SOLICITATION/CONTRACT/ORDER FOR COMMERICAL ITEMS

OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24 & 30

1.REQUISITION NUMBER **N6523602RCN0143**

2.CONTRACT NO.	3.AWARD/EFFECTIVE DATE	4.ORDER NUMBER	5.SOLICITATION NUMBER	6.SOLICITATION ISSUE DATE
N00104-02-D-Q667	**UPON EXECUTION**		**N00104-02-R-Q114**	**18 Jan 2002**

7.FOR SOLICITATION INFORMATION CALL:	a.NAME	b.TELEPHONE NUMBER (No collect calls)	8.OFFER DUE DATE/ LOCAL TIME
	Terri Baxter	**(717) 605-2003**	**13 Jun 2002, 1:00 p.m. EST**

9.ISSUED BY CODE **N00104**

Naval Inventory Control Point-
Mechanicsburg
5450 Carlisle Pike
P O Box 2020
Mechanicsburg PA 17055-0788

POC: Terri Baxter/Code 0272.15
Email: Terri.Baxter@navy.mil

10.THIS ACQUISITION IS
☒UNRESTRCTED
☐PARTIAL SET-ASIDE

☐SMALL BUSINESS
☐SMALL DISADV.BUSINESS
☐8(A)

SIC:7372
SIZE STANDARD: $18M

11.DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED
☐ SEE SCHEDULE

12.DISCOUNT TERMS
Net 30

☒ 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS(15 CFR 700)

13b. RATING D0-S10

14.METHOD OF SOLICITATION
☐RFQ ☐IFB ☒RFP

15.DELIVER TO CODE

SPECIFIED ON EACH ORDER

16.ADMINISTERED BY CODE

SAME AS BLOCK 9

17a.CONTRACTOR/OFFEROR CODE **1NFM6** FACILITY CODE

Litronic, Inc., A Division of SSP Solutions, Inc.
17861 Cartwright Road
Irvine, CA 92614
POC: John Esser
Email: John.Esser@sspsolutions.com
TELEPHONE NO. **(703) 905-9700**

☐ 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADRESS IN OFFER

18a.PAYMENT WILL BE MADE BY CODE

SPECIFIED ON EACH ORDER

18b.SUMMIT INVOICES TO ADDRESS SHOWN IN BLCOK 18a UNLESS BLOCK BELOW IS CHECKED. ☐ SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	SEE PART I - "SCHEDULE OF SUPPLIES"				
	(Attach Additional Sheets as Necessary)				

25.ACCOUNTING AND APPRORIATION DATA
SEE PART I - "SCHEDULE OF SUPPLIES"

26.TOTAL AWARD AMOUNT (For Govt. Use Only)
$9,990,000.00 (Estimated Amount Only)

☐27a.SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5. ADDENA ☐ ARE ☐ ARE NOT ATTACHED.
☒27b.CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA ☒ARE ☐ARE NOT ATTACHED.

28.CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN **2** COPIES ☒ TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED HEREIN.

29.AWARD OF CONTRACT: REFERENCE _____. OFFER ☐ DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDES ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a.SIGNATURE OF OFFEROR/CONTRACTOR
/S/

31a.UNITED STATES OF AMERICA(SIGNATURE OF CONTRACTING OFFICER)
/S/

30b.NAME AND TITLE OF SIGNER *(Type or Print)*
James S. Prohaska
Vice President Government Sales

30c.DATE SIGNED **Aug 6, 2002**

31b.NAME OF CONTRACTING OFFICER *(Type or print)*
R. L. KLINGER
CONTRACTING OFFICER

31c.DATE SIGNED **8/7/02**

32a.QUANTITY IN COLUMN 21 HAS BEEN
☐RECEIVED ☐INSPECTED ☐ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED

32b.SIGNATURE OF AUTHORIZED GOVT. REPRESENTATIVE

32c.DATE

33.SHIP NUMBER
☐PARTIAL ☐FINAL

34.VOUCHER NUMBER

35.AMOUNT VERIFIED CORRECT FOR

36.PAYMENT
☐COMPLETE ☐PARTIAL ☐FINAL

37.CHECK NUMBER

38.S/RACCOUNT NUMBER

39.S/RVOUCHER NUMBER

40.PAID BY

41a.I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT

41b.SIGNATURE AND TITLE OF CERTIFYING OFFICER

41c.DATE

42a.RECEIVED BY (Print)

42b.RECEIVED AT (Location)

42c.DATE REC'D

42d.TOTAL CONTAINERS

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II. CONTRACT TERMS AND CONDITIONS
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B. FAR 52.212-4 Addendum
C. FAR 52.212-5 Contract Terms and Conditions Required to Implement Statutes Or Executive Orders – Commercial Items (May 2001)
D. DFARs 252.212-7001 Contract Terms and Conditions Required to Implement Statutes Or Executive Orders Applicable to Defense Acquisitions of Commercial Items (Dec 2000)
E. DFARs 252.212-7001 Addendum

III. ATTACHMENTS

(A) CAC Release 1.0 Middleware Requirements Specification, Version 2.2, dated 7 Mar 02
(B) CAC Middleware Test Plan, Pub Nr: 4M01.001 dated December 2001
(C) Standard Report Format (Sample)
(D) SSP Litronic End User License Agreement

I. SCHEDULE OF SUPPLIES

The following information replaces SF1449, Blocks 19 through 24:

THIS IS AN INDEFINITE QUANTITY TYPE CONTRACT FOR THE SUPPLIES/SERVICES IDENTIFIED BELOW. AS STATED IN THE INDEFINITE QUANTITY CLAUSE INCORPORATED HEREIN, THE MINIMUM AMOUNT THE GOVERNMENT IS REQUIRED TO ORDER UNDER RESULTANT CONTRACT IS $25,000.00 DURING THE THREE-YEAR BASE PERIOD. THE MAXIMUM AMOUNT IS $26,000,000.00 DURING THE THREE-YEAR BASE PERIOD. THE BASE ORDERING PERIOD IS THREE YEARS FROM DATE OF CONTRACT, SUBJECT TO GOVERNMENT APPROVAL OF FIRST ARTICLE. THE BASE PERFORMANCE QUANTITIES SHOWN BELOW ARE THE GOVERNMENT'S BEST ESTIMATES REFLECTIVE OF ALL THE PLATFORMS IDENTIFIED IN PARAGRAPH 2.1 OF THE CAC RELEASE 1.0 MIDDLEWARE REQUIREMENTS SPECIFICATION (SEE ATTACHMENT A). THE GOVERNMENT DOES NOT GUARANTEE THAT THE VOLUME OF PURCHASES THROUGH THIS CONTRACT WILL BE $26,000,000.00.

CLIN	SUPPLIES/SERVICES	QTY	UNIT	U/P	EXTENDED AMOUNT
0001	MIDDLEWARE TO FUNCTION WITH THE COMMON ACCESS CARD (CAC) IN ACCORDANCE WITH CAC RELEASE 1.0 MIDDLEWARE REQUIREMENTS SPECIFICATION, VERSION 2.2 DATED 7 MAR 2002 (SEE ATTACHMENT A) TO SUPPORT WINDOWS PLATFORM (95b, NT 4.0 native mode SP4 or higher, Windows 2000)				
0001AA	NEW LICENSE OF NETSIGN CAC, VERSION 4.2 MIDDLEWARE SOFTWARE, WHICH INCLUDES ONE YEAR OF MAINTENANCE FROM THE DATE OF PURCHASE, STANDARD INSTALLATION SUPPORT, SUPPORTING DOCUMENTATION, AND ONE FREE COPY OF MEDIA PER ORDER. PRODUCT NUMBER: 050-1310-CAC	1,800,000 (Best Estimated Quantity)	Seats	$4.50	$8,100,000.00
0001AB	MEDIA (CD-ROM) PRODUCT NUMBER: 134-2200-CAC	18,000 (Best Estimated Quantity)	Copies	$5.00	$90,000.00

Note: One (1) copy of media shall be provided per order at no charge to the customer. Vendors shall submit pricing for this SUBCLIN (if applicable) to facilitate ordering of additional quantities that may be required for multiple shipping destinations. If no price is offered, the vendor hereby consents to provide ALL media "Free of Charge" regardless of quantities that may be required by the customer.

