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Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	ESTIMATED COST	FIXED FEE	TOTAL EST. COST PLUS FIXED FEE
0001	LACOSTE R&D Services	\$3,813,928.00	\$191,074.00	\$4,005,002.00
	The contractor shall complete the PHASE 1 effort for the LACOSTE Program in accordance with the requirements set forth in this contract.			

ITEM NO		AMOUNT
000101	Funding for CLIN 0001	
	AO No. W043/00	
	ACRN AA	\$900,000.00

ITEM NO 0002	SUPPLIES/SERVICES Reports and Deliverables	ESTIMATED COST \$0.00	FIXED FEE \$0.00	TOTAL EST. COST PLUS FIXED FEE \$0.00
				NSP ·

Section C - Descriptions and Specifications

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C-1 Scope of Work

- (a) The Contractor shall furnish the necessary personnel, materials, facilities and other services as may be required to perform Contract Line Item Number (CLIN) 0001 and 0002 in accordance with the Statement of Work, Attachment 1 hereto, and as specified in the Contractor's proposal entitled "Large Area Coverage Optical Search-White-Track and Engage," dated 6 February 2006, and as updated and modified on 8 June 2006, copies of which are in possession of both parties.
- (b) In the event of an inconsistency between the provisions of this contract and the Contractor's proposal, the inconsistency shall be resolved by giving precedence in the following order: (1) the contract, (2) the attachments to the contract, and then (3) the Contractor's proposal. (end of clause)

C-2 Reports and Other Deliverables

(a) The Contractor shall submit the following reports and other deliverables in accordance with the delivery schedule set forth in Section F. Reports and other deliverables shall be submitted in writing, as defined in FAR 2.101, or as specified below:

(1) QUARTERLY R&D STATUS REPORT

This brief narrative, not to exceed five pages in length, shall contain the following:

- (i) For first report only; the date work actually started.
- (ii) Description of progress during the reporting period, supported by reasons for any change in approach reported previously
- (iii) Planned activities and milestones for the next reporting period.
- (iv) Description of any major items of experimental or special equipment purchased or constructed during the reporting period.
- (v) Notification of any changes in key personnel associated with the contract during the reporting period.
- (vi) Summary of substantive information derived from noteworthy trips, meetings, and special conferences held in connection with the contract during the reporting period.
- (vii) Summary of all problems or areas of concern.
- (viii) Related accomplishments since last report.

(2) MONTHLY R&D STATUS REPORT

(i) Fiscal status, to include reporting of summary level financial data in the following format:

MONTHLY R&D STATUS REPORT PROGRAM FINANCIAL STATUS

Work Breakdown		Сш	mulative to Date	At Completion			
		<u> </u>					
Structure or	Planned	Actual	% Budget	At	Latest Revised		

Task Element	Expend	Expend	Compl	Compl	Estimate	Remarks
Subtotal:		100				_
Management Reserve:						
Or Unallocated Resources:						_
TOTAL:	=====		··· ···	<u></u>	· · · · · · · · · · · · · · · · · · ·	
overrun) Based on curre	·		n the amount of any s	cope change	s. (Not alleet	ed by underful of
is cun	rent fundin	g sufficient for the c	штепt fiscal year (FY)? (Explain	in narrative if	"NO")
	YES	NO				
What	is the next	FY funding requires	nent at current anticip	oated levels?		
	s					
Have	you includ	ed in the report narra	ative any explanation	of the above	data and are	they cross-referenced?
	YES	NO				
			tions and Subcontract			bmitted in accordance

(4) FINAL REPORT

This report shall document the results of the complete effort and should be delivered at the completion of the contract. Title pages shall include a disclaimer worded substantially as follows:

"The views and conclusions contained in this document are those of the authors and should not be interpreted as representing the official policies, either expressly or implied, of the Defense Advanced Research Projects Agency or the U.S. Government."

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The Final Technical Report summary shall include:

(

Task Objectives
Technical Problems
General Methodology (i.e., literature review, laboratory experiments, surveys, etc.)
Technical Results
Important Findings and Conclusions
Significant Hardware Development
Special Comments
Implications for Further Research
Standard Form 298, September 1988

- (b) Reports delivered by the Contractor in the performance of the contract shall be considered "Technical Data" as defined in Section I contract clauses entitled "Rights in Technical Data Noncommercial Items" and "Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation."
- (c) Bulky Reports shall be mailed by other than first-class mail unless the urgency of submission requires use of first-class mail. In this situation, one copy shall be mailed first-class and the remaining copies forwarded by less than first-class.
- (d) All papers and articles published as a result of DARPA sponsored research shall include a statement reflecting the sponsorship. In addition, a bibliography of the titles and authors of all such papers are to be included in the Final Technical Report
 - (1) The cover or title page of each of the above reports or publications prepared, will have the following citation:

Sponsored by

Defense Advanced Research Projects Agency (DARPA)

Special Projects Office (SPO)

Program: Large Area Coverage Optical Search-While-Track and Engage (LACOSTE)

ARPA Order No. W043/00, Program Code: 6P30

Issued by DARPA/CMO under Contract No. HR0011-06-C-0109

(2) The title page shall include a disclaimer worded substantially as follows:

"The views and conclusions contained in this document are those of the authors and should not be interpreted as representing the official policies, either expressly or implied, of the Defense Advanced Research Projects Agency or the U.S. Government."

(3) All technical reports must (i) be prepared in accordance with American National Standards Institute (ANSI) Standard Z39.18; (ii) include a Standard Form 298, August 1998; and (iii) be marked with an appropriate Distribution Statement.

(end of clause)

Section D - Packaging and Marking

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D-1 Packaging and Marking

(a) Transportation, handling, and shipping of classified and unclassified material shall be done to ensure compliance with Attachment 2, DD Form 254 "Department of Defense Contract Security Classification Specifiation. Where appropriate, items may be preserved, packaged, packed and marked in accordance with best commercial practices to meet the packing requirements of the carrier, and to ensure safe delivery at destination.

(end of clause)

Section E - Inspection and Acceptance

INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001	Destination	Government	Destination	Government
000101	N/A	N/A	N/A	N/A
0002	Destination	Government	Destination	Government

CLAUSES INCORPORATED BY REFERENCE

52.246-5	Inspection Of Services Cost-Reimbursement	APR 1984
52.246-8	Inspection Of Research And Development Cost	MAY 2001
	Reimbursement	
252.246-7000	Material Inspection And Receiving Report	MAR 2003

Section F - Deliveries or Performance

CLAUSES INCORPORATED BY REFERENCE

52.247-34

F.O.B. Destination

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F-1 Term of Contract

(a) The term of the contract commences on the effective date of the contract and continues through eighteen (18)
months thereafter.
 (end of clause)

F-2 Reports and Other Deliverables

(a) Delivery of all reports and other deliverables shall be made to the addressee specified in F-3 entitled "Report Distribution" in accordance with the following:

REPORTS:

Description

Monthly R&D Financial Status Reports

Quarterly R&D Status Reports

DD Form 882 - Report of Inventions and Subcontracts

Final Report

Due Date (on or before)

of the contract

15 days after the end of each month

15 days after the end of each quarter

Interim Reports due at least on an annual basis; Final Report due at the end of the period of performance of the contract

Due at the end of the period of performance

(end of clause)

F-3 Report Distribution

(a) DARPA/CMO

Attn: Anthony E. Cicala, Contracting Officer

3701 North Fairfax Drive Arlington, VA 22203-1714 Phone: (571)218-4639 FAX: (703)248-1927

Email: anthony.cicala@darpa.mil

(one copy each report)

(b) DARPA/SPO

Attn: Tim Clark, Program Manager

3701 North Fairfax Drive

Arlington, VA 22203-1714
Phone: (703)812-1975
FAX: (703)812-3995
Email: tim.clark@darpa.mil
(one copy each report)

(c) DARPA/SPO

Attn: Wendy Magusiak, Assistant Director for Program Management (ADPM)

3701 North Fairfax Drive Arlington, VA 22203-1714 Phone: (703)696-2258 FAX: (703)248-1860

Email: wendy.magusiak@darpa.mil

(one copy each report)

