



BASE TASK ORDER AGREEMENT SUBCONTRACT NUMBER #TBD
DPAS RATING DO-C9(U)
PLACED UNDER U.S. GOVERNMENT CONTRACT NO. N00014-09-D-0584

SUBCONTRACT AGREEMENT

This Subcontract is entered into as of XXX

BETWEEN

Advanced Technology International (ATI)

a Not-For-Profit Corporation
with offices at

5300 International Boulevard
North Charleston, SC 29418

(hereinafter also referred to as "Contractor")

AND

<Company Name>

a Corporation of the State of
with offices at

<Address>
<City, State, Zip>

(hereinafter also referred to as "Subcontractor")

WITNESSETH THAT:

IN CONSIDERATION OF the promises, mutual covenants, and agreement contained herein, the parties hereto agree as follows:

This Agreement is subject to Arbitration in accordance with the South Carolina Uniform Arbitration Act, Section 15-48-10, et seq.

SECTION A CONTENTS OF SUBCONTRACT AND ORDER OF PRECEDENCE

A.1 CONTENTS OF A SUBCONTRACT

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A.2 ORDER OF PRECEDENCE

In the event of an inconsistency between any of the provisions of this Subcontract, the inconsistency shall be resolved by giving precedence to the provisions of the Subcontract in the following order:

1. Cover Page, Signature Page and Sections A, B, C and F
2. The Subcontract Administration Data and the Special Provisions (Sections G & H)
3. All Task Orders issued hereunder
4. General Provisions (Section I)
5. All Other Sections and Attachments

SECTION B SUPPLIES/SERVICES AND PRICES

B.1 STATEMENT OF REQUIREMENTS

The Subcontractor shall provide the necessary personnel and facilities to perform the applicable work requirements and shall furnish the supplies/services outlined in each Task Order in accordance with the terms and conditions set forth in this Subcontract and any additional terms included in each Task Order.

B.2 OTHER DIRECT COSTS

The Subcontractor shall be reimbursed for other direct costs to the extent such costs are necessary, otherwise allocable and allowable in accordance with the General Provisions clause FAR 52.216-07 entitled "Allowable Cost and Payment", and authorized hereby. Before any purchase of materials or other direct costs exceeding \$1,000, the Subcontractor shall obtain approval from the Contractor. For materials or other direct costs with an estimated value of \$3,000 or more, the Subcontractor shall seek at least two competitive price quotations and award to the lowest price. In accordance with its practices, the Subcontractor shall maintain evidence of competitive pricing for such materials or other direct costs, including manufacture information (part #s, nomenclature, quantity, unit of issue, prices), and shall make this information available for audit by the Government, if so requested.

The Subcontractor shall be reimbursed for actual and reasonable travel and subsistence costs incurred in accordance with the Subcontractor's Government-approved travel policy provided the Contractor authorizes the incurrence of such costs herein or by a change order hereto. All air travel must be booked on American-flagged carriers, unless otherwise directed by the Contractor point of contact listed in Section 19 of this Agreement. Travel and subsistence charges shall be substantiated by Subcontractor's Expense Report vouchers or other documentation as specified in Clause G.1 and shall not exceed FAR clause 31.205-46 titled "Travel Costs."

B.3 MAXIMUM AMOUNT OF ORDER

If at any time during the performance of this Subcontract, the Subcontractor has reason to believe that the total cost specified in a particular Task Order will be insufficient to complete performance of the Order, the Subcontractor shall immediately so notify the Contractor advising the reason(s) for such cost increase and the revised estimate together with supporting cost justification. The total estimated cost indicated in each Task Order shall not be exceeded without the prior written approval of the Contractor's Subcontract Representative.