0001AC	OUT-YEAR MAINTENANCE - 12 MONTH PERIOD FROM THE DATE OF PURCHASE TO INCLUDE UPGRADES, AND UPDATES AS COMMERCIALLY OFFERED PRODUCT NUMBER: 134-CAC-M	3,600,000 (Best Estimated Quantity)	Seats	$0.50	$1,800,000.00
0001AD	FIRST ARTICLE GOVERNMENT TESTING – TESTING WILL BE IN ACCORDANCE WITH THE COMMON ACCESS CARD (CAC) MIDDLEWARE TEST PLAN, PUB NR: 4M01.001 DATED DECEMBER 2001 (SEE ATTACHMENT B)	1 Copy	Media (CD-ROM)	NSP	XXX

1. The following information replaces SF1449, Block 25:

ACCOUNTING AND APPRORIATION DATA:

For Individual Orders:

The applicable accounting and appropriation data will be cited on individual delivery orders placed under this contract.

Guaranteed Minimum Amount:

Funds in the amount of $25,000 are hereby incorporated into this contract to satisfy the minimum guaranteed amount the Government is required to order under this contract during the Three-Year Base Period. The following accounting data applies:

ACRN	APPROPRIATION	SUBHEAD	OBJ. CLASS	BU CONTROL	SA	AAA	TT	PAA	COST CODE	AMOUNT
AA	97X4930	NH3S	000	77777	0	065236	2F	000000	B02RCN0143AN	$25,000.00

Note: Contractor is not authorized to invoice against the preceding accounting data. Funds are provided only as a placeholder for the minimum guaranteed amount. Once the minimum amount is procured through individual placement of delivery orders, the government's obligation to the contractor is satisfied. At that time, the government will deobligate the funds cited above.

2. The following information is hereby incorporated:

NOTICE OF INCORPORATION OF SECTION IV

Section IV - Offeror Representations/Certifications submitted as part of the solicitation is hereby incorporated into this contract by reference and considered to be a part thereof.

SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN

The Commercial Small Business Subcontracting Plan dated July 29, 2002 submitted for SSP Solutions, Inc., which includes its Litronic Division, in conjunction with solicitation N00104-02-R-Q114 is hereby approved and incorporated in the contract by reference.

II. CONTRACT TERMS AND CONDITIONS

A. FAR 52.212-4
CONTRACT TERMS AND CONDITIONS--COMMERCIAL ITEMS (May 2001)

This provision of the Federal Acquisition Regulations set forth at FAR 52.212-1, is hereby Incorporated by Reference with the same force and effect as if set forth in full text.

Note: Topics included in this clause are:
Inspection/Acceptance, Assignment, Changes, Disputes, Definitions, Excusable Delays, Submission of Invoices, Patent Indemnity, Payment, Risk of Loss, Taxes, Termination for the Government's Convenience, Termination for Cause, Title, Warranty, Limitation of Liability, Other Compliances, Compliance with Laws Unique to Government Contracts, and Order of Precedence.

B. FAR 52.212-4 - ADDENDUM
CONTRACT TERMS AND CONDITIONS--COMMERCIAL ITEMS (May 2001)

NAVICP solicitations and contracts invoke numerous clauses by reference. Full text of these clauses can be found on the appropriate web document listed as follows: http://www.navicp.navy.mil/business/clauserefer.htm

GENERAL PROVISIONS
INCORPORATION OF CONTRACT CLAUSES BY REFERENCE

(A) Each of the clauses of the FAR/DFAR (Federal Acquisition Regulation/Defense Federal Acquisition Regulation Supplement) listed in paragraph (C) below that **does not** contain a parenthetical notation after the clause title is incorporated herein by reference and made part hereof with the same force and effect as if set forth in full.

(B) Each of the clauses of the FAR/DFAR (Federal Acquisition Regulation/Defense Federal Acquisition Regulation Supplement) listed in paragraph (C) below that **does** contain a parenthetical notation after the clause title is, to the extent of and subject to the provisions of the parenthetical notation following the clause, incorporated herein by reference and made part hereof with the same force and effect as if set forth in full.

(C) List of clauses incorporated by reference:

Part I - FAR (48 CFR Chapter 1)
Part II - DFAR (48 CFR Chapter 2)

Part I - FAR (48 CFR Chapter 1)

Clause No.	CLAUSE TITLE	Clause Date
52.202-1	Definitions	MAY 2001
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (Applicable to all orders over $100,000)	JAN 1997
52.203-10	Price of Fee Adjustment for Illegal or Improper Activity (Applicable to all orders over $100,000)	JAN 1997
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. (Applicable to all orders over $100,000)	Apr 1991
52.203-12	Limitations on Payments to Influence Certain Federal Transactions (Apllicable to all orders over $100,000)	JUN 1997
52.204.2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on ReCycled Paper	AUG 2000
52.208-9	Contractor Use of Mandatory Sources of Supply	MAR 1996
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended or Proposed for Debarment (25K)	JUL 1995
52.211-15	Defense Priority and Allocation Requirements	SEP 1990
52.213-1	Fast Payment Procedure (When Applicable) (Deviation CN-99-901 Applies.)	FEB 1998
52.215-20	Requirements for Cost or Pricing Data or Information for Other Than Cost or Pricing Data	OCT 1997
52.215-21	Requirements for Cost or Pricing Data or Information for Other Than Cost or Pricing Data - Modifications	OCT 1997
52.219-16	Liquidated Damages Subcontracting Plan (500K)	JAN 1999
52.222-1	Notice to the Government of Labor Disputes	FEB 1997
52.222-3	Convict Labor	AUG 1996
52.223-3	Hazardous Material Identification and Material Safety Data	JAN 1997
52.225-8	Duty Free Entry (Applicable to orders exceeding $100,000)	FEB 2000
52.226-1	Utilization of Indian Organizations and Indian-Owned Economic Enterprises ($500K)	JUN 2000
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	AUG 1996
52.227-3	Patent Indemnity	APR 1984

Part I - FAR (48 CFR Chapter 1)