(d) DCMA Lockheed Martin, Orlando

Attn: R. Lee Pirkle, Administrative Contracting Officer (ACO)

5600 Sand Lake Road

MP 49

Orlando, FL 32819-8907
Phone: (407)356-3506
FAX: (407)356-1695
Email: lee.pirkle@dcma.mil
(one copy of each report)

(e) Air Force Research Laboratory (AFRL)

Attn: Robert M. Zumrick, Contracting Officer's Representative (COR)

AFRL/SNJT Bldg 620 2241 Avionics Circle

Wright-Patterson AFB, OH 45433 Phone: (937)255-9902, ext. 4380

FAX: (937)255-2959

Email: robert.zumrick@wpafb.af.mil

(one copy of each report)

(f) DARPA/Library 3701 North Fairfax Drive Arlington, VA 22203-1714 Email: library@darpa.mil

(one copy of the Final Technical Report)

(g) Defense Technical Information Center

 Email: TR@dtic.mil (one electronic copy of the Final Technical Report, if unclassified)

OR

(2) Attn: DTIC-BCS

8725 John J. Kingman Road, Suite 0944 Fort Belvoir, VA 22060-0944

(two hard copies of the Final Technical Report if unclassified)

(end of clause)

F-4 Notice Regarding Late Delivery

(a) In the event the Contractor anticipates difficulty in complying with the contract delivery schedule, the Contractor shall immediately notify the Contracting Officer in writing, giving pertinent details, including the date by which it expects to make delivery; PROVIDED, however, that this date shall be informational only in character and the receipt thereof shall not be construed as a waiver by the Government of any contract delivery schedule, or any rights or remedies provided by law or under this contract.
(end of clause)

Section G - Contract Administration Data

ACCOUNTING AND APPROPRIATION DATA

1

CLAUSES INCORPORATED BY FULL TEXT

- G-1 Procuring Office Representative
- (a) The Procuring Office Representative is Anthony E. Cicala, DARPA/CMO, 3701 North Fairfax Drive, Arlington, VA 22203-1714, Phone: (571)218-4639, FAX: (703)248-1927, Email: anthony.cicala@darpa.mil (end of clause)
- G-2 Electronic Submission of Payment Requests
 - (a) An original invoice identified by contract number, with supporting statements, shall be submitted for review and provisional approval to the cognizant audit agency listed below:

Defense Contract Audit Agency (DCAA) Lockheed Martin Orlando Resident Office Attn: Pat Poole, Supervisory Auditor 5600 Sand Lake Road Orlando, FL 32819-89070

Phone: (407)306-4175 or (407)356-5181

FAX: (407)356-4333 Email: pat.poole@dcaa.mil

OR AS OTHERWISE DIRECTED BY DCAA

[NOTE: Where appropriate, direct submission of invoices to DFAS is authorized.]

(end of clause)

- G-3 Delegation of Authority for Contract Administration
- (a) DCMA Lockheed Martin, Orlando, is hereby designated as the Contracting Officer's authorized representative for administering this contract in accordance with current directives.
 (end of clause)
- G-4 Contracting Officer's Representative (COR)

- (a) Performance of work under this contract shall be subject to the technical direction of Robert M. Zumrick, AFRL/SNJT Bldg 620, 2241Avionics Circle, Wright Patterson AFB, OH 45433, Phone: (937)255-9902, ext. 4380, FAX: (937)255-2959, Email: robert.zumrick@wpafb.af.mil. Such technical direction includes those instructions to the Contractor necessary to accomplish the Statement of Work. The COR is not otherwise authorized to make any representations or commitments of any kind on behalf of the Contracting Officer or the Government. The COR does not have the authority to alter the Contractor's obligations or to change the specifications of the contract.
- (b) Technical direction shall not include any direction which:

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- (1) Constitutes additional work outside the scope of work;
- (2) Constitutes a change as defined in Section I contract clause entitled "Changes";
- (3) In any manner causes an increase or decrease in the total estimated cost or the time required for contract performance; or
- (4) Changes any of the stated terms, conditions, or specifications of the contract. (end of clause)
- G-5 Payment Instructions for Multiple Accounting Classification Citations
- (a) Payments under contract line items funded by multiple accounting classification citations shall be made from the earliest available fiscal year funding sources.
 (end of clause)

G-6 Incremental Funding

(a) This contract shall be subject to incremental funding with \$900,000.00 presently made available for performance under this contract. It is estimated that the funds presently available are sufficient to permit the Contractor's performance through approximately 30 SEP 2006. Except in accordance with the Section I clause FAR 52.232-22, "Limitation of Funds," no legal liability of the part of the Government for payment of any money in excess of \$900,000.00 shall arise unless and until additional funds are made available by the Contracting Officer through a modification to this contract.
(end of clause)

G-7 Payment of Cost and Fee

- (a) As consideration for the proper performance of work required under this contract, the Contractor shall be paid as follows:
 - (1) Costs, as provided for under Section I contract clause titled "Allowable Cost and Payment" not to exceed the amount set forth as "Total Estimated Cost" in Section B, and subject further to those Section I clauses entitled "Limitation of Cost" or "Limitation of Funds".
- (2) A fixed fee in the amount set forth as "Fixed Fee" in Section B, in accordance with the Section I contract clause entitled "Fixed Fee". The Contractor may bill on each invoice the amount of the fixed fee bearing the same percentage to the total fixed fee as the amount of cost billed bears to the total estimated cost. (end of clause)

Section H - Special Contract Requirements

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H-1 Contracting Officer

(a) Notwithstanding any other provision of this contract, the Contracting Officer is the only individual authorized to redirect the effort or in any way amend or modify any of the terms of this contract. If, as a result of technical discussions, it is desirable to alter contract obligations or statement of work, a modification must be issued in writing and signed by the Contracting Officer.
(end of clause)

H-2 Type of Contract

(a) This is a <u>Cost Plus Fixed Fee. Completion Type</u> contract. (end of clause)

H-3 Public Release or Dissemination of Information

- (a) There shall be no dissemination or publication, except within and between the Contractor and any subcontractors, of information developed under this contract or contained in the reports to be furnished pursuant to this contract without prior written approval of the COR. All technical reports will be given proper review by appropriate authority to determine which Distribution Statement is to be applied prior to the initial distribution of these reports by the Contractor. Papers resulting from unclassified contracted fundamental research are exempt from prepublication controls and this review requirement, pursuant to DoD Instruction 5230.27 dated October 6, 1987.
- (b) When submitting material for clearance for open publication, the Contractor must furnish DARPA Technical Information Officer, 3701 North Fairfax Drive, Arlington VA 22203-1714, telephone (703) 526-4163 with five copies and allow four weeks for processing. Viewgraph presentations must be accompanied with a written text. Whenever a paper is to be presented at a meeting, the Contractor must indicate the exact dates of the meeting or the Contractor's date deadline for submitting the material.
 (end of clause)

H-4 Key Personnel

PRIME CONTRACTOR.

(a) The Contractor shall notify the Contracting Officer prior to making any change in key personnel. Key personnel, for purposes of this contract, are defined as follows:

(b)(4)	
SUBCONTRACTORS:	
(b)(4)	

b)(4)	
(b)(4)	
b)(4)	
OTHER (2 nd Tier	Subcontractors):
(b)(4)	

(b) If, for any reason, it becomes necessary to replace an individual or individuals identified as key personnel above, the Contractor will replace the individual(s) with personnel whose qualifications are equal to, or better than, the personnel being replaced. If during the course of contract execution the COR is dissatisfied with the performance of the replacement, the Contractor will make every practical effort to rectify the situation to the satisfaction of the COR.

