

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1 REQUISITION NUMBER

PAGE 1 OF 14

2. CONTRACT NO. N00104-03-A-ZE89	3. AWARD EFFECTIVE DATE UPON EXECUTION	4. ORDER NUMBER	5. SOLICITATION NUMBER	6. SOLICITATION ISS DATE
7. FOR SOLICITATION INFORMATION CALL	a. NAME	b. TELEPHONE NUMBER (No collect calls)		8. OFFER DUE DATE/ LOCAL TIME

9. ISSUED BY DEPARTMENT OF THE NAVY NAVAL INVENTORY CONTROL POINT 5450 CARLISLE PIKE MECHANICSBURG, PA 17055-0788 POC: T. BAXTER, CODE 0272 15 PHONE: (717) 805-2003 EMAIL: TERRI.BAXTER@NAVY.MIL	CODE N00104	10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED <input type="checkbox"/> SET ASIDE: %FOR <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> SMALL DISADV. BUSINESS <input type="checkbox"/> 8(A) SIC: SIZE STANDARD.	11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE 13a. THIS CONTRACT IS A RATED ORDER UND DPAS (15 CFR 700) 13b. RATING 14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	12. DISCOUNT TERMS
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15. DELIVER TO SPECIFIED ON EACH ORDER	CODE	18. ADMINISTERED BY BASIC AGREEMENT - SAME AS BLOCK 9 ORDERS - AS CITED ON EACH INDIVIDUAL ORDER	CODE N00104
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17a. CONTRACTOR/OFFEROR PEOPLESFT USA, INC. 6903 ROCKLEDGE DRIVE TWO DEMOCRACY CENTER SUITE 1100 BETHESDA, MD 20817 POC: Bruce Triner Telephone: (301) 581-2212 Email: Bruce_Triner@peoplesoft.com	CODE 1CNJ9	FACILITY	18a. PAYMENT WILL BE MADE BY SPECIFIED ON EACH ORDER	CODE
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<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER	<input type="checkbox"/> 18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED. <input type="checkbox"/> SEE ADDENDUM
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19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	GSA SCHEDULE GS-35F-4401G APPLIES (Attach Additional Sheets as Necessary)				

25. ACCOUNTING AND APPROPRIATION DATA N/A - SPECIFIED ON EACH ORDER	26. TOTAL AWARD AMOUNT (For Govt. Use Only)
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<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.	<input checked="" type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA <input checked="" type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.
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28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPY 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 <input type="checkbox"/> DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS _____
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30a. SIGNATURE OF OFFEROR/CONTRACTOR <i>Ronald W Sullivan</i>	31a. UNITED STATES OF AMERICA SIGNATURE OF CONTRACTING OFFICER <i>R. L. Klinger</i>
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30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT) Ronald W Sullivan VP/GA	30c. DATED SIGNED 25 JUN 03	31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT) R. L. KLINGER CONTRACTING OFFICER	31c. DATE SIGNED 6/25/03
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32a. QUANTITY IN COLUMN 21 HAS BEEN <input type="checkbox"/> RECEIVED <input type="checkbox"/> INSPECTED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED	33. SHIP NUMBER <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR
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36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	37. CHECK NUMBER
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32b. SIGNATURE OF AUTHORIZED GOVT REPRESENTATIVE	32c. DATE	38. S/R ACCOUNT NUMBER	39. S/R VOUCHER NUMBER	40. PAID BY
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41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT	41c. DATE	42a. RECEIVED BY (Print)
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	42b. RECEIVED AT (Location)	42c. DATE REC'D (YYMMDD)
	42d. TOTAL CONTAINERS	

TERMS AND CONDITIONS

In the spirit of the National Performance Review, the Naval Inventory Control Point (NAVICP) and PeopleSoft USA, Inc. (PeopleSoft) enter into a cooperative agreement to further reduce the administrative costs of acquiring commercial items from the General Service Administration (GSA) Federal Supply Services (FSS) Contract No. GS-35F-4401G.