Clause No.	CLAUSE TITLE	Clause Date
52.232-1	Payments	APR 1984
52.232-8	Discounts for Prompt Payments	MAY 1997
52.232-16	Progress Payments	MAR 2000
52.232-16 Alt I	Progress Payments – Alternatel (If contractor is SmBus)	MAR 2000
52.232-16Alt II	Progress Payments – Alternte II (If contractor is NOT SB and if LTC or BOA) (100K)	MAR 2000
52.232-17	Interest	JUN 1996
52.232-23	Assignment of Claims	JAN 1986
52.232-23	Assignment of Claims - Alternate I (no set-off)	APR 1984
52.232-38	Submission of EFT Information with Offer	MAY 1999
52.233-1	Disputes	DEC 1998
52.233-1	Disputes - Alternate I	DEC 1991
52.242-12	Report of Shipment (REPSHIP)	JUL 1995
52.242-13	Bankruptcy (applicable over $100K)	JUL 1995
52.243-1	Changes - Fixed Price	AUG 1987
52.243-6	Change Order Accounting	APR 1984
52.243-7	Notification of Changes	APR 1984
52.244-2	Subcontracts (Applicable to orders over $100K)	AUG 1998
52.244-5	Competition in Subcontracting (Applicable to orders over $100,000)	DEC 1996
52.244-6	Subcontracts for Commercial Items and Commercial Components	OCT 1998
52.245-2	Government Property (Fixed Price Contracts) (C/D 99-8)	DEC 1989
52.245-17	Special Tooling (Applicable to orders which require the contractor to acquire special tooling) (C/D 99-12)	APR 1984
52.245-18	Special Test Equipment (Applicable to orders which will require the contractor to acquire special test equipment for the Govenment	FEB 1993
52.245-19	Government Property Furnished "AS IS"	APR 1984
52.246-2	Inspection of Suppies – Fixed Price	AUG 1996
52.246-23	Limitation of Liability (Applicable to orders over $100K) (Not high value items)	FEB 1997
52.246-24	Limitation of Liability - High Value Items (This clause shall apply in lieu of FAR 52.246-23, Limitation of Liability, to any line item which has a unit price exceeding $100,000.00).	FEB 1997
52.248-1	Value Engineering (Applicable to orders of $100,000 or more)	FEB 2000
52.249-2	Termination for Convenience of the Government (Fixed Price)	SEP 1996
52.249-8	Default – (Fixed Price Supply and Services	APR 1984
52.253-1	Computer Generated Forms	JAN 1991

Part II - DFARS (48 CFR Chapter 2)

Clause No.	CLAUSE TITLE	Clause Date
252.203-7002	Display of DoD Hotline Poster ($5Million)	DEC 1991
252.204-7000	Disclosure of Information	DEC 1991
252.204-7001	Commercial and Government Entity (CAGE) Code Reporting	AUG 1999
252.204-7003	Control of Government Personnel Work Product	AUG 1992
252.204-7004	Required Central Contractor Registration	NOV 2001
252.204-7005	Oral Attestation of Security Requirements	NOV 2001
252.208-7000	Intent to Furnish Precious Metals as Government Furnished Material	DEC 1991
252.209-7001	Disclosure of Ownership, Control by Government of a Terrorist Country	MAR 1998
252.209-7002	Disclosure of Ownership or Control by a Foreigh Government	SEP 1994
252.209-7003	Compliance with Veterans' Employment Reporting Requirements	MAR 1998
252.211-7000	Acquisition Streamlining	DEC 1991
252.211-7004	Alternate Preservation, Packaging, and Packing	DEC 1991
252.223-7004	Drug Free Workforce	SEP 1988
252.225-7002	Qualifying Country Sources as Subcontractors	DEC 1991
252.225-7005	Identification of Expenditures in the United States (applicable to all orders which require furnishing of U.S. end products unless (1) the contractor is a domestic concern and (2) the Government will take title to the end products within the United States). ($25K)	DEC 1991
252.225-7008	Supplies to be Accorded Duty-Free Entry (Applicable to orders exceeding $100,000)	MAR 1998
252.225-7009	Duty-Free-Entry--Qualifying Country Supplies (End Product and Components)	AUG 2000
252.225-7010	Duty-Free-Entry -Additional Provisions	AUG 2000
252.225-7025	Restrictions on Acquisitions of Forgings	JUN 1997
252.225-7031	Secibdary Arab Boycott of Israel	JUN 1992
252.225-7041	Correspondence in English	JUN 1997
252.232-7004	DoD Progress Payment Rates	OCT 2001
252.235-7003	Frequency Authorization	DEC 1991
252.243-7001	Pricing of Contract Modifications	DEC 1991
252.246-7000	Material Inspection and Receiving Report	DEC 1991

B1. INSPECTION AND ACCEPTANACE

a. FAR 52.209-4 - FIRST ARTICLE APPROVAL--GOVERNMENT TESTING (SEP 1989)

(a) The Contractor shall deliver _*_ unit(s) of Lot/Item _*_ within _*_calendar days from the date of this contract to the Government at the _*_ for first article tests. The shipping documentation shall contain this contract number and the Lot/Item identification. The characteristics that the first article must meet and the testing requirements are specified elsewhere in this contract.

(b) Within _60_ calendar days from the date of the contract, the Contracting Officer shall notify the Contractor, in writing, of the conditional approval, or disapproval of the first article. The notice of conditional approval or approval shall not relieve the Contractor from complying with all requirements of the specifications and all other terms and conditions of this contract. A notice of conditional approval shall state any further action required of the Contractor. A notice of disapproval shall cite reasons for the disapproval.

(c) If the first article is disapproved, the Contractor, upon Government request, shall submit an additional first article for testing. After each request, the Contractor shall make any necessary changes, modifications, or repairs to the first article or select another first article for testing. All costs related to these tests are to be borne by the Contractor, including any and all costs for additional tests following a disapproval. The Contractor shall furnish any additional first article to the Government under the terms and conditions and within the time specified by the Government. The Government shall act on this first article within the time limit specified in paragraph (b) of this clause. The Government reserves the right to require an equitable adjustment of the contract price for any extension of the delivery schedule or for any additional costs to the Government related to these tests.

(d) If the Contractor fails to deliver any first article on time, or the Contracting Officer disapproves any first article, the Contractor shall be deemed to have failed to make delivery within the meaning of the Default clause of this contract.

(e) Unless otherwise provided in the contract, the Contractor--

(1) May deliver the approved first article as a part of the contract quantity, provided it meets all contract requirements for acceptance and was not consumed or destroyed in testing; and

(2) Shall remove and dispose of any first article from the Government test facility at the Contractor's expense.

(f) If the Government does not act within the time specified in paragraph (b) or (c) of this clause, the Contracting Officer shall, upon timely written request from the Contractor, equitably adjust under the Changes clause of this contract the delivery or performance dates and/or the contract price, and any other contractual term affected by the delay.

(g) The Contractor is responsible for providing operating and maintenance instructions, spare parts support, and repair of the first article during any first article test.

(h) Before first article approval, the acquisition of materials or components for, or the commencement of production of, the balance of the contract quantity is at the sole risk of the Contractor. Before first article approval, the costs thereof shall not be allocable to this contract for (1) progress payments, or (2) termination settlements if the contract is terminated for the convenience of the Government.

(I) The Government may waive the requirement for first article approval test where supplies identical or similar to those called for in the schedule have been previously furnished by the Offeror/Contractor and have been accepted by the Government. The Offeror/Contractor may request a waiver.

*** Unless otherwise requested, Awardee's product sample submitted for technical acceptability evaluation will serve as its First Article. Testing of First Article shall be in accordance with the CAC Middleware and Reader Test Plan (see Attachment B) and as described in paragraph b below:**

b. Joint Interoperability Test Command (JITC) Testing Process

(1) The Joint Interoperability Test Command (JITC) will test the CAC middleware at its Information Assurance (IA) Test and Evaluation Laboratory (IA T&E Lab) at Indian Head, Maryland in accordance with the Common Access Card Middleware Test Plan, Pub Nr: 4M01.001 dated December 2001 (see Attachment B). (Document can be view at http://govauctions.procuri.com).