(end of clause)

H-5 Restrictions on Printing

(a) Unless otherwise authorized in writing by the Contracting Officer, reports, data, or other written material produced using funds provided by this contract and submitted hereunder shall be reproduced only by duplicating processes and shall not exceed 5,000 single page reports or a total of 25,000 pages of a multiple-page report. These restrictions do not preclude the writing, editing, preparation of manuscript or reproducible copy of related illustrative materials if required as part of this contract, or incidental printing such as forms or materials necessary to be used by the Contractor to respond to the terms of the contract.
(end of clause)

H-6 Contractor Representations and Certifications

 (a) The Contractor's Representations and Certifications dated <u>24 MAY 2006</u> are incorporated herein by reference.
 (end of clause)

H-7 Insurance Schedule

(a) The Contractor shall maintain the types of insurance listed in FAR 28.307-2 (a), (b) and (c), with the minimum amounts of liability indicated therein. The types of insurance coverage listed in paragraphs (d) and (e) shall also be maintained when applicable. (end of clause)

H-8 Travel

(a) Reimbursement for travel-related expenses shall be in accordance with the Contractor's approved travel policy. The Federal Travel Regulations, Joint Travel Regulations (JTR), and Standardized Regulations as stated

in FAR 31.205-46 will be used as a guide in determining reasonableness of per diem costs. Costs for travel shall be allowable subject to the provisions of FAR 31.205-46.

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(b) In connection with direct charge to the contract of travel-related expenses, the Contractor shall hold travel to the minimum required to meet the objectives of the contract, and substantial deviations (defined for purposes of this contract as an increase of greater than 50 percent of authorized travel costs) from the amount of travel agreed to during contract negotiation shall not be made without the authorization of the Contracting Officer.

When applicable, the Contractor shall notify the COR of proposed travel of an employee beyond that agreed to during negotiations.

- (c) Approval of the Contracting Officer shall be obtained in advance for attendance by personnel at training courses, seminars, and other meetings not directly related to contract performance if the costs for the courses, seminars, and other meetings are charged to the contract.
- (d) All foreign travel shall be authorized and approved in advance, in writing, by the Contracting Officer. Request for such travel must be submitted to the Contracting Officer at least forty-five (45) days in advance of traveler's anticipated departure date, and shall include traveler's itinerary of United States Flag Air Carriers. (end of clause)

H-9 Metric System

- (a) The Defense Advanced Research Projects Agency (DARPA) will consider the use of the metric system in all of its activities consistent with operational, economical, technical and safety requirements.
- (b) The metric system will be considered for use in all new designs. When it is deemed not to be in the best interest of the DoD to provide metric design, justification shall be provided.
- (c) Physical and operational interfaces between metric items and U.S. customary items will be designed to assure that interchangeability and interoperability will not be affected.
- (d) Existing designs dimensioned in U.S. customary units will be converted to metric units only if determined to be necessary or advantageous. Unnecessary retrofit of existing systems with new metric components will be avoided where both the new metric and existing units are interchangeable and interoperable. Normally, the system of measurement in which an item is originally designed will be retained for the life of the item.
- (e) During the metric transition phase hybrid metric and U.S. customary designs will be necessary and acceptable. Material components, parts, subassemblies, and semi-fabricated material, which are of adequate or when it is otherwise specifically determined to be in the best interest of the Department of Defense. Bulk materials will be specified and accepted in metric units when it is expedient or economical to do so.
- (f) Technical reports, studies, and position papers, (except those pertaining to items dimensioned in U.S. customary units) will include metric units of measurement in addition to or in lieu of U.S. customary units. With respect to existing contracts, this requirement applies only if such documentation can be obtained without an increase in contract costs.
- (g) Use of the dual dimensions (i.e., both metric and U.S. customary dimensions) on drawings will be avoided unless it is determined in specific instances that such usage will be beneficial. However, the use of tables on the document to translate dimensions from one system of measurement to the other is acceptable. (end of clause)

H-10 Consent to Subcontract

(a) Pursuant to the clause of the General Provisions entitled "Subcontracts (AUG 1998)," FAR 52.244-2, the Contracting Officer hereby consents to the placement of subcontract(s) with the following firm(s)/consultant(s) at the ceiling amounts specified:

NAME	TOTAL AMOUNT
(b)(4)	(b)(4)

ί

(b) Approval must be obtained from the Administrative Contracting Officer to increase the use or number of subcontractors from the level established in subparagraph (a).
(end of clause)

H-11 Small Business Subcontracting Plan and Goals

(a) The Contractor's Small Business Subcontracting Plan, dated <u>30 SEP 2005</u>, is incorporated herein and made a
part of this contract by reference.
 (end of clause)

H-12 Government Furnished Property/Facilities and Services

(a) In accordance with the Section I contract clause entitled "Government Property (Cost Reimbursement, Time and Material, or Labor-Hour Contracts)", the following property, facilities and/or services shall be provided for use in the performance of this contract.

Need Date	OTY	PROPERTY NOMENCLATURE	DELIVERY TO
N/A	N/A	N/A	N/A

(end of clause)

H-13 Contractor-Acquired Property (Facilities)

(a) The Contractor is authorized to acquire the following items of facilities which are needed to accomplish this contract:

Items To Be Acquired	Estimated Cost
N/A	N/A
	Total

- (b) The costs incurred by the Contractor in acquiring the facilities listed in paragraph (a) above shall be considered allowable costs under the contract provided that the total net amount of the facilities does not exceed \$0.00. The Contractor shall have no obligation to acquire facilities and the Government shall have no obligation to reimburse any amount for facilities in excess of the amount set forth above unless the contract is amended to increase this amount.
- (c) The facilities listed above shall be considered Government Property and shall be subject to the provisions of FAR 52.245-05, incorporated by reference in Section I.

(d) The Contractor shall not use Contractor-acquired property listed above for work other than that performed pursuant to this contract unless so authorized in writing by the Contracting Officer. (end of clause)

H-14 Contractor-Acquired Property (Special Test Equipment)

(

(a) The Contractor is authorized to acquire the following items of special test equipment which are needed to accomplish this contract:

Items To Be Acquired Estimated Cost
N/A

Total

- (b) The costs incurred by the Contractor in acquiring the special test equipment listed in paragraph (a) above shall be considered allowable costs under the contract provided that the total net amount of the special test equipment does not exceed \$0.00. The Contractor shall have no obligation to acquire special test equipment and the Government shall have no obligation to reimburse any amount for special test equipment in excess of the amount set forth above unless the contract is amended to increase this amount.
- (c) The special test equipment listed above shall be considered Government Property and shall be subject to the provisions of FAR 52.245-05, incorporated by reference in Section I.
- (d) The Contractor shall not use Contractor-acquired property listed above for work other than that performed pursuant to this contract unless so authorized in writing by the Contracting Officer. (end of clause)

H-15 Contractor-Acquired Property (Special Tooling)

(a) The Contractor is authorized to acquire the following items of special tooling which are needed to accomplish this contract:

Items To Be Acquired Estimated Cost N/A N/A

Total

- (b) The costs incurred by the Contractor in acquiring the special tooling listed in paragraph (a) above shall be considered allowable costs under the contract provided that the total net amount of the special tooling does not exceed \$0.00. The Contractor shall have no obligation to acquire special tooling and the Government shall have no obligation to reimburse any amount for special tooling in excess of the amount set forth above unless the contract is amended to increase this amount.
- (c) The special tooling listed above shall be considered Government Property and shall be subject to the provisions of FAR 52.245-05, incorporated by reference in Section I.
- (d) The Contractor shall not use Contractor-acquired property listed above for work other than that performed pursuant to this contract unless so authorized in writing by the Contracting Officer. (end of clause)
- H-16 Contractor Acquired Property (IT)

(a) Performance of this contract will require use of the information technology (IT) resources listed below, acquisition of which (or equivalent) is hereby authorized:

ITEM N/A TOTAL AMOUNT

N/A

- (b) The costs incurred by the Contractor in acquiring the IT listed in paragraph (a.) above shall be considered allowable costs under the contract provided that the total net amount of the IT does not exceed \$0.00. The Contractor shall have no obligation to acquire IT and the Government shall have no obligation to reimburse any amount for IT in excess of the amount set forth above unless the contract is modified to increase this amount.
- (c) The IT resources listed above shall be considered Government Property and shall be subject to the provisions of FAR 52.245-5, incorporated in Section I.
- (d) The Contractor shall not use Contractor acquired property listed above for work other than that performed pursuant to this contract unless so authorized in writing by the Contracting Officer.
- (e) This authorization is subject to the Contractor's compliance with the approvals and screening requirements set forth in DFARS Subpart 239.73 and DoD 7950.1-M, "Defense Automation Resources Management Manual."
 - (1) Use of the DD Form 1851 for determining availability of excess information technology (IT) is only required for IT with a unit acquisition cost of \$5,000,00 and above.
- (2) On-line screening for excess IT, regardless of cost, via remote terminal dial-up, is available to contractors through their Administrative Contracting Officers.
 (end of clause)

H-17 Proprietary Technical Data and Computer Software

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(a) Any deliverable technical data or computer software developed or generated at private expense and considered to be proprietary by the Contractor or subcontractors shall be delivered in accordance with DFARS 252.227-7013 and 252.227-7014. A list of such data and/or software is incorporated into the contract as Attachment No. 3.