FSS Contract Blanket Purchase Agreements (BPA) reduce contracting and open market costs, such as: search for sources, the development of technical documents, solicitations, and the evaluation of bids and offers.

This BPA will further decrease costs, reduce paper work, and save time by eliminating the need for repetitive, individual purchases from the schedule contract. The end result is to create a purchasing mechanism for the federal government that works better and costs less.

The Enterprise Software Initiative (ESI) is a joint DOD project to develop and implement a DoD enterprise process. This BPA is issued in the spirit of the policy and guidelines provided in the Defense Federal Acquisition Regulations Supplement (DFARS) Section 208.74.

Pursuant to GSA FSS Contract Number GS-35F-4401G, PeopleSoft agrees to the following terms of a BPA with the NAVICP to provide software licenses, software maintenance support, software technical support, and software training services to the Department of Defense (DOD or Government) through orders placed against this BPA. All orders placed against this BPA are subject to the terms and conditions of the FSS Contract and as defined herein.

The following products and services are available under this BPA:

- 1.0 Perpetual Software under SIN 132-33
- 2.0 Maintenance under SIN 132-34
- 3.0 PeopleSoft Training Services under SIN 132-50
- 4.0 Installation and Implementation Technical Support under SIN 132-51

The following attachments are incorporated in this BPA:

- Attachment A Special Terms Applicable to this BPA
- Attachment B BPA Discount Schedule
- Attachment C Outsourcing Confidentiality Agreement
- Attachment D Reporting Format Spreadsheet

1. Delivery Orders. The scope of this effort is defined in the FSS Schedule. Delivery requirements will be stipulated on Delivery Orders. An order, either a Standard Form (SF) 1449 or Department of Defense (DD) Form 1155, is prepared by the Government Ordering Officer (a duly warranted Contracting Officer whose warrant authorizes purchases from the GSA Schedule) in accordance with the terms and conditions of this BPA and the GSA Schedule. For any Delivery Order placed by one agency for another under a cross-servicing arrangement, the Delivery Order must clearly state the name of the agency that is acquiring the Software license and related Services. Orders may be placed by facsimile or paper. Ordering instructions are located at <http://www.don-imit.navy.mil/esi/>.

For Services orders, the following shall also be included within the Delivery Order:

- a. Description of Services
- b. Mutually Agreed Upon Statement of Work
- c. Period of Performance
- d. Place of Performance
- e. Consulting service rates

IMPORTANT NOTICE TO ORDERING OFFICES: This is a BPA established against GSA Schedule. The Ordering Office is responsible for compliance with all competition requirements pertinent to the individual acquisition. DoD Ordering Officers must comply with the ordering procedures specified in FAR 8.404, DFARS 208.404, and GSA's Ordering Procedures for Services (SIN 132-51) as may be applicable to the task/delivery order being issued.

For Training orders, the following shall also be included within the Delivery Order:

- a. Number of training units
- b. Price per training unit

2. Extent of Obligation. The Government is obligated only to the extent of authorized purchases actually made under this BPA.

3. Funds Obligation. The BPA does not obligate any funds. Funds will be obligated on each delivery order.

4. BPA Term. This BPA is effective for the term of the GSA FSS Schedule. The BPA will be automatically renewed annually, unless terminated otherwise, and is contingent upon PeopleSoft maintaining or renewing a GSA FSS Schedule. The BPA may be terminated for convenience by either party with ninety (90) days written notice.

5. Authorized Users. The BPA is open for ordering by all Department of Defense (DoD) Components. For the purposes of this agreement, a DoD component is defined as: the Office of the Secretary of Defense (OSD), the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Inspector General of the Department of Defense (DoD IG), the Defense Agencies, the DoD Field Activities, the U. S. Coast Guard, and the Intelligence Community. This BPA is also open to DoD Contractors authorized to order in accordance with the FAR Part 51.

