLAUSES INCORPORATED BY FULL TEXT

FAR 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a cost reimbursement Task Order resulting from this solicitation.

52.216-10 INCENTIVE FEE (MAR 1997) (Cost Incentive Fee applicable to Labor CLINs 1000, 1001, Labor Option CLINs, if and to the extent exercised, 1003 and 4000, 4001, 4003, 4103, 4203 and 4303, and Labor Award Term CLINs, if awarded, 4100, 4101, 4200, 4201, 4300, and 4301.)

(a) *General.* The Government shall pay the Contractor for performing this contract a fee determined as provided in this contract.

(b) *Target cost and target fee.* The target cost and target fee specified in the Schedule are subject to adjustment if the contract is modified in accordance with paragraph (d) of this clause.

(1) "Target cost," as used in this contract, means the estimated cost of this contract as initially negotiated, adjusted in accordance with paragraph (d) of this clause.

(2) "Target fee," as used in this contract, means the fee initially negotiated on the assumption that this contract would be performed for a cost equal to the estimated cost initially negotiated, adjusted in accordance with paragraph (d) of this clause.

(c) *Withholding of payment.* Normally, the Government shall pay the fee to the Contractor as specified in the Schedule. However, when the Contracting Officer considers that performance or cost indicates that the Contractor will not achieve target, the Government shall pay on the basis of an appropriate lesser fee. When the Contractor demonstrates that performance or cost clearly indicates that the Contractor

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will earn a fee significantly above the target fee, the Government may, at the sole discretion of the Contracting Officer, pay on the basis of an appropriate higher fee. After payment of 85 percent of the applicable fee, the Contracting Officer may withhold further payment of fee until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interest. This reserve shall not exceed 15 percent of the applicable fee or \$100,000, whichever is less. The Contracting Officer shall release 75 percent of all fee withholds under this contract after receipt of the certified final indirect cost rate proposal covering the year of physical completion of this contract, provided the Contractor has satisfied all other contract terms and conditions, including the submission of the final patent and royalty reports, and is not delinquent in submitting final vouchers on prior years' settlements. The Contracting Officer may release up to 90 percent of the fee withholds under this contract based on the Contractor's past performance related to the submission and settlement of final indirect cost rate proposals.

(d) *Equitable adjustments.* When the work under this contract is increased or decreased by a modification to this contract or when any equitable adjustment in the target cost is authorized under any other clause, equitable adjustments in the target cost, target fee, minimum fee, and maximum fee, as appropriate, shall be stated in a supplemental agreement to this contract.

(e) Fee payable.

(1) The fee payable under this contract shall be the target fee increased by **thirty-five cents (\$.35)** [*Contracting Officer insert Contractor's participation*] for every dollar that the total allowable cost is less than the target cost or decreased by **thirty-five cents (\$.35)** [*Contracting Officer insert Contractor's participation*] for every dollar that the total allowable cost exceeds the target cost. In no event shall the fee be greater than **five and fifty one-hundredths (5.50)** [*Contracting Officer insert percentage*] percent or less than **zero and zero one-hundredths (0.00)** [*Contracting Officer insert percentage*] percent of the target cost.

(2) The fee shall be subject to adjustment, to the extent provided in paragraph (d) of this clause, and within the minimum and maximum fee limitations in paragraph (e)(1) of this clause, when the total allowable cost is increased or decreased as a consequence of—

(i) Payments made under assignments; or

(ii) Claims excepted from the release as required by paragraph (h)(2) of the Allowable Cost and Payment clause.

(3) If this contract is terminated in its entirety, the portion of the target fee payable shall not be subject to an increase or decrease as provided in this paragraph. The termination shall be accomplished in accordance with other applicable clauses of this contract.

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(4) For the purpose of fee adjustment, “total allowable cost” shall not include allowable costs arising out of—

(i) Any of the causes covered by the Excusable Delays clause to the extent that they are beyond the control and without the fault or negligence of the Contractor or any subcontractor;

(ii) The taking effect, after negotiating the target cost, of a statute, court decision, written ruling, or regulation that results in the Contractor’s being required to pay or bear the burden of any tax or duty or rate increase in a tax or duty;

(iii) Any direct cost attributed to the Contractor’s involvement in litigation as required by the Contracting Officer pursuant to a clause of this contract, including furnishing evidence and information requested pursuant to the Notice and Assistance Regarding Patent and Copyright Infringement clause;

(iv) The purchase and maintenance of additional insurance not in the target cost and required by the Contracting Officer, or claims for reimbursement for liabilities to third persons pursuant to the Insurance Liability to Third Persons clause;

(v) Any claim, loss, or damage resulting from a risk for which the Contractor has been relieved of liability by the Government Property clause; or

(vi) Any claim, loss, or damage resulting from a risk defined in the contract as unusually hazardous or as a nuclear risk and against which the Government has expressly agreed to indemnify the Contractor.

(5) All other allowable costs are included in “total allowable cost” for fee adjustment in accordance with this paragraph (e), unless otherwise specifically provided in this contract.

(f) *Contract modification.* The total allowable cost and the adjusted fee determined as provided in this clause shall be evidenced by a modification to this contract signed by the Contractor and Contracting Officer.

(g) *Inconsistencies.* In the event of any language inconsistencies between this clause and provisioning documents or Government options under this contract, compensation for spare parts or other supplies and services ordered under such documents shall be determined in accordance with this clause.

**FAR 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)
(NAVSEA VARIATION) (MAR 2000)**

(a) The Government may extend the term of this delivery order by written notice(s) to the Contractor

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within the periods specified below. If more than one option exists, each option is independent of any other option, and the Government has the right to unilaterally exercise any such option whether or not it has exercised other options.

Note: The Government has the right within the time constraints stated below to fully exercise each of the below Option CLINs for the full level of effort stated in Section B or to partially exercise each of the below Option CLINs for less than the full level of effort stated in Section B and may exercise the Option for each CLIN multiple times until the entire level of effort for that CLIN is awarded.

ITEM(S) LATEST OPTION EXERCISE DATE

1003	9/25/2009
1005	9/25/2009
4000	9/25/2009
4001	9/25/2009
4003	9/25/2010
4004	9/25/2009
4005	9/25/2010
4103	9/25/2011
4105	9/25/2011
4203	9/25/2012
4205	9/25/2012
4303	3/25/2013
4305	3/25/2013
6000	9/25/2009

(b) If the Government exercises this option, the extended delivery order shall be considered to include this option clause.

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SECTION J LIST OF ATTACHMENTS

Attachment 1 - Statement of Work

Attachment 2 - DD254 (updated in modification 01)

Attachment 3 - NDA Form

Attachment 7 - Cost/Summary Backup

Attachment 8 - Sample Monthly Financial Report

Attachment 9 - CGX Spec Tree

Attachment 4 - Program Office Functional Organizational Chart

Attachment 6 - Past Performance Questionnaire

Attachment 5 - Previous Contract Efforts

Attachment 10 - CG(X) Acronym List

Attachment 12 - Section B Pricing Form

Attachment 13 - FADS for the initial award of the task order

Attachment 14 - FADS for mod 2

Attachment 15 - FADS for mod 3