(end of clause)

H-18 Consultants

(a) The contractor is authorized to use the following consultants to the extent indicated:

<u>Name</u>

No. of Hours

Rate

Total Amount

NO CONSULTANTS AUTHORIZED AS OF THE EFFECTIVE DATE OF THIS CONTRACT.

- (b) Approval must be obtained from the Administrative Contracting Officer to increase the use of consultants from the level estimated in subparagraph (a.).
 (end of clause)
- H-19 Title to Equipment (Nonprofit Institutions of Higher Education and Nonprofit Organizations
 - (a) In accordance with FAR 35.014, "Government property and title", title to all equipment purchased with funds available for research under this contract shall vest in the acquiring nonprofit institution, namely(b)(4)

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(b)(4) as applicable, upon acquisition without further obligation to the Government. The equipment shall be used for the conduct of basic or applied scientific research. (end of clause)

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

60 000 t	- A 13	
52.202-1	Definitions	JUL 2004
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or	rJAN 1997
	Improper Activity	
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal	SEP 2005
	Transactions	
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.209-6	Protecting the Government's Interest When Subcontracting	JAN 2005
	With Contractors Debarred, Suspended, or Proposed for	
	Debarment	
52.215-10	Price Reduction for Defective Cost or Pricing Data	OCT 1997
52.215-12	Subcontractor Cost or Pricing Data	OCT 1997
52.215-15	Pension Adjustments and Asset Reversions	OCT 2004
52.215-16	Facilities Capital Cost of Money	JUN 2003
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits	
	(PRB) Other than Pensions	
52.215-19	Notification of Ownership Changes	OCT 1997
52.216-7	Allowable Cost And Payment	DEC 2002
52.216-8	Fixed Fee	MAR 1997
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.219-14	Limitations On Subcontracting	DEC 1996
52.222-3	Convict Labor	JUN 2003
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	APR 2002
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of	
	the Vietnam Era, and Other Eligible Veterans	
52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998
52.222-37	Employment Reports On Special Disabled Veterans, Veterans	
	Of The Vietnam Era, and Other Eligible Veterans	200 200.
52.222-39	Notification of Employee Rights Concerning Payment of	DEC 2004
	Union Dues or Fees	200 2004
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.226-1	Utilization Of Indian Organizations And Indian-Owned	JUN 2000
•	Economic Enterprises	2011 2000
52.227-2	Notice And Assistance Regarding Patent And Copyright	AUG 1996
	Infringement	AUG 1770
52.228-7	Insurance-Liability To Third Persons	MAR 1996
52,232-9	Limitation On Withholding Of Payments	APR 1984
52,232-20	Limitation Of Cost	APR 1984
52.232-22	Limitation Of Funds	APR 1984
52.232-23 Alt I	Assignment of Claims (Jan 1986) - Alternate I	APR 1984
52.232-25 ART		OCT 2003
52.232-33	Payment by Electronic Funds TransferCentral Contractor	OCT 2003
J & . & J & ⁻ J J	Registration	OC 1 2003
52.233-1	Disputes	пи 2002
J4.4JJ*1	Dispute	JUL 2002

52.233-3 Alt I	Protest After Award (Aug 1996) - Alternate I	f D. 1005
52.242-1	Notice of Intent to Disallow Costs	JUN 1985
52.242-3	Penalties for Unallowable Costs	APR 1984
52.242-4	Certification of Final Indirect Costs	MAY 2001
52.243-2 Alt I		JAN 1997
52.243-2 Alt V	Changes—Cost-Reimbursement (Aug 1987) - Alternate I	APR 1984
52.244-6	Changes-Cost-Reimbursement (Aug 1987) - Alternate V	APR 1984
52.245-5 Dev	Subcontracts for Commercial Items	FEB 2006
32.243-3 Dev	Government Property (Cost-Reimbursement, Time-and-	MAY 2004
62 246 D	Material, or Labor-Hour Contracts) Deviation	
52.245-9	Use And Charges	AUG 2005
52.246-25	Limitation Of LiabilityServices	FEB 1997
52.247-1	Commercial Bill Of Lading Notations	FEB 2006
52.249-6	Termination (Cost Reimbursement)	MAY 2004
52.249-14	Excusable Delays	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.201-7000	Contracting Officer's Representative	DEC 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-	DEC 2004
	Contract-Related Felonies	
252.204-7003	Control Of Government Personnel Work Product	APR 1992
	Central Contractor Registration (52.204-7) Alternate A	NOV 2003
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By	MAR 1998
	The Government of a Terrorist Country	
252.215-7000	Pricing Adjustments	DEC 1991
252.215-7002	Cost Estimating System Requirements	OCT 1998
252.219-7004	Small, Small Disadvantaged Women-Owned Business	JUN 1997
	Subcontracting Plan (Test Program)	
252.225-7001	Buy American Act And Balance Of Payments Program	JUN 2005
252.225-7002	Qualifying Country Sources As Subcontractors	APR 2003
252.225-7012	Preference For Certain Domestic Commodities	JUN 2004
252.227-7013	Rights in Technical Data-Noncommercial Items	NOV 1995
252.227-7014	Rights in Noncommercial Computer Software and	JUN 1995
	Noncommercial Computer Software Documentation	
252.227-7015	Technical Data—Commercial Items	NOV 1995
252.227-7016	Rights in Bid or Proposal Information	JUN 1995
252.227-7019	Validation of Asserted RestrictionsComputer Software	JUN 1995
252.227-7027	Deferred Ordering Of Technical Data Or Computer Software	APR 1988
252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 1999
252.231-7000	Supplemental Cost Principles	DEC 1991
252.232-7003	Electronic Submission of Payment Requests	MAY 2006
252.232-7010	Levies on Contract Payments	SEP 2005
252.235-7010	Acknowledgment of Support and Disclaimer	MAY 1995
252.235-7011	Final Scientific or Technical Report	NOV 2004
252.242-7004	Material Management And Accounting System	NOV 2005
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.244-7000	Subcontracts for Commercial Items and Commercial	NOV 2005
	Components (DoD Contracts)	
252.247-7023	Transportation of Supplies by Sea	MAY 2002
252.247-7024	Notification Of Transportation Of Supplies By Sea	MAR 2000

52.204-2 SECURITY REQUIREMENTS (AUG 1996)

- (a) This clause applies to the extent that this contract involves access to information classified "Confidential," "Secret," or "Top Secret."
- (b) The Contractor shall comply with (1) the Security Agreement (DD Form 441), including the National Industrial Security Program Operating Manual (DOD 5220.22-M); and (2) any revisions to that manual, notice of which has been furnished to the Contractor.
- (c) If, subsequent to the date of this contract, the security classification or security requirements under this contract are changed by the Government and if the changes cause an increase or decrease in security costs or otherwise affect any other term or condition of this contract, the contract shall be subject to an equitable adjustment as if the changes were directed under the Changes clause of this contract.
- 2. The Contractor agrees to insert terms that conform substantially to the language of this clause, including this paragraph (d) but excluding any reference to the Changes clause of this contract, in all subcontracts under this contract that involve access to classified information.