6. Pricing Terms. Standard prices and rates under this BPA are based on the FSS Contract pricing currently in effect at the time a Delivery Order is placed. The prices will be reviewed annually or as required to determine whether a reduction is appropriate in accordance with the price reduction provisions of FSS Contract. A 2.0% Acquisition, Contracting, and Technical (ACT) Fee is included in the prices. PeopleSoft is responsible for the payment of all fees that are included in the product pricing (i.e. GSA, ACT), as calculated on the customer orders. Payment of ACT Fees shall be made in accordance with Section 13.2 of this BPA.

6.1 Volume Level Discount Prices. Volume level price discounts are provided in Attachment B and are discussed in paragraph 1.0 of Attachment A.

6.2 Prompt Pay Discount. Prompt pay discounts are not offered.

6.3 Purchase of Incidental, Non-Schedule Items. For administrative convenience, open market (non-contract) items may be added to this BPA, provided that the items are clearly labeled as such, all applicable regulations have been followed, and price reasonableness has been determined by the Ordering Agency for the open market (non-contract) items.

7. Software License. Software licenses purchased under SIN 132-33 are perpetual software licenses subject to the licensing provisions and terms of the FSS contract and the special terms of Attachment A hereto.

7.1 Software License Transfer Rights. When mutually agreed upon by PeopleSoft and the Ordering Agency, PeopleSoft will permit the transfer, at no additional license fee, of software licenses ordered under this BPA or incorporated in this BPA among agencies within DOD. None of the transfer rights contemplated under this paragraph include rights to resell the licensed software. PeopleSoft will in good faith negotiate all transfer requests.

7.2 Special Terms Applicable to Outsourcing Arrangements. The Ordering Agency shall have the unilateral right to transfer the software license, at no additional license fee, to allow the outsourcing of the software licensed under this BPA to contractors supporting DOD, subject to the execution of the Outsourcing Confidentiality Agreement shown in Attachment C. The Ordering Agency may permit a services provider identified in writing to PeopleSoft in advance, to access the software solely for the purpose of providing hosting, facility, systems, or disaster recovery services to the Ordering Agency in connection with its business for which the software is licensed, provided: (i) PeopleSoft, the Ordering Agency, and such services provider execute a three way Outsourcing Nondisclosure Agreement; (ii) such services provider shall be permitted to use the software solely to operate the business of the Ordering Agency (or in the case of a disaster recovery vendor, to provide disaster recovery services only); (iii) under no circumstances may such services provider use the software to operate or provide processing services to any other party, or in connection with such services provider's own business operations; (iv) the Ordering Agency shall be responsible for any additional Software, migration tools, or third party software needed to effect such transition; and (v) the Ordering Agency's use of an outsourcer will not alter Ordering Agency's obligations under this BPA and Ordering Agency shall be liable for all acts or omissions of the outsourcer as if such acts or omissions were the acts or omissions of the Ordering Agency and a breach by the outsourcer of this BPA shall be deemed a breach by the Ordering Agency. None of the transfer rights contemplated under this paragraph include rights to resell the licensed software. PeopleSoft will in good faith negotiate all transfer requests.

8. Support Services and Maintenance. Support services and Maintenance services purchased under SIN 132-34 are subject to the provisions and terms of the FSS contract and the special terms of Attachment A hereto.

9. Training Services. Training services purchased under SIN 132-50 are subject to the provisions and terms of the FSS contract and the special terms of Attachment A hereto.

10. Installation and Implementation Technical Services. Technical services purchased under SIN 132-51 are subject to the provisions and terms of the FSS contract and the special terms of Attachment A hereto.

11. Delivery. Delivery of products and services ordered under this BPA shall be in accordance with the terms of the FSS contract. Deliveries will be made to the address specified on the delivery orders issued against the BPA.

12. Invoicing and Payment

12.1 Invoicing. The requirements of a proper invoice are as specified in the FSS contract. Invoices will be submitted to the address specified on the delivery orders issued against the BPA.

12.2 Payment. Payment shall be made for items accepted by the DOD as specified in each delivery order. Acceptance and Payment procedures are in accordance with the GSA Contract. At the option of the Government, payments under this BPA may be made by check, electronic funds transfer, or the automated clearinghouse.