(2) Vendors are required to pay for this testing (see CLIN 0001AD). Vendor's submission of a product authorizes JITC to retain and further utilize vendor's product in the test bed for both regression and interoperability testing as long as the product versions are in either government or commercial inventory.

(3) Vendors are required to pay $20,000.00 directly to JITC for the initial testing of the First Article and $10,000.00 for any subsequent retesting which may be required due to disapproval of First Article (FA), as stated in the preceding FAR 52.209-4 clause.

(4) The process for JITC testing is as follows:

(a) Subsequent to contract award, a JITC representative will contact awardees to establish funding.
(b) Awardees shall provide JITC technical support as required to ensure the product is operational in the JITC labs.
(c) JITC will conduct the testing and issue the final test results to the contracting officer within 50 days from date of contract.
(d) Within 60 days from the date of the contract, the contracting officer will notify the contractor, in writing, of the approval, conditional approval, or disapproval of the first article as outlined in the CAC Middleware Test Plan.
(e) In the event that a vendor's middleware product is not approved, retesting may be authorized by the contracting officer for a period not-to-exceed 180 days from the date of contract, subsequent to a retesting fee of $10,000.00 per test payable by the contractor.
(f) Failure to obtain a government first article approval within 180 days, from date of contract, shall be deemed to have failed to make delivery within the meaning of the Default clause of this contract.

B2. ORDERING

a. SCOPE

The scope of this effort is worldwide. This Indefinite Delivery Type Contract (IDTC) is available for ordering by all of DOD. There is not a centralized ordering activity, orders may be placed by any warranted Contracting Officer (or authorized Ordering Officer) via Electronic Data Interchange (EDI), credit card, facsimile, or paper. Delivery requirements will be stipulated on Delivery Orders, either a Standard Form (SF) 1449 or Department of Defense (DD) Form 1155, which is prepared by the Government Ordering Officer (a duly warranted Contracting Officer, within the limits of assigned authority) in accordance with the terms and conditions of this contract.

It is the intention of the Government to use existing and future capability of the DOD Standard Procurement System, Electronic Data Interchange (EDI) capability, Government procurement card, and vendor electronic ordering capability to create a paperless ordering, invoicing and payment process. During the term of the contract, the Contractor shall participate to achieve this objective.

b. FAR 52.216-18 Ordering (Oct 1995)

(1) Any supplies and services to be furnished under this contract shall be ordered by issuance of Delivery Orders or Task Orders by the individuals or activities designated in the Schedule. **Such orders may ONLY be issued after contractor has received government approval of FA and only for a period of three years from date of award.**

(2) All Delivery Orders or Task Orders are subject to the terms and conditions of this Contract. In the event of conflict between a Delivery Order or Task Order and this contract, the Contract shall control.

(3) If mailed, a Delivery Order or Task Order is considered "issued" when the Government deposits the Order in the mail. Orders may be issued orally, by facsimile, or by Electronic Commerce methods, only if authorized in the Schedule.

c. FAR 52.216-19 Ordering Limitations (Oct 1995)

(1) MINIMUM ORDER.
When the Government requires supplies or services covered by this contract in an amount that is less than $100.00, the Government is not obligated to purchase, nor is the Contractor Obligated to furnish, those supplies or services under the contract.

(2) MAXIMUM ORDER.
The contractor is not obligated to honor:

(a) Any order for a single item in excess of $26,000,000.00;
(b) Any order for a combination of items in excess of $26,000,000.00; or
(c) A series of orders from the same ordering office within thirty (30) days that together call for an amount exceeding the limitation in subparagraphs (a) and (b) of this section.

(3) If this is a Requirements Contract (i.e., includes FAR 52.216-21 Requirements), the Government is not required to order a part of any one requirement from the contractor if that requirement exceeds the maximum-order limitations in paragraph (2) above.

(4) Notwithstanding paragraphs (2) and (3) above, the contractor shall honor any order exceeding the maximum order limitations in paragraph (2), unless that order(s) is returned to the ordering office with 15 days after issuance, with the written notice stating the contractor's intent not to ship the item(s) called for and the reason(s). Upon receiving this notice, the Government may acquire the supplies or services from another source.

d. SUP 5252.216-9403 Written Orders (Indefinite Delivery Contracts) (Jan 1992)

Written orders (on DD Form 1155) will contain the following information consistent with the terms or the contract:

(a) Date of order
(b) Contract number and order number
(c) Item number and description, quantity ordered, unit price and contract price
(d) Delivery or performance date
(e) Place of delivery or performing
(f) Packaging, packing, and shipping instructions, if required
(g) Accounting and appropriation data
(h) Any other pertinent information

e. Users' Ordering Guide

The Contractor shall develop a Users' Ordering Guide in coordination with the Government that will be posted to the Contractor's web site. The Ordering Guide is required within 30 days of contract issuance and made available on the Contractor's home page. This guide shall be continuously updated as required. The guide shall contain all information necessary for geographically dispersed activities to place orders, including, as a minimum:

a. Complete list of products available, with appropriate contract line item numbers (CLINs) and associated prices
b. Government and Contractor Points of Contact
c. Description of the ordering process
d. Program Terms and Conditions
e. License Terms and Conditions
f. Information necessary to complete a DD350
g. Range of discounts
h. Links to DoD ESI and the Government web sites

f. E-Commerce Site

DOD Chief Information Officer (CIO) Guidance and Policy Memorandum No. 12-8430-July 26, 2000 – Acquiring Commercially Available Software, directs software buyers and requiring officials to check the DOD ESI website for DOD inventory or an Enterprise Software Agreement (ESA) before using another method of acquisition. The contract will be posted to the DOD ESI website as part of the ESI program.

The web site can be viewed at: http://www.don-imit.navy.mil/esi/

ITEC Direct is the Navy's World Wide Web accessible shopping and order processing tool and can be viewed at http://www.itec-direct.navy.mil. The following requirements apply to this contract:

a. Any acquisition vehicle resulting from this solicitation may be placed in the Department of the Navy's (DON) ITEC Direct system as part of the DON Information Technology Electronic Commerce (ITEC) Direct Project. If placed in ITEC Direct, the contractor shall insure that the data and information obtained through ITEC Direct is current, accurate, complete, and relevant to the acquisition vehicle.

b. The Contractor shall maintain a database of prices with the required and relevant information and links to technical specifications to be accessible by ITEC Direct in a distributed database environment. Awardees will be provided an excel spreadsheet format to be utilized for maintaining their database of prices.

c. The Contractor shall maintain coordinated and integrated hypertext links to ITEC Direct from their World Wide Web site(s) to the ITEC Direct site and shall insure the integrity of any data and information posted on their web sites or in the ITEC Direct web site for their acquisition vehicle. This effort may require the Contractor to adapt their practices so that electronic commerce can be conducted through ITEC Direct to the vendor. The hyperlink to vendor's web site must accommodate email exchange via notification of orders pending in Itec-Direct.

d. The Contractor is encouraged to provide EC/EDI capabilities and accept and respond to secure on-line orders and customer requests consistent with the terms of this acquisition vehicle.

e. The Contractor is encouraged to adapt its business processes, at no additional cost to the government, as the DOD E-Mall and ITEC Direct technical requirements, environment and architecture evolve.

This contract may also be loaded into the electronic catalog systems of other DOD agencies.)

g. <u>Suspension</u>

There may be occasions where the Government may suspend ordering (by CLIN up to and including the entire contract.) If a suspension is announced, the Contractor shall adhere to this suspension by not accepting/processing delivery orders for the suspended item(s).