(End of clause)

52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

- (a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed \$0.00 or the overtime premium is paid for work --
- (1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;
- (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;
- (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or affoat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or
- (4) That will result in lower overall costs to the Government.
- (b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--
- (1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;
- (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
- (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and
- (4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

* Insert either "zero" or the dollar amount agreed to during negotiations. The inserted figure does not apply to the exceptions in paragraph (a)(1) through (a)(4) of the clause.

(End of clause)

- 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT OVERTIME COMPENSATION. (JUL 2005)
- (a) Overtime requirements. No Contractor or subcontractor employing laborers or mechanics (see Federal Acquisition Regulation 22.300) shall require or permit them to work over 40 hours in any workweek unless they are paid at least 1 and 1/2 times the basic rate of pay for each hour worked over 40 hours.
- (b) Violation; liability for unpaid wages; liquidated damages. The responsible Contractor and subcontractor are liable for unpaid wages if they violate the terms in paragraph (a) of this clause. In addition, the Contractor and subcontractor are liable for liquidated damages payable to the Government. The Contracting Officer will assess liquidated damages at the rate of \$10 per affected employee for each calendar day on which the employer required or permitted the employee to work in excess of the standard workweek of 40 hours without paying overtime wages required by the Contract Work Hours and Safety Standards Act.
- (c) Withholding for unpaid wages and liquidated damages. The Contracting Officer will withhold from payments due under the contract sufficient funds required to satisfy any Contractor or subcontractor liabilities for unpaid wages and liquidated damages. If amounts withheld under the contract are insufficient to satisfy Contractor or subcontractor liabilities, the Contracting Officer will withhold payments from other Federal or Federally assisted contracts held by the same Contractor that are subject to the Contract Work Hours and Safety Standards Act.
- (d) Payrolls and basic records.
- (1) The Contractor and its subcontractors shall maintain payrolls and basic payroll records for all laborers and mechanics working on the contract during the contract and shall make them available to the Government until 3 years after contract completion. The records shall contain the name and address of each employee, social security number, labor classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. The records need not duplicate those required for construction work by Department of Labor regulations at 29 CFR 5.5(a)(3) implementing the Davis-Bacon Act.
- (2) The Contractor and its subcontractors shall allow authorized representatives of the Contracting Officer or the Department of Labor to inspect, copy, or transcribe records maintained under paragraph (d)(1) of this clause. The Contractor or subcontractor also shall allow authorized representatives of the Contracting Officer or Department of Labor to interview employees in the workplace during working hours.
- (e) Subcontracts. The Contractor shall insert the provisions set forth in paragraphs (a) through (d) of this clause in subcontracts that may require or involve the employment of laborers and mechanics and require subcontractors to include these provisions in any such lower tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the provisions set forth in paragraphs (a) through (d) of this clause.

(End of clause)

52.227-12 PATENT RIGHTS--RETENTION BY THE CONTRACTOR (LONG FORM) (JAN 1997)

(a) Definitions. "Invention" means any invention or discovery which is or may be patentable or otherwise protectable

under title 35 of the United States Code or any novel variety of plant that is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321, et seq.).

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"Made" when used in relation to any invention means the conception or first actual reduction to practice of such invention.

"Nonprofit organization" means a domestic university or other institution of higher education or an organization of the type described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any nonprofit scientific or educational organization qualified under a state nonprofit organization statute.

"Practical application" means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

"Small business firm" means a small business concern as defined at section 2 of Pub. L. 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in Government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, will be used.

"Subject invention" means any invention of the Contractor conceived or first actually reduced to practice in the performance of work under this contract; provided, that in the case of a variety of plant, the date of determination (as defined in section 41(d) of the Plant Variety Protection Act, 7 U.S.C. 2401(d)) must also occur during the period of contract performance.

- (b) Allocation of principal rights. The Contractor may elect to retain the entire right, title, and interest throughout the world to each subject invention subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the Contractor elects to retain title, the Federal Government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world.
- (c) Invention disclosure, election of title, and filing of patent applications by Contractor. (1) The Contractor shall disclose each subject invention to the Contracting Officer within 2 months after the inventor discloses it in writing to Contractor personnel responsible for patent matters or within 6 months after the Contractor becomes aware that a subject invention has been made, whichever is earlier. The disclosure to the Contracting Officer shall be in the form of a written report and shall identify the contract under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and physical, chemical, biological, or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale, or public use of the invention and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to the Contracting Officer, the Contractor shall promptly notify the Contracting Officer of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the Contractor.
- (2) The Contractor shall elect in writing whether or not to retain title to any such invention by notifying the Federal agency at the time of disclosure or within 8 months of disclosure, as to those countries (including the United States) in which the Contractor will retain title; provided, that in any case where publication, on sale, or public use has initiated the 1-year statutory period wherein valid patent protection can still be obtained in the United States, the period of election of title may be shortened by the agency to a date that is no more than 60 days prior to the end of the statutory period.
- (3) The Contractor shall file its initial patent application on an elected invention within 1 year after election or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States

after a publication, on sale, or public use. The Contractor shall file patent applications in additional countries (including the European Patent Office and under the Patent Cooperation Treaty) within either 10 months of the corresponding initial patent application or 6 months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

- (4) Requests for extension of the time for disclosure to the Contracting Officer, election, and filing may, at the discretion of the funding Federal agency, be granted, and will normally be granted unless the Contracting Officer has reason to believe that a particular extension would prejudice the Government's interest.
- (d) Conditions when the Government may obtain title. The Contractor shall convey to the Federal agency, upon written request, title to any subject invention—
- (1) If the Contractor elects not to retain title to a subject invention;

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- (2) If the Contractor fails to disclose or elect the subject invention within the times specified in paragraph (c) above (the agency may only request title within 60 days after learning of the Contractor's failure to report or elect within the specified times);
- (3) In those countries in which the Contractor fails to file patent applications within the time specified in paragraph (c) above; provided, however, that if the Contractor has filed a patent application in a country after the times specified in paragraph (c) above, but prior to its receipt of the written request of the Federal agency, the Contractor shall continue to retain title in that country; or
- (4) In any country in which the Contractor decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on, a patent on a subject invention.
- (e) Minimum rights to Contractor. (1) The Contractor shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the Contractor fails to disclose the subject invention within the times specified in paragraph (c) above. The Contractor's license extends to its domestic subsidiaries and affiliates, if any, within the corporate structure of which the Contractor is a part and includes the right to grant sublicenses of the same scope to the extent the Contractor was legally obligated to do so at the time the contract was awarded. The license is transferable only with the approval of the funding Federal agency except when transferred to the successor of that part of the Contractor's business to which the invention pertains.
- (2) The Contractor's domestic license may be revoked or modified by the funding Federal agency to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in the Federal Property Management Regulations and agency licensing regulations (if any). This license shall not be revoked in that field of use or the geographical areas in which the Contractor has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of the funding Federal agency to the extent the Contractor, its licensees, or its domestic subsidiaries or affiliates have failed to achieve practical application in that foreign country.
- (3) Before revocation or modification of the license, the funding Federal agency shall furnish the Contractor a written notice of its intention to revoke or modify the license, and the Contractor shall be allowed 30 days (or such other time as may be authorized by the funding Federal agency for good cause shown by the Contractor) after the notice to show cause why the license should not be revoked or modified. The Contractor has the right to appeal, in accordance with applicable agency licensing regulations and 37 CFR 404 concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.
- (f) Contractor action to protect the Government's interest. (1) The Contractor agrees to execute or to have executed and promptly deliver to the Federal agency all instruments necessary to (i) establish or confirm the rights the Government has throughout the world in those subject inventions to which the Contractor elects to retain title, and (ii) convey title to the Federal agency when requested under paragraph (d) above and subparagraph (n)(2) below, and

to enable the Government to obtain patent protection throughout the world in that subject invention.