13. Fees and Payments

13.1 GSA Fee. The unit prices include the applicable GSA Industrial Funding Fee. PeopleSoft is responsible for payment of this fee in accordance with applicable GSA instructions.

13.2 Acquisition, Contracting, and Technical (ACT) Fee. The cost of awarding, administering and managing this BPA 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 BPA.

13.3 Fee Distribution. The Navy and Air Force 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 DON, DOA, DOAF or DOD as appropriate. Do not issue fee checks until written approval is received for the Report of Sales.

13.3.1 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 Air Force order against an ESI agreement managed by the Navy results in a 1% portion of the 2% fee being returned to the Air Force acquisition organization (listed under Air Force Sales). 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 Air Force 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".

Checks must include the following information to ensure proper crediting of the payment:

BPA N00104-03-A-ZE89

DoD PEOPLESOFT Enterprise Software Agreement

ACT Fee

If using overnight or express mail, send check to:

SPAWAR Systems Center Charleston

Attn: Jakki Rightmeyer

Norfolk Office

Code 645.2, Bldg. V53

9456 Fourth Avenue

Norfolk, VA 23511-2130

If using regular mail, send check to:

SPAWAR Systems Center Charleston

Attn: Jakki Rightmeyer

Norfolk Office

Code 645.2, Bldg V53

P.O. Box 1376

Norfolk, VA 23501-1376

13.3.2 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:

BPA N00104-03-A-ZE89
 ESI-SW Fee Sharing

***Checks must be accompanied by a transmittal letter (sample to be provided upon establishment of BPA) 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 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

FEE SHARING SUMMARY

	NAVY & DOD	AIR FORCE	TOTAL ACT FEE
	Remit to: FMO (SPAWAR)	Remit to: DFAS Pensacola (DFAS OPLOC/PE)	
Fee Applicable to: Navy, & Other DoD Sales (DoN, DOA, DoD)	2%	0%	= 2%
Fee Applicable to: Air Force Sales (DAF)	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 BPA.

14. Reports

14.1 Report of Sales. Consistent with Clause C.22 of the GSA Schedule, 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 Software Product Manager (SPM). The monthly report is due, in electronic format, within fifteen (15) days of the monthly reporting period. Reports of Sales shall be submitted to the SPM and Procuring Contracting Officer (PCO) in electronic format within fifteen (15) days following the completion of the monthly reporting period. The report shall be submitted in the standard format shown in Attachment D. The SPM or PCO will provide written approval of the report to the contractor. PeopleSoft agrees to assist the SPM to the extent possible with related additional, non-routine requests for information and data calls, including the submission of brief monthly updates to the SPM and PCO. The monthly update will provide no other detail than a breakdown of the total sales (orders received) for the month by amount and customer.

14.2 Records. PeopleSoft shall maintain archival copies of all orders for the life of the BPA. Copies shall be made available to the Government upon request.

15. Compliances

15.1 YEAR 2000 Compliance. All products provided under this BPA shall be Y2K compliant as defined in FAR 39.002.

15.2 JTA Compliance. All Software 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 Software delivered must be Level 3 Defense Information Infrastructure Common Operating Environment (DII COE) 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>.

15.3 Section 508 of the Rehabilitation Act Compliance. Orders issued under this BPA 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).

16. ITEC Direct. 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>. This BPA will be placed in the DoN's Information Technology Electronic Commerce (ITEC Direct) system as part of the DoN ITEC Direct Project. The BPA will be posted to the DoN CIO Approved Vehicles section. No pricing, search or comparison data will be available other than what is provided in the vehicle itself. A link to the OEM Section 508 web page will also be required. PeopleSoft shall ensure that any data and information provided to ITEC Direct is current, accurate, complete, and relevant to the acquisition vehicle. This BPA may also be loaded into the electronic catalog systems of other DoD agencies.