B3. AUTHORIZED USERS

The contract is open for ordering by all Department of Defense (DOD) Components. For purposes of this contract, a DOD component is defined as: all DOD Components and their employees, including Reserve Component (Guard and Reserve) and the U.S. Coast Guard; other Government employees assigned to and working with DOD; non-appropriated funds instrumentalities such as NAFI employees; Intelligence Community (IC) covered organizations to include all DOD Intel System member organizations and employees, but not the CIA nor other IC employees unless they are assigned to and working with DOD organizations. Pursuant to Office of Management and Budget IT policy letter, M-97-07, dated 26 February 1997 and consistent with the Economy Act, any DOD agency or military activity accepting this ordering authorization shall, by issuing a DD Form 1155 or SF 1449 (delivery order) hereunder, be deemed to have placed a dual purpose order, which shall not only order the middleware items under this IDIQ contract, but shall also serve as a "direct cite" economy act order (i.e., the requesting agency's funds are cited). A duplicate copy of said DD Form 1155 or SF 1449 must be sent to the NAVICP before or contemporaneous with its submission to the NAVICP IDIQ contractor and receipt of this duplicate copy constitutes the NAVICP's acceptance of the Economy Act order. (Upon acceptance of the Economy Act order, it is fulfilled by the NAVICP through the simultaneous placement of a delivery order under the NAVICP IDIQ contract by a NAVICP ordering officer, albeit not one on the NAVICP payroll.

B4. INDEFINITE QUANTITY TYPE CONTRACT

a. <u>FAR 52.216-22 Indefinite Quantity (OCT 1995)</u>

(1) This is an **<u>INDEFINITE-QUANTITY CONTRACT</u>** for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(2) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "***maximum**." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "***minimum**."

(3) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(4) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after the date of the last order placed during the effective period of the contract.

* **As referred to in Paragraph (2) of the Indefinite Quantity clause shown above, the minimum amount the Government is required to order under this contract is $25,000.00 during the Three-Year Base Period. The maximum amount is $26,000,000.00 during the Three-Year Base Period.**

Important Notes:

(1) The **Base-Performance** Quantities, stated in Part I "Schedule of Supplies", are the Government's **Best Estimates.** The amounts which the contractor may be required to furnish and the Government to accept hereunder shall be amounts, which shall from time to time be ordered by the Government during the Ordering Period of the contract. The Government estimates, but does not guarantee, that the volume of purchases through this contract will be $26M.

(2) The government's total requirement is included in the quantities specified in the schedule. **When cumulative sales under all resulting contracts reach the specified maximum amount of $26M, the individual contract ceiling will be considered exhausted and ordering under all contracts will cease.**

(3) Awardee's shall submit monthly reports of sales to the contracting officer as described in Paragraph b (Report of Sales) found in Section B10 (Management and Oversight). The contracting officer will monitor the cumulative sales under all resulting contracts to determine when the specified maximum amount has been reached.

b. Task and Delivery Order Ombudsman

The task order contract and delivery order contract ombudsman responsible for reviewing complaints from contractors on task order contracts and delivery order contracts is the ordering Command's Cognizant Competition Advocate.

B5. DELIVERIES or PERFORMANCE

a. CLAUSES INCORPORATION BY REFERENCE (F.O.B. DESTINATION)

This contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the contracting officer will make their full text available.

Clause Number	Clause Title	Clause Date
FAR 52.211-17	Delivery of Excess Quantities of $250 or less	SEP 1989
FAR 52.242-15	Stop Work Order	AUG 1989
FAR 52.247-34	F.o.b. Destination	NOV 1991

b. Delivery Schedule

Upon authorization that ordering may begin, the Contractor shall deliver all products within 30 days of receipt of order. More expedient delivery terms are acceptable and encouraged.

c. Delivery Notice

Unless otherwise agreed to, deliveries ordered under this contract must be accompanied by a delivery notice, ticket or sales slip that must contain at a minimum the following information:

a. Name of Contractor
b. Contract Number
c. Product Description/Model numbers
d. Delivery order number
e. Date of purchase

f. Quantity, unit price and extension of each item (unit prices need not be shown when incompatible with the use of automated systems; provided that the invoice is itemized to show the information)
g. Date of shipment

B6. Fees and Payments

a. Acquisition, Contracting, and Technical (ACT) Fee. The cost of awarding, administering and managing this Contract is included in the prices charged to ordering activities. The ACT fee is 2%. Remittance of the ACT fee shall be made on a calendar quarterly basis (i.e. January – March, April – June, July – September, and October – December) or as otherwise requested by the Software Product Manager (SPM) and is due thirty (30) days following the completion of the reporting period. Negative reports are required. ACT fees that have not been paid within the prescribed thirty (30) days shall be considered a debt to the United States Government under the terms of FAR 32.6. The Government may exercise all its rights under the contract, including withholding or setting off payments and interest on the debt (see FAR 52.232-17, Interest). Failure of the Contractor to pay the ACT Fee in a timely manner may result in termination of the Contract.

b. Fee Distribution. The Army, Air Force, DISA and Navy are participating in a fee-sharing program. The contractor shall collect the 2% ACT fee and distribute in accordance with the following procedures. Fee sharing shall be determined by the End User Agency or Service identified in the monthly Report of Sales. This field shall be notated Army, Air Force, DISA, Navy or DOD as appropriate. Do not issue fee checks until written approval is received for the Report of Sales.

ALL SALES:

The 2% ACT fee is split equally between the DoD Component whose customer places the order and the DoD Component that manages the ESI agreement. In other words, any Army, Air Force or DISA order against an ESI agreement managed by the Navy results in a 1% portion of the 2% fee being returned to the component's acquisition organization that placed the order (see each agency's sales information herein). The Navy will retain the entire 2% fee under orders issued for Navy activities or those activities that do not collect a fee under the ESI agreements managed by the Navy. The contractor is responsible for distributing the ACT fee to all applicable Services in accordance with the instructions herein. The amount of ACT Fee due the Financial Management Office (FMO) shall be calculated at 1% for Army sales, 1% for Air Force sales, 1% for DISA sales and 2% for all other sales.

Remit ACT Fee to the Financial Management Office (FMO) by corporate or cashier's check made payable to "Treasurer of the United States". No transmittal letter is required with submission of Navy fee checks.

Checks must include the following information to ensure proper crediting of the payment:
Contract N00104-02-D-Q667
DoD SSP Litronic Enterprise Software Agreement
ACT Fee

If using overnight or express mail, send check to:
SPAWAR Systems Center Charleston, Norfolk Office
Attn: E. (Liz) Vonasek
Code 645.2, Bldg. V53
9456 Fourth Avenue
Norfolk, VA 23511-2130

Email a copy of the FMO check to:
SPM: steve.thompson@navy.mil

or

If using regular mail, send check to:
SPAWAR Systems Center Charleston, Norfolk Office
Attn: E. (Liz) Vonasek
Code 645.2, Bldg V53
P.O. Box 1376
Norfolk, VA 23501-1376

Mail to:
DON IT Umbrella Program Management Office
SPAWAR Systems Center, San Diego
Attn: Steve Thompson, Code 2829
53560 Hull Street
San Diego, CA 92152-5001

ARMY SALES:

The amount of ACT Fee due Program Executive Office (PEO), Enterprise Information Systems (EIS) shall be calculated at 1% of all Army sales.