- (2) The Contractor agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in a format suggested by the Contractor each subject invention made under contract in order that the Contractor can comply with the disclosure provisions of paragraph (c) above, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by subparagraph (c)(1) above. The Contractor shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.
- (3) The Contractor shall notify the Federal agency of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.
- (4) The Contractor agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the contract) awarded by (identify the Federal agency). The Government has certain rights in this invention."
- (5) The Contractor shall establish and maintain active and effective procedures to assure that subject inventions are promptly identified and disclosed to Contractor personnel responsible for patent matters within 6 months of conception and/or first actual reduction to practice, whichever occurs first in performance of work under this contract. These procedures shall include the maintenance of laboratory notebooks or equivalent records and other records as are reasonably necessary to document the conception and/or the first actual reduction to practice of subject inventions, and records that show that the procedures for identifying and disclosing the inventions are followed. Upon request, the Contractor shall furnish the Contracting Officer a description of such procedures for evaluation and for determination as to their effectiveness.
- (6) The Contractor agrees, when licensing a subject invention, to arrange to avoid royalty charges on acquisitions involving Government funds, including funds derived through Military Assistance Program of the Government or otherwise derived through the Government, to refund any amounts received as royalty charges on the subject invention in acquisitions for, or on behalf of, the Government, and to provide for such refund in any instrument transferring rights in the invention to any party.
- (7) The Contractor shall furnish the Contracting Officer the following:
- (i) Interim reports every 12 months (or such longer period as may be specified by the Contracting Officer) from the date of the contract, listing subject inventions during that period and stating that all subject inventions have been disclosed or that there are no such inventions.
- (ii) A final report, within 3 months after completion of the contracted work, listing all subject inventions or stating that there were no such inventions, and listing all subcontracts at any tier containing a patent rights clause or stating that there were no such subcontracts.
- (8) The Contractor shall promptly notify the Contracting Officer in writing upon the award of any subcontract at any tier containing a patent rights clause by identifying the subcontractor, the applicable patent rights clause, the work to be performed under the subcontract, and the dates of award and estimated completion. Upon request of the Contracting Officer, the Contractor shall furnish a copy of such subcontract, and no more frequently than annually, a listing of the subcontracts that have been awarded.
- (9) In the event of a refusal by a prospective subcontractor to accept one of the clauses in subparagraph (g)(1) or (2) below, the Contractor (i) shall promptly submit a written notice to the Contracting Officer setting forth the

subcontractor's reasons for such refusal and other pertinent information that may expedite disposition of the matter and (ii) shall not proceed with such subcontracting without the written authorization of the Contracting Officer.

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- (10) The Contractor shall provide, upon request, the filing date, serial number and title, a copy of the patent application (including an English-language version if filed in a language other than English), and patent number and issue date for any subject invention for which the Contractor has retained title.
- (11) Upon request, the Contractor shall furnish the Government an irrevocable power to inspect and make copies of the patent application file.
- (g) Subcontracts. (1) The Contractor shall include the clause at 52.227-11 of the Federal Acquisition Regulation (FAR), suitably modified to identify the parties, in all subcontracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subcontractor shall retain all rights provided for the Contractor in this clause, and the Contractor shall not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.
- (2) The Contractor shall include this clause (FAR 52.227-12) in all other subcontracts, regardless of tier, for experimental, developmental, or research work.
- (3) In the case of subcontracts, at any tier, when the prime award with the Federal agency was a contract (but not a grant or cooperative agreement), the agency, subcontractor, and the Contractor agree that the mutual obligations of the parties created by this clause constitute a contract between the subcontractor and the Federal agency with respect to those matters covered by this clause.
- (h) Reporting utilization of subject inventions. The Contractor agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the Contractor or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the Contractor, and such other data and information as the agency may reasonably specify. The Contractor also agrees to provide additional reports as may be requested by the agency in connection with any march-in proceedings undertaken by the agency in accordance with paragraph (j) of this clause. To the extent data or information supplied under this paragraph is considered by the Contractor, its licensee or assignee to be privileged and confidential and is so marked, the agency agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government. (i) Preference for United States industry. Notwithstanding any other provision of this clause, the Contractor agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by the Federal agency upon a showing by the Contractor or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that under the circumstances domestic manufacture is not commercially feasible.
- (j) March-in rights. The Contractor agrees that with respect to any subject invention in which it has acquired title, the Federal agency has the right in accordance with the procedures in FAR 27.304-1(g) to require the Contractor, an assignee, or exclusive licensee of a subject invention to grant a nonexclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the Contractor, assignee, or exclusive licensee refuses such a request, the Federal agency has the right to grant such a license itself if the Federal agency determines that—
- (1) Such action is necessary because the Contractor or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;
- (2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the Contractor, assignee, or their licensees;

- (3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the Contractor, assignee, or licensees; or
- (4) Such action is necessary because the agreement required by paragraph (i) of this clause has not been obtained or waived or because a licensee of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.
- (k) Special provisions for contracts with nonprofit organizations. [Reserved]

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(1) Communications.

Communications concerning issues or matters related to this clause shall be between the contractor and designated DARPA Contracting Officer specified in Section F of the contract.

- (m) Other inventions. Nothing contained in this clause shall be deemed to grant to the Government any rights with respect to any invention other than a subject invention.
- (n) Examination of records relating to inventions. (1) The Contracting Officer or any authorized representative shall, until 3 years after final payment under this contract, have the right to examine any books (including laboratory notebooks), records, and documents of the Contractor relating to the conception or first reduction to practice of inventions in the same field of technology as the work under this contract to determine whether--
- (i) Any such inventions are subject inventions;
- (ii) The Contractor has established and maintains the procedures required by subparagraphs (f)(2) and (f)(3) of this clause; and
- (iii) The Contractor and its inventors have complied with the procedures.
- (2) If the Contracting Officer determines that an inventor has not disclosed a subject invention to the Contractor in accordance with the procedures required by subparagraph (f)(5) of this clause, the Contracting Officer may, within 60 days after the determination, request title in accordance with subparagraphs (d)(2) and (d)(3) of this clause. However, if the Contractor establishes that the failure to disclose did not result from the Contractor's fault or negligence, the Contracting Officer shall not request title.
- (3) If the Contracting Officer learns of an unreported Contractor invention which the Contracting Officer believes may be a subject invention, the Contractor may be required to disclose the invention to the agency for a determination of ownership rights.
- (4) Any examination of records under this paragraph shall be subject to appropriate conditions to protect the confidentiality of the information involved.
- (o) Withholding of payment (this paragraph does not apply to subcontracts). (1) Any time before final payment under this contract, the Contracting Officer may, in the Government's interest, withhold payment until a reserve not exceeding \$50,000 or 5 percent of the amount of the contract, whichever is less, shall have been set aside if, in the Contracting Officer's opinion, the Contractor fails to--
- (i) Establish, maintain, and follow effective procedures for identifying and disclosing subject inventions pursuant to subparagraph (f)(5) above;
- (ii) Disclose any subject invention pursuant to subparagraph (c)(1) above;
- (iii) Deliver acceptable interim reports pursuant to subdivision (f)(7)(i) above; or

- (iv) Provide the information regarding subcontracts pursuant to subparagraph (f)(8) of this clause.
- (2) Such reserve or balance shall be withheld until the Contracting Officer has determined that the Contractor has rectified whatever deficiencies exist and has delivered all reports, disclosures, and other information required by this clause.
- (3) Final payment under this contract shall not be made before the Contractor delivers to the Contracting Officer all disclosures of subject inventions required by subparagraph (c)(1) above, an acceptable final report pursuant to subdivision (f)(7)(ii) above, and all past due confirmatory instruments.
- (4) The Contracting Officer may decrease or increase the sums withheld up to the maximum authorized above. No amount shall be withheld under this paragraph while the amount specified by this paragraph is being withheld under other provisions of the contract. The withholding of any amount or the subsequent payment thereof shall not be construed as a waiver of any Government right.

(End of clause)

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

United States law will apply to resolve any claim of breach of this contract.