17. Users' Ordering Guide. An Ordering Guide is required within 30 days of BPA issuance and made available on the PeopleSoft's home page. Provided that the Government licenses software at least in the amount of \$5 million annually, PeopleSoft shall maintain a Users' Ordering Guide in coordination with the Government. 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 BLINs and associated prices
- b. Government and PeopleSoft 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

18. Marketing. PeopleSoft must dedicate reasonable resources to this effort and work to market and advertise this agreement consistent with the GSA Schedule. Possible actions include: advertising resultant vehicles on PeopleSoft's Internet site and advertising the agreement at relevant trade shows and news media geared to Government/DoD IT people.

19. Program Management Reviews (PMR). PeopleSoft shall participate in regular reviews of the progress of the contract. Reviews shall be held at least twice yearly as scheduled by the SPM, or as may be otherwise agreed. During these reviews PeopleSoft shall report on, among other things, status of BPA sales, marketing and any outstanding issues concerning the BPA. PMR agenda and presentation format shall be provided by the SPM prior to each PMR. Travel expenses are the responsibility of PeopleSoft.

20. Technology Improvement. The Government may solicit and the BPA holder is encouraged to propose independently, technology improvements to the BPA. Proposals shall be submitted by the BPA holder and include a description of the products and/or services, an electronic copy of the pricing tables, technical literature that describes the products and/or services, and evidence of inclusion on GSA schedule.

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

22. Precedence. The terms and conditions included in this BPA apply to all orders placed against it. In the event of an inconsistency between the provisions of the BPA and PeopleSoft's invoice, the provisions of the BPA will take precedence.

23. BPA 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

Software Product Manager (SPM):

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

SPM: 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: Linda Greenwade
Phone: (619) 524-9616
Fax: (619) 524-9678
Email: linda.greenwade@navy.mil

Financial Management Office (FMO):

SPAWAR Systems Center Charleston
Norfolk Office
Code 645.2, Building V-53
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, Building V-53
9456 Fourth Avenue
Norfolk, VA 23511-2130

FMO: Jakki Rightmeyer
Phone: (757) 445-1493
Fax: (757) 445-2103
Email: rightmej@spawar.navy.mil

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

ATTACHMENT A

SPECIAL TERMS APPLICABLE TO THIS BPA

.0 BPA Discount Structure

1.1 Software Products (SIN 132-33)

1.1.1 Individual Transaction Discount Structure. A Transaction Discount shall first be applied to the cumulative GSA software and maintenance price placed under a single Delivery Order in accordance with the discount level as defined in Attachment B. The resulting fee shall be the **Net Fee**. Orders for non-software products and services, and open market items and products not offered through the GSA Contract are not counted toward the Transaction Discount amount for purposes of establishing the Software discount levels in Attachment B. Attachment B provides the BPA discount structure and volume levels for Software product orders under this BPA. The Transaction Discount shall apply only to individual orders of at least \$250,000.

1.1.2 Aggregate Total Order Discount Structure. An Aggregate Total Order Discount shall then be applied to the Net Fee in accordance with the discount level as defined in Attachment B. The Aggregate Total Order Discount will only be applied to current government fiscal year licensing based on the previous fiscal year's cumulative license amount. For FY03, the Ordering Agency shall receive an Aggregate Total Order Discount of five percent (5%) based on the DoD's cumulative license amount of \$8.4 million in FY02. Included in the Aggregate Total Order amount for FY03 will be the amount of \$4.5 million for DoD Software orders placed prior to the establishment of this BPA as mutually agreed. Orders for non-software products and services, and open market items and products not offered through the GSA Contract are not counted toward the Aggregate Total Order amount for purposes of establishing the Software discount levels in Attachment B. Attachment B provides the BPA discount structure and volume levels for Software product orders under this BPA.

1.1.3 Discounting Not Retroactive. Except as expressly set forth, the BPA discounting in 1.1.1 and 1.1.2 above will not apply retroactively to DoD orders placed prior to establishment of this BPA.