Remit ACT Fee to PEO EIS by corporate or cashier's check made payable to "Treasurer of the United States" notated with the following information:

Contract N00104-02-D-Q667
SCP Fee Reimbursement

***Checks must be accompanied by a transmittal letter (sample to be provided) to ensure proper crediting of the payment.

Send check and transmittal letter to:
Program Executive Office (PEO) Enterprise Information Systems (EIS)
Assist Project Manager (APM), Army Small Computer Program
SFAE-PS-EI-SCP (Attn: Financial Support Group)
Fort Monmouth, NJ 07703-5605

Email a copy of the check and letter to: AMSEL-dsa-scp-CR@mail1monmouth.army

AIR FORCE SALES:

The amount of ACT Fee due DFAS Pensacola shall be calculated at 1% of all Air Force sales.

Remit ACT Fee to DFAS Pensacola by corporate or cashier's check made payable to "Treasurer of the United States" notated with the following information:

Contract N00104-02-D-Q667
ESI-SW Fee Sharing

***Checks must be accompanied by a transmittal letter (sample to be provided) that cites the applicable accounting data to ensure proper crediting of the payment.

Send check and transmittal letter to:
DFAS OPLOC/PE
Building 603-2, Code FDA-SSG
130 West Avenue, Suite A
Pensacola, FL 32508-5120

FAX or mail a copy of the check and letter to:
HQ SSG/ITS
Attn: Bob Hamrick, Bldg 884, Rm 1437
501 East Moore Drive
MAFB-Gunter Annex, AL 36114-3004
FAX#: (334) 416-5796

DISA SALES:

The amount of ACT Fee due DFAS Indianapolis shall be calculated at 1% of all DISA sales.

Remit ACT Fee to DFAS Indianapolis by corporate or cashier's check made payable to "Treasurer of the United States" notated with the following information:

Contract N00104-02-D-Q667
ESI-SW Fee Sharing

***Checks must be accompanied by a transmittal letter (sample to be provided) that cites the applicable accounting data to ensure proper crediting of the payment.

Send check and transmittal letter to:
DFAS/ADOFA/COIN
8899 E. 56th Street
Indianapolis, IN 46249-1500

Mail a copy of the check and transmittal letter to:

Defense Information Systems Agency
Attn: Dawn Lawson, Code COGB
5600 Columbia Pike, Suite 900
Falls Church, VA 22041-2717

Or send via FAX or Email to:
FAX#: (703) 681-2782
Email: lawsond@ncr.disa.mil

FEE SHARING SUMMARY

	Navy & DoD Remit to: FMO (SPAWAR)	**Applicable Component** Remit to: (See specific component sales information contained herein)	**Total ACT Fee**
Fee Applicable to: Navy, & Other DoD Sales (DON, DoD)	2%	0%	= 2%
Fee Applicable to: Army Sales (DOA)	1%	1%	= 2%
Fee Applicable to: Air Force Sales (DOAF)	1%	1%	= 2%
Fee Applicable to: DISA Sales (DISA)	1%	1%	= 2%

NOTE: There is a potential change to the disbursement of the ACT fee that will add an additional service or services to the existing fee sharing participants. While the basic procedures will remain unchanged, contractors will be required to remit a portion of the ACT fee to any additional participants in the program that may be named in subsequent modifications to the Contract.

B7. License Documentation. Software licenses are perpetual. End users must comply with the terms and conditions of the End User License Agreement (EULA), as set forth in Attachment D, for the applicable product that accompanies each shipment of software. The Contractor shall provide a license certificate to the end user specified in each delivery order.

B8. Support and Maintenance.

a. Standard Support. Standard Installation Support and Supporting Documentation shall be included with the purchase of new license for a period of one year from the purchase date of the middleware product. Patches and fixes shall be provided to the government at no additional cost for the useful life of the middleware product purchased. At a minimum, awardees shall maintain a website for download of patches and installation instructions for patches.

Standard Installation Support: SSP Litronic provides installation support through a team of dedicated technical personnel who are available during normal business hours and can be reached at (703) 905-9700. They also provide 24 X 7 user support through self-service resources available via the web at http://www.sspsolutions.com/solutions/government, and through email-based support requests. This support is available during the one-year warranty period.

Supporting Documentation: SSP Litronic supporting documentation is written in English and provided to users as part of the help function of the application. Additionally, SSP Litronic provides a user's manual and release notes in electronic form in addition to the on-line "help" functions.

b. Maintenance. Maintenance shall include upgrades and updates as commercially offered. At a minimum, awardees shall maintain a website for download of patches and installation instructions for patches and notification of offered upgrades. One year of maintenance shall be included with the purchase of new middleware license.

SSP Litronic will provide one full year of maintenance to the end-user beginning from the date of purchase of new middleware license, which includes standard installation support, supporting documentation, supply of any fixes and/or patches, upgrades and updates as commercially offered.

c. Out-Year Maintenance. Includes upgrades and updates as commercially offered for a 12-month period from date of purchase. At a minimum, awardees shall maintain a website for notification of upgrades and updates available for download.

SSP Litronic provides the option to purchase additional maintenance and extend the standard warranty period for 12 months after the date of purchase, at the fee specified in the Schedule of Supplies (See CLIN 0001AC).

d. Answer to Reset (ATR) Discovery and Handling.

In accordance with Section 3.4 of Attachment A to the RFP, CAC Release 1.0 Middleware Requirements Specification, when new card types and manufacturers are implemented by the DOD, middleware products must accommodate updates to the CAC's Answer to Reset (ATR) commands as well as any card specific interfaces for middleware operation. It is expected that, as new CAC card versions (change in microprocessor) are certified and approved, middleware products must be capable of seamlessly incorporating new ATRs and card specific attributes in a timely manner. Vendors must minimally provide a website download distribution mechanism available to DOD customers (at no additional charge) to maintain the operation of CAC cards regardless of card vendor or model. Additional mechanisms beyond the web site download are encouraged. Middleware providers will be informed of new CAC card versions (change in microprocessor) a minimum of four (4) months prior to fielding. Vendors are expected to integrate the new card version at no cost to the government and provide it via a patch for their middleware product 30 days prior to the fielding date. The government (JITC) will test all products to insure compliance at no cost to vendors. Any discrepancies will be forwarded to vendors for resolution. Patches required by the purchased version of software are expected to have new CAC card versions (change in microprocessor) integrated at no cost to the government for the useful life of the middleware product purchased. Customers desiring email notification of patch availability must include the appropriate email address in the order.

B9. STANDARDS.

a. Year 2000 Compliance.