B.4 TASK ORDERS

1. All Task Orders issued hereunder are subject to the terms and conditions of this Subcontract.
2. Task Orders will be issued under the provisions of this Subcontract and will contain, at a minimum, the following:
 - The task order description and number;
 - A total cost designated for the task order;
 - A task order statement of work in sufficient detail to allow for proper and expeditious performance of the task order;

- Start and end dates for the task order;
 - Expected deliverables and delivery dates;
 - Key personnel assigned to the task order;
 - Security classification, if applicable;
 - A list of any data rights assertions specific to the task order as applicable;
 - A list of any government furnished property or material;
 - Applicable distribution statement; and
 - Other terms and conditions and/or federal regulations as applicable to the task order.
3. The Subcontractor may not incur any cost prior to the authorized start date of each fully executed Task Order.
 4. The Task Order is subject to modification as may be required to meet the objectives of the Prime Contract. When such modifications require a change in funding or schedule, the Subcontractor shall notify the Contractor in writing. The total cost for each Task Order may not be exceeded unless authorized by an amendment to the Task Order.
 5. If at any time the Subcontractor has reason to believe that the Total Cost which will accrue in the performance of a Task Order, when added to all other payments previously accrued, will exceed seventy-five percent (75%) of the then current total authorized funding, the Subcontractor shall notify the Contractor to that effect, advising the estimate of additional funds required for the period specified. Subcontractor shall be under no obligation to perform any work hereunder, and Contractor shall not be obligated to reimburse Subcontractor for any work performed, if in the performance, thereof, the funding then allotted to Subcontractor will be exceeded.
 6. It is understood and agreed that Contractor has no obligation under the terms of this Subcontract to issue any Task Orders.

B.5 TYPE OF SUBCONTRACT

1. The prices specified shall not be increased due to increased labor or materials costs during the term of this Subcontract unless otherwise specified herein.
2. Each Task Order shall be considered a separate agreement as of the effective date.

SECTION C STATEMENT OF WORK

C.1 STATEMENT OF WORK

Subcontractor is to provide services as outlined in each individual Task Order issued under this Subcontract. These services shall be furnished in accordance with the contractual requirements of this Subcontract and the individual Task Orders including any documents, exhibits, attachments or references.

SECTION D PRESERVATION, PACKAGING, AND PACKING

D.1 PRESERVATION, PACKAGING, AND PACKING

Unless otherwise specified herein, supplies shall be preserved, packaged, and packed in accordance with best standard commercial practices for domestic shipment which shall be adequate to ensure against damage/deterioration during transit and storage pending usage. Deliverables furnished hereunder shall be adequately packaged and packed to ensure safe delivery at destination.

D.2 TRANSMITTAL OF CLASSIFIED DATA

In the event it becomes necessary to transmit classified matter by mail, the transmittal shall be made in accordance with the requirements of the Industrial Security Manual (DD 5220.22-M). Outer containers shall not disclose the classification or the name of classified matter contained within the envelope or package, even though the name itself may not be classified. Internal markings or internal packaging will clearly indicate the classification.

D.3 INSTRUCTIONS FOR MARKING DISTRIBUTION STATEMENT

The Subcontractor must affix a distribution statement to all technical documents intended for submission to the Contractor or the Government. The distribution statement language must comply with DoD Directive 5230.24 dated March 18, 1987, which can be found in its entirety at <http://www.dtic.mil/whs/directives/corres/pdf/523024p.pdf>

SECTION E INSPECTION AND ACCEPTANCE/QUALITY ASSURANCE

E.1 INSPECTION AND ACCEPTANCE

1. All services shall be subject to approval by the Contractor and its customer to the extent practicable at all times during the period of performance and, in any event, prior to acceptance of services. Authorized representatives of the Contractor and its customer shall have the right to visit the Subcontractor's facility at reasonable times during the performance of this Subcontract for the purpose of making any necessary inspections or obtaining any required information. Such visits shall be coordinated with Subcontractor to minimize interference with normal business operations.
2. All Subcontractor labor effort shall be accepted by the Contractor when completed based on compliance with this Subcontract and individual Task Order requirements.
3. Subcontractor's deliverable/data, as identified and described in each Task Order, are to be supplied within the time frames indicated therein. Inspection and acceptance of deliverables to be furnished hereunder shall be made by the Contractor, or Contractor's designee, upon delivery based on compliance with the Task Order requirements.