1.2 Maintenance (SIN 132-34)

1.2.1 Attachment B provides the BPA discount structures and volume levels for Software Maintenance.

1.2.2 In addition to this Agreement, Annual Maintenance Fees for Software orders placed under this BPA will be in accordance with the GSA Schedule. Subject to paragraph 2.0 below, additional discounting may be negotiated based on circumstances of individual orders. At no time shall prices be greater than the standard GSA price.

1.3 Training Services (SIN 132-50)

1.3.1 PeopleSoft training services under this BPA are offered at the standard GSA Contract rates and discounts in effect at the time an order is placed. Subject to paragraph 2.0 below, additional discounting may be negotiated based on circumstances of individual orders. At no time shall prices be greater than the standard GSA price.

1.4 Installation and Implementation Technical Services (SIN 132-51)

1.4.1 PeopleSoft installation and implementation technical services under this BPA are offered at the standard GSA Contract rates in effect at the time an order is placed. Subject to paragraph 2.0 below, additional discounting may be negotiated based on circumstances of individual orders. At no time shall prices be greater than the standard GSA price.

1.4.2 All installation and implementation technical services will be performed on a Time and Materials basis.

2.0 Special Discounts and Special Circumstances

PeopleSoft may negotiate special discounts and terms for specific orders placed under this BPA based on extraordinary volume or other special circumstances.

ATTACHMENT B

BPA DISCOUNT SCHEDULE

Software Products (SIN 132-33)

Transaction Discount	
Total GSA Software Price	Transaction Discount
\$250,000 to \$1,000,000	5%
\$1,000,001 to \$2,500,000	8%
\$2,500,001 to \$5,000,000	10%
\$5,000,001 to \$10,000,000	12%
Over \$10,000,000	15%

Aggregate Total Order Discount	
Previous Year's Software License Amount	Cumulative Discount
\$0 to \$3,000,000	0%
\$3,000,001 to \$6,000,000	3%
\$6,000,001 to \$12,500,000	5%
Over \$12,500,000	10%

NOTE: The Aggregate Total Order Discount applicable to all FY03 orders is 5%.

Software Maintenance (SIN 132-34)

New DOD licensees: For a period terminating five (5) years after the first year of maintenance, in the event maintenance is to be provided, increases in the fee for the upcoming year's maintenance shall not exceed five percent (5%) over the preceding twelve month period provided that: (i) the Ordering Agency continuously subscribes to maintenance; and (2) the base upon which the increases are measured shall be adjusted to include additional license fees owed pursuant to incremental license fees. Thereafter, the Ordering Agency shall pay the GSA maintenance rate in effect based on ESI list pricing for the software modules.

Current DOD licensees: DOD agencies which are currently PeopleSoft customers shall have the option, on their next maintenance anniversary date ("Anniversary Date") succeeding the effective date of this BPA, to receive maintenance under this BPA ("Option"). If such DOD agency exercises the Option, for a period of three (3) years such agency's increase in the fee for upcoming year's maintenance shall not exceed five percent (5%) over the preceding twelve month period ("Capped Maintenance") provided that: (i) the Ordering Agency continuously subscribes to maintenance; and (2) the base upon which the increases are measured shall be adjusted to include additional license fees owed pursuant to incremental license fees. Thereafter, the Ordering Agency shall pay the GSA maintenance rate in effect based on ESI list pricing for the software modules.

Should the DOD agency elect to utilize the Option and receive maintenance under this BPA, such DOD agency will notify PeopleSoft on such Anniversary Date. Should the DOD agency elect not to receive maintenance on the Anniversary Date, they will not have the opportunity to receive Capped Maintenance as provided for in this section.

PeopleSoft Training Services (SIN 132-50) – Standard GSA contract rates apply to this item.

Installation and Implementation Technical Support (SIN 132-51) – Standard GSA contract rates apply to this item.

ATTACHMENT C

OUTSOURCING CONFIDENTIALITY AGREEMENT

THIS NONDISCLOSURE AGREEMENT ("**Agreement**"), made as of _____, is by and between ("**Outsourcer**"); ("**Government**"); and PeopleSoft USA, Inc. ("**PeopleSoft**").