All products provided under this contract must be Y2k compliant as defined in FAR 39.002.

b. JTA COMPLIANCE. All products offered shall comply with the appropriate publicly available standards (PAS) (i.e., TIA, EIA, ANSI, IEEE, ISO) and the applicable DOD Information Technology Standards contained in the Joint Technical Architecture (JTA). At a minimum, all deliverables must be level 5 Defense Information Infrastructure Common Operating Environment (DIICOE) compliant as defined in the Integration and Runtime Specification (I&RTS), Appendix B: Compliance Checklists. More information on DOD Standards can be found at: HTTP://WWW.ITSI.DISA.MIL

c. Section 508 Compliance. Orders issued under this contract must consider the requirements of FAR 39.2 which implements section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), and the Architectural and Transportation Barriers Compliance Board Electronic and Information Technology (EIT) Accessibility Standards (36 CFR part 1194). Information on product accessibility can be found at:

B10. MANAGEMENT AND OVERSIGHT

a. Contractor Administration

The Contractor must provide centralized administration, in the form of a Program Manager, in support of all work performed under this contract. Functions would include customer service, periodic program management reviews, invoicing, payment and submission of monthly and quarterly reports. The Contractor shall ensure that all sales personnel are aware of the Enterprise Software Initiative Program and enforce the policy that this Indefinite Quantity Type Contract (IQTC) is the preferred DOD procurement vehicle for the products within.

b. Report of Sales

A Report of Sales as described herein shall accompany the remittance of the ACT Fees to enable verification of the fee amounts rendered. Submission of the Report of Sales shall be made on a monthly basis or as otherwise requested by the

PMO. In addition to the regular monthly submissions, a Quarterly Report of Sales shall also accompany the ACT Fee payment. The Quarterly Report of Sales shall be submitted to the FMO, PMO, PCO and fee-sharing services points of contact in electronic format within fifteen (15) days following the completion of the monthly reporting period. The Reports of Sales shall contain, but are not limited to, the following data: a list of orders by Ordering Activity; CLIN's ordered; CLIN prices; value of orders; status of orders; and cumulative sales data for the month, quarter, year, and Contract to date. The report shall be submitted in the standard format shown in Attachment C.

c. Records

The Contractor shall maintain archival copies of all orders for the life of the contract. Copies shall be made available to the Government upon request.

d. Program Management Reviews (PMR)

The Contractor shall participate in regular reviews of the progress of the contract. Reviews shall be held at least twice yearly as scheduled by the Program Management Office. During these reviews the Contractor shall report on among other things, status of contract sales, marketing and any outstanding issues concerning the contract. PMR agenda and presentation format shall be provided prior to each PMR. The contractor will cover travel expenses.

e. Marketing

The Contractor shall dedicate reasonable resources to this effort and work to market and advertise this agreement. Desired actions include: advertising resultant contract on the contractor's Internet site and advertising the agreement at relevant trade shows, and news media geared to Government/DOD IT people.

B11. Technology Improvement.

a. NAVICPHA11 TECHNOLOGY IMPROVEMENTS (MARCH 2000)

After contract award, the Government may solicit, and the Contractor is encouraged to independently propose, technology improvements to the equipment, software specifications or other requirements of the contract, which take advantage of advances in the equipment technology. These improvements will allow the Government to modify this contract to incorporate such changes, which will take advantage of industry improvements and incorporate advances to take advantage of state of the art improvements to the equipment. Incorporation of proposed changes shall not require more than minor changes to existing applications but will include changes and additions that satisfy existing fleet and shore needs; such changes shall be within the scope of the original application.

As part of the proposed changes, the Contractor shall submit a price proposal to the Contracting Officer for evaluation. The proposed technology improvements that are acceptable to the Government will be processed as modifications to the contract.

At a minimum, the following information shall be submitted by the Contractor with each proposal:

1. A description of the differences between the existing contract requirements and the proposed change, and the comparative advantages and disadvantages of each;

2. Itemized requirements of the contract, which must be changed if the proposal is adopted, and the proposed revision to the contract for such changes;

3. An estimate of the performance and cost changes, if any that will result from the adoption of the proposal;

4. An evaluation of the effects of the proposed changes would have on collateral costs to the Government, such as Government-furnished property costs, costs of related items and costs of maintenance, operation and conversion;

5. Identification of any effect on the contract completion time or delivery schedule.

The Government reserves the right to require a return of selected portions of a live test demonstration to verify the proposed equipment's performance, at no additional charge to the Government.

The Government will not be liable for proposal preparation costs or any delay in acting upon any proposal submitted pursuant to this clause. The Contractor has the right to withdraw, in whole or in part, any proposal not accepted by the Government within the period specified in the proposal. The decision of the Contracting Officer as to the acceptance of any such proposal under this contract is final.

The Contracting Officer may accept any proposal submitted pursuant to this clause by giving the Contractor written notice thereof. This written notice will be given by issuance of a modification to this contract. Until a modification is executed to incorporate a proposal under this contract, the Contractor shall remain obligated to perform in accordance with the requirements, terms and conditions of the existing contract.

If a proposal submitted pursuant to this clause is accepted and applied to this contract, an equitable adjustment (if any) to the contract price shall be in accordance with the procedures of the "Changes" clause. The resulting contract modification will state that it is made pursuant to the Technology Improvement Clause. Maintenance, technical support, documentation, training and all other aspects of hardware and software support shall be fully commensurate with existing technical supports for hardware and software.

b. Substitution and Technology Refreshment.

If at any time during the performance period of the contract resulting from this RFP, the original manufacturer of the equipment (includes software, hardware and firmware) schedules the products for discontinuation, improvement and/or replacement, the contractor shall provide a proposal to include the new or revised products on the contract under the appropriate line items. Proposed prices for new or revised products shall be discounted at the same or greater discount level as the original contract product prices. Proposals shall be submitted to the Contracting Officer within seven (7) days of the contractor's awareness of the OEM's intent. Improvement of product includes new releases, updates, upgrades including additional features and functionality, and successor or upgrade products.

c. Technical Refreshment Approval Process for Alternate Platforms.

Since there is an array of different DOD-approved workstation operating systems, awardees are encouraged to develop and submit for inclusion, during the performance period of this contract, technology refreshments for new platforms supporting any of the operating environments identified in the CAC Release 1.0 Middleware Requirements Specification. All development and testing cost shall be borne at the expense of the contractor. Each newly developed software package shall meet all the requirements outlined in the CAC Release 1.0 Middleware Requirements Specification. Prior to the submission of a technology refreshment of a new middleware platform, contractor shall contact Mr. Kevin Holmes at the Joint Interoperability Test Command (JITC), (301) 744-2763, Email holmesk@ncr.disa.mil to schedule independent product compatibility testing in accordance with the CAC Middleware and Reader Test Plan. Upon JITC approval of product testing, contractor may submit a price proposal to the contracting officer for a technology refreshment of the newly approved platform of middleware.

B12. Points of Contact.

Contracting Office:

Point of Contact:

Naval Inventory Control Point
Code 0272.15, Building 407
5450 Carlisle Pike
Mechanicsburg, PA 17055-0788

POC: Terri Baxter
Phone: (717) 605-2003
Fax: (717) 605-4600
Email: terri.baxter@navy.mil

Procuring Contracting Officer (PCO):

Naval Inventory Control Point
Code 0272
5450 Carlisle Pike
Mechanicsburg, PA 17055-0788

PCO: Rod Klinger
Phone: (717) 605-3824
Fax: (717) 605-4600
Email: rodney.klinger@navy.mil

Program Management Office (PMO):

Software Product Manager (SPM):

DON IT Umbrella Program Management Office
SPAWAR Systems Center San Diego
Code 2829
53560 Hull Street
San Diego, CA 92152-5001

PM: Steve Thompson
Phone: (619) 524-9640
Fax: (619) 524-9678
Email: steve.thompson@navy.mil

or Alternate Point of Contact:

DON IT Umbrella Program Management Office
SPAWAR Systems Center San Diego
Code 2829
53560 Hull Street
San Diego, CA 92152-5001

POC: Barbara Johnson
Phone: (619) 524-9607
Fax: (619) 524-9678
Email: barbara.a.johnson@navy.mil

Financial Management Office (FMO):

SPAWAR Systems Center Charleston
Norfolk Office
Code 645.2, Bldg V-53
Attn: E. (Liz) Vonasek
P.O. Box 1376
Norfolk, VA 23501-1376

If overnight or express mail is used, the correct address is:

SPAWAR Systems Center Charleston
Norfolk Office
Code 645.2, Bldg V-53
Attn: E. (Liz) Vonasek
9456 Fourth Avenue
Norfolk, VA 23511-2130

FMO: E. (Liz) Vonasek
Phone: (757) 445-1493
Fax: (757) 445-2103
Email: vonaseke@spawar.navy.mil

Customer Point of Contact: (To be specified on each order.)