(End of clause)

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

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

http://www.arnet.gov

OΓ

http://farsite.hill.af.mil

(End of clause)

52,252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (FAR) (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.
- (b) The use in this solicitation or contract of any Department of Defense Federal Acquisition Regulation Supplement (DFARS) (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of clause)

252.204-7006 BILLING INSTRUCTIONS (OCT 2005)

When submitting a request for payment, the Contractor shall-

- (a) Identify the contract line item(s) on the payment request that reasonably reflect contract work performance; and
- (b) Separately identify a payment amount for each contract line item included in the payment request.

(End of clause)

Section J - List of Documents, Exhibits and Other Attachments

SECTION J

DOCUMENT TYPE

Attachment No. 1

DESCRIPTION

Statement of Work (SOW)

Attachment No. 2

DD Form 254 -- Department of Defense Contract Security Classification Specification

Attachment No. 3

List of Noncommercial Technical Data or Noncommercial Computer Software furnished

to the Government with restrictions

Statement of Work

for

Large Area Coverage Optical Search-While-Track and Engage (LACOSTE)

SECTION III. DETAILED PROPOSAL INFORMATION

- A. Statement of Work (SOW)
- 1.0 Introduction
- 1.1 Purpose

This statement of work (SOW) defines the contractor's responsibility, tasks, deliverable equipment and data requirements for the development of the LACOSTE system and demonstration of technology. (b)(4)

1.2 Scope

The effort covered under this SOW is a collaborative effort between Lockheed Martin Missiles and Fire Control (MFC) as the prime contractor (b)(4)

Lockheed Martin Missiles and Fire Control will serve as the prime contractor for the proposed program and will be responsible for system engineering, systems and software integration, tests and demonstration. (b)(4)

(b)(4) The work at Lockheed Martin-ATC will be performed under an internal work transfer authorization (IWTA).

More specifically, Lockheed Martin Missiles and Fire Control will analyze and flow down system requirements to the team, serve as system integrator, construct the camera, develop and implement the image formation and sensor resource control algorithms, and conduct the final demonstrations. (b)(4)

(b)(4)

(b)(4) Said expert will address the optimization of codes in the context of the LACOSTE architecture. (b)(4)

The contractor shall furnish the necessary management, personnel, labor, services, documentation, parts, materials, equipment, tools, facilities and support services, to do all tasks necessary and/or incidental to develop and test the arrays in accordance with (IAW) the requirements of this SOW and the contract.

2.0 General Requirements

Performance goals of the LACOSTE program are delineated in Table III-1.

1

2.1 Objective System Design

The contractor shall design an imaging system that will meet specifications set forth in Table III-1. The detailed design will specify overall architecture, physical and performance specification for all optical and electronic components, and interface requirements at the component and system level.

Table III-1. LACOSTE Performance Requirements

Parameter	Phase 1 - Go/No Go Demonstration	Phase 2 - Demonstration System	Notional Objective System
Total Mask Dimensions	2 cm x 2 cm	10 cm x 10 cm	1m x 1m
Pinhole Diameter	<50µm	20 µm	20 µm
Adaptive Mask Switching Speed	<1 ms	10 µsec	10 µѕес
Coded Mask Transmittance	3.5 μm – 4.5 μm Open: >40% Closed: <1.0%	3.5 μm – 4.5 μm Open: >50% Closed: <0.5%	3.5 µm – 5 µm Open: >50% Closed: <0.5%
Simultaneous Images	1	≥2 images 45-deg separation >20dB image-to-image rejection	≥2 images 90-deg separation >20dB image-to-image rejection

2.2 Simulation and Performance Analysis

The contractor shall analyze the performance of the proposed demonstration camera and objective system via simulation and modeling of components. The ability to meet performance specifications will be verified using atmospheric and sensor models along with a simulation of the optics and mathematics of the imaging process. Results of the simulation and analysis will be used to validate the objective system design or modify it as appropriate.

2.3 Mask Development

(b)(4)		

2.4 Algorithm Development

The contractor shall develop algorithms for image reconstruction and variable resolution imaging to meet the LACOSTE objectives. (b)(4)

(b)(4)	
(b)(4)	The algorithmic requirements for advanced applications such
as detection and trac	k formation will be determined.
2.5 Phase 1 Go/No-	Go Demonstration Camera

(b)(4)

2.5.1 Software and Processing

The contractor shall implement the software required for the data acquisition using COTS digital signal processing hardware. (b)(4)

2.5.2 Test/Demonstration

The fully functional prototype camera will be demonstrated in tower tests on ranges against targets of interest. The resulting images will be displayed, and the ability to vary image resolution will be shown.

2.5.3 Data Reduction/Analysis

The camera's performance will be measured and analyzed to validate that timing and resolution requirements are met. The data will be digitally captured and recorded for analysis in the laboratory.

2.6 Program/Data/Hardware Management

The contractor shall manage the design and integration strategies for the demonstration camera and shall establish procedures to assure that contractually required data are accurate, complete, prepared and submitted in accordance with contract requirements. Data shall be prepared in a manner to prevent duplication of data previously developed.

2.6.1 Program Management

The contractor shall manage the design, and integration strategies, conduct a kick off meeting, program reviews, conduct a system design review, and document demonstration and other testing in project summary reports.

2.6.2 Research and Development Project Summary

The contractor shall submit a Research and Development Project Summary quarterly in accordance with the format supplied in the contract. The report shall include a copy of the latest updated program plan.

2.6.3 Financial Expenditure Reports

Financial expenditure reports shall be submitted monthly in accordance with the data requirements of the contract.

2.6.4 Residual Material

At the end of the contract, residual material produced, but not otherwise delivered in the demonstration camera, shall become the property of the Government.

B. Description of the Results, Products, Transferable Technology, and Expected Technology Transfer Path

The main deliverable at the end of Phase 1 will be a proof-of-concept laboratory demonstration with the major optical and digital components in place.

integration, tests	am and will be responsible for system engineering, systems and software and demonstration.(b)(4)
0)(4)	
b)(4)	The work at Lockheed Martin-ATC will be performed under an
internal work tra	ansfer authorization (IWTA).
Mana 200 216	7 - 11 - (b)(4)
More specif	ically, with
	Said expert will address the optimization of codes in the context of the
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(b)(4)	nitecture. (b)(4)
LACOSTE arch (b)(4) D. Detailed Co	nitecture. (b)(4)

(b)(4)	

LIST OF NONCOMMERCIAL TECHNICAL DATA OR NONCOMMERCIAL COMPUTER SOFTWARE FURNISHED TO THE GOVERNMENT WITH RESTRICTIONS

Performance of this contract involves the application of Intellectual Property developed wholly, or in part, with private investment as claimed by the contractor, and agreed to by the government. As such, the contractor asserts for itself, or the persons identified below, that the Government's rights to use, release, or disclose the noncommercial technical data or noncommercial computer software listed herein should be restricted accordingly.

The Government agrees with the contractor's stated position subject to the following: In the event that it is later determined that the asserted rights herein are inconsistent with other more favorable pre-existing rights previously afforded to the Government, then such more favorable pre-existing rights previously afforded to the Government shall apply to this contract.