Unless otherwise provided in this Subcontract or the individual Task Orders, the Contractor shall accept or reject services and/or deliverables within forty-five (45) days after delivery.

SECTION F PERFORMANCE

F.1 PERIOD OF PERFORMANCE

The period of performance for this Subcontract is date of Agreement signature through August 24, 2012, unless amended by a duly executed Amendment or terminated in accordance with the provisions of this Subcontract. Any extension of this performance period requires the Contractor's written approval. Task Orders will contain their own start and end dates.

F.2 TASK ORDER PERIOD OF PERFORMANCE

Any Task Order issued during the effective period of this Subcontract and not completed within that period, unless terminated earlier by Contractor, shall be completed by the Subcontractor within the time specified in the Task Order. This Subcontract shall govern the Subcontractor's and Contractor's rights and obligations with respect to that Task Order to the same extent as if the Task Order were completed during the Subcontract's period of performance.

SECTION G SUBCONTRACT ADMINISTRATION DATA

G.1 SUBMISSION OF INVOICES

1. The Subcontractor shall submit invoices and any necessary supporting documentation via email to afgforms@scra.org.
2. Invoicing. At least once each month, the Subcontractor shall submit invoices covering allowable costs incurred for the performance of work hereunder, in accordance with the General provision clause FAR 52.216-7 entitled "Allowable Cost and Payment." Subcontractor shall make its best effort to ensure that there shall be a lapse of no more than thirty (30) calendar days between performance and submission of an invoice.
3. The Subcontractor shall submit a separate invoice for each Task Order and it shall contain the following information, as applicable:
 - a. Date of invoice and Subcontract number
 - b. Task Order number
 - c. Period covered by invoice
 - d. Monthly and cumulative costs by cost element
 - e. Monthly and cumulative Man-hours
 - f. Name of project and brief description of the work performed for the period
 - g. Current total amount being invoiced
 - h. Cumulative invoiced amount allowable under the Subcontract
 - i. Name and address of official to whom payment is to be sent
 - j. Name, title, and phone number of person to contact regarding invoice issues or questions
4. Invoices that include charges for travel, subsistence, and lodging shall be supported by a copy of the employee's travel expense report with copies of all receipts for expenses in excess of \$75. If a travel expense report is not available, an itemized report/invoice with copies of all receipts for expenses in excess of \$75 is required.

5. Invoices shall include the following written certification:
“I certify that the amounts invoiced are for costs incurred in accordance with the Subcontract, the work reflected has been performed, and prior payment has not been received.”
Authorized Signature _____
6. If both parties agree, quick closeout procedures may be followed in accordance with FAR 42.708. In the event that a final audit has not been performed prior to the closeout of an award, the Contractor shall retain the right to recover an appropriate amount after fully considering the recommendations on disallowed direct costs resulting from the final audit.

The following documents are required for Task Order closeout and shall be completed and submitted by the Subcontractor’s Contract Representative, not later than ninety (90) calendar days following the last day of each Task Order period of performance, unless earlier delivery is otherwise specified herein:

- Final Invoice, within 60 days after Task order completion:
The Subcontractor's final invoice (completion invoice) will be clearly indicated as such in accordance with FAR 52.216-07, and shall indicate the cumulative amounts (by cost element) incurred and billed to completion, and a written certification of the total hours expended.
- Final Program Status Report
- Subcontractor’s Release
- Subcontractor’s Assignment of Refunds, Rebates, Credits, and Other Amounts
- Property Report
- Patents Report

G.2 PAYMENT TERMS

Any Subcontractor invoice discount period, or net payment period, shall begin when both the invoice and the supplies/services (conforming to technical requirements,) have been received and approved by the Contractor. Payment terms are Net 30 days after receipt of an acceptable invoice as defined in Clause G.1.