C. FAR 52.212-5
CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS-- COMMERCIAL ITEMS (May 2001)

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

52.222-3, Convict Labor
52.233-3, Protest after Award

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

_X__ 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I
____ 52.219-3, Notice of Total HUBZone Small Business Set-Aside
____ 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns if the offeror elects to waive the preference, it shall so indicate in its offer).
____ 52.219-5, Very Small Business Set-Aside
____ Alternate I to 52.219-5
____ Alternate II to 52.219-5
_X__ 52.219-8, Utilization of Small Business Concerns
_X__ 52.219-9, Small Business Subcontracting Plan
_X__ 52.219-14, Limitations on Subcontracting
(Don't use 52.219-23 until 23Feb2002)
N/A 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (if the offeror elects to waive the adjustment, it shall so indicate in its offer).
N/A Alternate I of 52.219-23

____ 52.219-25, Small Disadvantaged Business Participation Program--Disadvantaged Status and Reporting
____ 52.219-26, Small Disadvantaged Business Participation Program--Incentive Subcontracting
_X _ 52.222-21, Prohibition of Segregated Facilities
_X _ 52.222-26, Equal Opportunity
_X _ 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era
_X _ 52.222-36, Affirmative Action for Workers with Disabilities
_X _ 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era
_X _ 52.222-19, Child Labor-Cooperation with Authorities and Remedies
____ 52.225-1, Buy American Act--Balance of Payments Program- Supplies (41 U.S.C. 10a - 10d).
____ 52.225-3, Buy American Act--North American Free Trade Agreement—Israeli Trade Act--Balance of Payments Program (41 U.S.C. 10a - 10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).
____ (i) Alternate I of 52.225-3.
____ (ii) Alternate II of 52.225-3.
____ 52.225-5,Trade Agreements (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).
____ 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products
____ Alternate I of 52.223-9
_X__ 52.225-13, Restriction on Certain Foreign Purchases
_n/a_ 52.225-15, Sanctioned European Union Country End Products
_n/a_ 52.225-16, Sanctioned European Union Country Services
_X__ 52.232-33, Payment by Electronic Funds Transfer-Central Contractor Registration
____ 52.232-34, Payment by Electronic Funds Transfer-Other than Central Contractor
____ 52.232-36, Payment by Third Party
_X__ 52.239-1, Privacy or Security Safeguards
____ 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels
____ Alternate I of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to **COMMERCIAL SERVICES**, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

Contracting Officer check as appropriate.

____ 52.222-41, Service Contract Act of 1965, As Amended
___ 52.222-42, Statement of Equivalent Rates for Federal Hires
____ 52.222-43, Fair Labor Standards Act and Service Contract Act--Price Adjustment (Multiple Year and Option Contracts)
____ 52.222-44, Fair Labor Standards Act and Service Contract Act--Price Adjustment
____ 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement

(d) Comptroller General Examination of Record.
The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records--Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract.
If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a **subcontract for commercial items or commercial components--**

52.222-26, Equal Opportunity
52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era
52.222-36, Affirmative Action for Workers with Disabilities
52.247-64, Preference for Privately-Owned U.S. Flag Commercial Vessels (Flow down not required for subcontracts awarded beginning May 1, 1996).
52.222-41, Service Contract Act of 1965, As Amended

( ) ALTERNATE I (FEB 2000)
As prescribed in 12.301(b)(4), delete paragraph (d) from the basic clause, re-designate paragraph (e) as paragraph (d), and revise the reference to "paragraphs (a), (b), (c), or (d) of this clause" in the re-designated paragraph (d) to read "paragraphs (a), (b), and (c) of this clause".

D. DFARS 252.212-7001 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (Nov 2001)

(a) The Contractor agrees to comply with the following Federal Acquisition Regulation (FAR) clause which, if checked, is included in this contract by reference to implement a provision of law applicable to acquisitions of commercial items or components.

__X__ 52.203-3, Gratuities

(b) The **Contractor** agrees to comply with any clause that is checked on the following list of Defense FAR Supplement clauses which, if checked, is included in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items or components.

_X__ 252.205-7000 Provision of Information to Cooperative Agreement Holders
____ 252.206-7000 Domestic Source Restriction
_X__ 252.219-7003 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DoD Contracts)
____ 252.219-7004 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (Test Program)
____ 252.225-7001 Buy American Act and Balance of Payments Program
____ 252.225-7007 Buy American Act—Trade Agreements--Balance of Payments Program
____ 252.225-7012 Preference for Certain Domestic Commodities
____ 252.225-7014 Preference for Domestic Specialty Metals
____ 252.225-7015 Preference for Domestic Hand or Measuring Tools
____ 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings
____ Alternate I to 252.225-7016
_X__ 252.225-7021 Trade Agreements
____ 252.225-7027 Restriction on Contingent Fees for Foreign Military Sales
____ 252.225-7028 Exclusionary Policies and Practices of Foreign Governments
____ 252.225-7029 Preference for United States or Canadian Air Circuit Breakers
____ 252.225-7036 Buy American Act--North American Free Trade Agreement Implementation Act -- Balance of Payments Program
___ Alternate I to 252.225-7036
_X__ 252.227-7015 Technical Data--Commercial Items
_X__ 252.227-7037 Validation of Restrictive Markings on Technical Data
_X__ 252.243-7002 Requests for Equitable Adjustment
_X__ 252.247-7023 Transportation of Supplies by Sea
_____Alternate I to 252.247-7023
_____Alternate II to 252.247-7023
_X __ 252.247-7024 Notification of Transportation of Supplies by Sea

(c) In addition to the clauses listed in paragraph (e) of the Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items clause of this contract (Federal Acquisition Regulation 52.212-5), the Contractor shall include the terms of the following clauses, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under this contract:

_ __ Alternate I of 252.225-7014 Preference for Domestic Specialty Metals
_X__ 252.247-7023 Transportation of Supplies by Sea
_X__ 252.247-7024 Notification of Transportation of Supplies by Sea

You May Access Text to All FAR, DFARS, NAVSUP, NAPS, and NAVICP Provisions and Clauses Electronically at:
http://www.navicp.navy.mil/business/clauserefer.htm

E. DFARS 252.212-7001- ADDENDUM CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (Nov 2001)

E1. DFARS 252.232-7009 - MANDATORY PAYMENT BY GOVERNMENTWIDE COMMERCIAL PURCHASE CARD (JUL 2000)

The Contractor agrees to accept the Government-wide commercial purchase card as the method of payment for orders or calls valued at or below $2,500 under this contract or agreement.

E2. DFARS 252.242-7000 – POSTAWARD CONFERENCE (DEC 1991)

The Contractor agrees to attend any post-award conference convened by the contracting activity or contract administration office in accordance with Federal Acquisition Regulation Subpart 42.5.

III. ATTACHMENTS:

(A) CAC Release 1.0 Middleware Requirements Specification, Version 2.2 dated 7 Mar 2002

(B) CAC Middleware Test Plan, Pub Nr: 4M01.001 dated December 2001

(C) Standard Report Format

(D) SSP Litronic End User License Agreement (EULA)