Noncommercial Technical Data or Noncommercial Computer Software to be Furnished with Restrictions	Basis for Assertion	Asserted Rights Category	Name of Person Asserting Restrictions
(b)(4)	(b)(4)	(b)(4)	(b)(4)
(b)(4)	(b)(4)	(b)(4)	(b)(4)
(b)(4)	(b)(4)	(b)(4)	(b)(4)
(b)(4)	(b)(4)	(b)(4)	(b)(4)

			1. CONTRACT	ID CODE	PAGE OF PAGES
AMENDMENT OF SOLICITA	ATION/MODE	FICATION OF CONTRACT	U		1 4
2. AMENDMENT/MODIFICATION NO.	1. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.		5. PROJEC	TNO (Ifapplicable)
P00001	09-Nov-2006	SEE SCHEDULE			
6. ISSUED BY CODE	HR0011	7. ADMINISTERED BY (If other than item 6)	CO	DE S10	05A
DARPA CIMO ATTN: NATALY STUARD 3701 N. FAIRFAX DR ARLINGTON VA 22208-1714		DOMA LOCKHEED MARTIN ORLANDO 5500 SAND LAKE RD MP 49 ORLANDO FL 32819-5907			
8. NAME AND ADDRESS OF CONTRACTOR	(No., Street, County,	State and Zip Code)	9A. AMENDM	ENT OF S	DLICTTATION NO.
MISSILES AND FIRE CONTROL 5600 SAND LAKE ROAD ORLANDO FL 32819			9B. DATED (S		
			X HF0011-06-C	CONTRA 0109	ACT/ORDER NO.
0000	T. C. T. T. C.	19.09	10B. DATED X 28-Jun-2006	(SEE ITE)	M 13)
CODE 04939	THIS ITEM ONLY	APPLIES TO AMENDMENTS OF SOLIC		·	
The above numbered solicitation is amended as set by:			la extended.	le cot sx	dended.
Offer must acknowledge receipt of this amendment price		•			
(a) By completing items 8 and 15, and returning or (c) By separate letter or telegraps which includes a received ATTHE PLACE DESIGNATED FOR THE RESECTION OF YOUR OFFER. If by virtue of this as	copies of the amendm efference to the solicitation HE RECEIPT OF OFFER	ent; (b) By acknowledging receipt of this amendme o and assendement numbers. FAILURE OF YOUR A S PRIOR TO THE HOUR AND DATE SPECIFIES	at on each copy of the or ACKNOWLEDGMENT OMAY RESULTIN	TO BE	4 ;
provided each telegramor letter makes reference to the	solicitation and this eme	adment, and is received prior to the opening hour s	nd data specified.		
12. ACCOUNTING AND APPROPRIATION D. See Schedule	ATA (If required)				,
		TO MODIFICATIONS OF CONTRACT			
A. THIS CHANGE ORDER IS ISSUED PURS CONTRACT ORDER NO. IN ITEM 10A.	LIANT TO: (Specify			MADE IN	THE
B. THE ABOVE NUMBERED CONTRACT/Office, appropriation date, etc.) SET FOR	ORDER IS MODIFIE	D TO REPLECT THE ADMINISTRATIVES TO THE AUTHORITY OF FA	VE CHANGES (such R 43.103(B).	as change	s in paying
C. THIS SUPPLEMENTAL ACREEMENT IS			, , , , , , , , , , , , , , , , , , ,		
X D. OTHER (Specify type of modification and FAR 52.232-22 Limitation of Funds	authority)				
E. IMPORTANT: Contractor X is not,	is required to a	ign this document and return	copies to the issuin	g office.	
14. DESCRIPTION OF AMENDMENT/MODIF where feasible.) Modification Control Number: netward07 Provide Incremental Funding and update Gove	112	ed by UCF section headings, including solic	nation/contract sub	joct matte	
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.					
ISA. NAME AND TITLE OF SIGNER (Type of		16A. NAME AND TITLE OF CO STUARD, NATALY/PCO	NTRACTING OFF	CER (Typ	e or print)
15B. CONT RACT OR/OFFEROR	ISC. DATE SIGN		EMAIL: Tins.Stute		I6C. DATE SIGNED
)	I Joe DATE SICH				
(Signature of person authorized to sign)	-	(Signature of Contracting Of	ficer)		09-Nov-2008

SECTION SF 30 BLOCK 14 CONTINUATION PAGE

SUMMARY OF CHANGES

SECTION B - SUPPLIES OR SERVICES AND PRICES

SUBCLIN 000102 is added as follows:

ITEM NO	SUPPLIES/SERVICES	ESTIMATED COST	FIXED FEE	TOTAL EST. COST PLUS FIXED FEE
000102	Funding for CLIN 0001 AO No. W043/01	\$0.00	\$0.00	\$0.00

ACRN AB

\$2,500,000.00

SECTION E - INSPECTION AND ACCEPTANCE

The following Acceptance/Inspection Schedule was added for SUBCLIN 000102:

INSPECT AT

INSPECT BY ACCEPT AT

ACCEPT BY

N/A

N/A

N/A

Government

SECTION G - CONTRACT ADMINISTRATION DATA

Accounting and Appropriation

Summary for the Payment Office

As a result of this modification, the total funded amount for this document was increased by \$2,500,000.00 from \$900,000.00 to \$3,400,000.00.

SUBCLIN 000102:

Funding on SUBCLIN 000102 is initiated as follows:

ACRN: AB

Acctng Data: 9770400 1320 W043 P7P30 2525 DPAC 7 5095 S12136 63767E

Increase: \$2,500,000.00

Total: \$2,500,000.00

The following have been modified:

G-1 Procuring Office Representative

(a) The Procuring Office Representative is Tina Stuard, DARPA/CMO, 3701 North Fairfax Drive, Arlington, VA 22203-1714, Phone: (571)218-4621, FAX: (703) 465-1062, Email: tina.stuard@darpa.mil (end of clause)

G-2 **Electronic Submission of Payment Requests**

(a) An original invoice identified by contract number, with supporting statements, shall be submitted for review and provisional approval to the cognizant audit agency listed below:

> Defense Contract Audit Agency (DCAA) Lockheed Martin Orlando Resident Office Attn: Pat Poole, Supervisory Auditor 5600 Sand Lake Road Orlando, FL 32819-89070

Phone: (407)306-4175 or (407)356-5181

FAX: (407)356-4333 Email: pat.poole@dcaa.mil

OR AS OTHERWISE DIRECTED BY DCAA

[NOTE: Where appropriate, direct submission of invoices to DFAS is authorized.]

(end of clause)

G-3 Delegation of Authority for Contract Administration

(a) DCMA Lockheed Martin, Orlando, is hereby designated as the Contracting Officer's authorized representative for administering this contract in accordance with current directives. (end of clause)

G-4 Contracting Officer's Representative (COR)

- (a) Performance of work under this contract shall be subject to the technical direction of Robert M. Zumrick, AFRL/SNJT Bldg 620, 2241 Avionics Circle, Wright Patterson AFB, OH 45433, Phone: (937)255-9902, ext. 4380, FAX: (937)255-2959, Email: robert.zumrick@wpafb.af.mil. Such technical direction includes those instructions to the Contractor necessary to accomplish the Statement of Work. The COR is not otherwise authorized to make any representations or commitments of any kind on behalf of the Contracting Officer or the Government. The COR does not have the authority to alter the Contractor's obligations or to change the specifications of the contract.
- (b) Technical direction shall not include any direction which:
 - (1) Constitutes additional work outside the scope of work;
 - (2) Constitutes a change as defined in Section I contract clause entitled "Changes";

- (3) In any manner causes an increase or decrease in the total estimated cost or the time required for contract performance; or
- (4) Changes any of the stated terms, conditions, or specifications of the contract. (end of clause)
- G-5 Payment Instructions for Multiple Accounting Classification Citations
- (a) Payments under contract line items funded by multiple accounting classification citations shall be made from
 the earliest available fiscal year funding sources.
 (end of clause)

G-6 Incremental Funding

(a) This contract shall be subject to incremental funding with \$3,400,000.00 presently made available for performance under this contract. It is estimated that the funds presently available are sufficient to permit the Contractor's performance through approximately 30 Sep 07. Except in accordance with the Section I clause FAR 52.232-22, "Limitation of Funds," no legal liability of the part of the Government for payment of any money in excess of \$3,400,000.00 shall arise unless and until additional funds are made available by the Contracting Officer through a modification to this contract.
(end of clause)

G-7 Payment of Cost and Fee

- (a) As consideration for the proper performance of work required under this contract, the Contractor shall be paid as follows:
 - (1) Costs, as provided for under Section I contract clause titled "Allowable Cost and Payment" not to exceed the amount set forth as "Total Estimated Cost" in Section B, and subject further to those Section I clauses entitled "Limitation of Cost" or "Limitation of Funds".
 - (2) A fixed fee in the amount set forth as "Fixed Fee" in Section B, in accordance with the Section I contract clause entitled "Fixed Fee". The Contractor may bill on each invoice the amount of the fixed fee bearing the same percentage to the total fixed fee as the amount of cost billed bears to the total estimated cost.

(end of clause)

(End of Summary of Changes)