WITNESSETH:

WHEREAS, Government is a licensee of PeopleSoft's _____ software modules and related materials ("**PeopleSoft Software**") pursuant to an order off PeopleSoft's GSA Schedule No. GS-35F-4401G, dated _____ ("**License Agreement**"); and

WHEREAS, Outsourcer understands that PeopleSoft would not agree to disclose or permit disclosure of the PeopleSoft Software to Outsourcer without Outsourcer consenting to the restrictions contained in this Agreement;

NOW, THEREFORE, in consideration of the promises herein, Outsourcer, Government and PeopleSoft agree as follows:

1. PeopleSoft grants to Government the right to disclose the PeopleSoft Software to Outsourcer, and PeopleSoft grants to Outsourcer the right to use the PeopleSoft Software at designated site(s) and on server(s) dedicated to only Government's data for the sole purpose of processing Government's data subject to the terms of the License Agreement.
2. Outsourcer acknowledges that the PeopleSoft Software is commercially valuable proprietary products of PeopleSoft, the design and development of which has involved the expenditure of substantial amounts of money and the use of skilled development experts over a long period of time. Outsourcer acknowledges that the PeopleSoft Software, (including, without limitation, the design, programming techniques, flow charts, documentation and source code) is CONFIDENTIAL INFORMATION AND TRADE SECRET, disclosed to Outsourcer to be used only as expressly permitted by the terms and conditions of this Agreement.
3. This Agreement imposes no obligation upon Outsourcer with respect to PeopleSoft's confidential information which Outsourcer can establish by legally sufficient evidence: (a) is or becomes generally known to the public without violation of this Agreement; or (b) is obtained by Outsourcer in good faith from a third party having the right to disclose it without an obligation of confidentiality. Outsourcer may disclose confidential information in accordance with judicial or other governmental order, provided that Outsourcer shall have given PeopleSoft reasonable notice prior to such disclosure, will seek confidential treatment of the information disclosed, and shall comply with any applicable protective order or equivalent.
4. Outsourcer shall protect PeopleSoft's confidential information, including, without limitation, the PeopleSoft Software with at least the same degree of care and confidentiality, but not less than a reasonable standard of care, which Outsourcer utilizes for Outsourcer information that it does not wish disclosed to the public. Outsourcer may provide access to and use of the PeopleSoft Software only to those employees that: (i) have a need to use and access the PeopleSoft Software; and (ii) have agreed to substantially similar non-disclosure obligations imposed by Outsourcer as those contained herein. Outsourcer shall take reasonable action, by instruction, agreement or otherwise, with respect to Outsourcer's employees or other persons permitted access to the PeopleSoft Software or any related materials to comply fully with Outsourcer's obligations hereunder. Notwithstanding anything herein to the contrary, in no event shall Outsourcer disclose such materials to third parties without PeopleSoft's express written consent.
5. Except as expressly authorized herein, the PeopleSoft Software shall not be copied, reprinted, duplicated, recreated, disclosed, accessed or used in any way, in whole or in part, alone or in combination with any other data processing system, without the express written consent of PeopleSoft.
6. Outsourcer shall no longer have the right to use the PeopleSoft Software as set forth herein, and shall return to Government the PeopleSoft Software and related materials disclosed to Outsourcer pursuant to this Agreement at the earlier of: (a) the conclusion of Outsourcer's relationship with Government; (b) termination of Government's License Agreement; or (c) upon breach by Outsourcer of the terms of this Agreement, or that

certain outsourcing agreement between PeopleSoft and Outsourcer, if any; and the terms and conditions of this Agreement as to the protection and security of the PeopleSoft Software shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused the signatures of their duly authorized representatives to be hereunto affixed.

ACCEPTED BY:

PEOPLESOFT USA, INC.

Authorized Signature

Authorized Signature

Printed Name and Title

Printed Name and Title

Authorized Signature

Printed Name and Title