G.3 AUTHORITY TO MODIFY AGREEMENT

Contractor authority to effect changes in this Subcontract or any Task Order issued hereunder is expressly limited to the Contractor Subcontract’s Representative.

G.4 OVERPAYMENTS

If the Subcontractor becomes aware of a duplicate contract financing or invoice payment or that Contractor has otherwise overpaid an invoice, the Subcontractor shall immediately notify the Contractor’s Subcontract Representative and request instruction for disposition of the overpayment.

G.5 TECHNICAL AND ADMINISTRATIVE REPRESENTATIVES

1. The following technical and administrative representatives of the Contractor and Subcontractor are hereby designated for this Subcontract:

Subcontractor's Representatives are:

_____, Technical Representative

Title: _____
Phone: _____
Fax: _____
E-mail: _____

_____, Contract Representative

Title: _____
Phone: _____
Fax: _____
E-mail: _____

Contractor's Representatives are:

Dale Orren, Technical Representative

Title: CNST Deputy Director
Phone: (843) 760-3587
Fax: (843) 760-5213
E-mail: dale.orren@ati.org

Carlton Roxbrough, Subcontract Representative

Title: Sr. Contracts Manager
Phone: (843) 760-3203
Fax: (843) 207-5903
E-mail: carlton.roxbrough@ati.org

When necessary, technical representatives specific to individual Task Orders may be indicated in the Task Order.

2. Performance of the work hereunder is subject to the technical direction of the Contractor's Technical Representative designated in this Subcontract or any Task Order issued under it. For the purposes of this clause, technical direction includes the following:
- a. Direction to the Subcontractor which shifts work emphasis between work areas or tasks, requires pursuit of certain lines of inquiry, fills in details or otherwise serves to accomplish the objectives described in the Task Order statement of work;
 - b. Guidelines to the Subcontractor that assist in the interpretation of drawings, specifications or technical portions of work description.
 - c. Review and, where required by the Subcontract or the Task Order, approval of technical reports, drawings, specifications, or technical information to be delivered by the Subcontractor to Contractor under the Task Order.

The Contractor Technical Representative shall monitor the Subcontractor's performance with respect to compliance with the technical requirements of both this Subcontract and the individual Task Orders issued under it.

3. Technical direction must be within the general scope of work stated in the individual Task Order Statements of Work. Technical direction may not be used to:
 - a. Assign additional work under the Subcontract or Task Order Statement of Work;
 - b. Direct a change as defined in the Subcontract clause entitled "Changes";
 - c. Increase or decrease the estimated Task Order cost, the fee (if any), or the time required for Task Order performance;
 - d. Change any of the terms, conditions or specifications of the Subcontract or any of the individual Task Orders; or
 - e. Accept non-conforming work.As such, no verbal or written request, notice, authorization, direction or order received by the Subcontractor shall be binding upon the Contractor, or serve as the basis for a change in the Task Order cost or any other provision of this Subcontract or the individual Task Order, unless issued (or confirmed) in writing by the Contractor's Subcontracts Representative.
4. The Subcontractor shall immediately notify the Contractor's Subcontracts Representative whenever a verbal or written change notification has been received from an employee of the Contractor (other than the Subcontracts Representative), which would affect any of the terms, conditions, cost, schedules, etc. of this Subcontract or any Task Order issued under it, and the Subcontractor is to perform no work or make any changes in response to any such notification or make any claim on the Contractor, unless the Contractor's Subcontracts Representative directs the Subcontractor, in writing, to implement such change notification.

G.6 NON-SOLICITATION OF PERSONNEL

The parties agree that during the term of this Subcontract neither party will solicit personnel or consultants of the other party who are performing work under any of the Task Orders issued under this Subcontract for the purpose of inducing them to join their employ. Nothing in this section, however, shall preclude either party from placing "help wanted" advertisements or employees of either party from pursuing employment opportunities with the other party on their own initiative.

G.7 SUBCONTRACTOR RESPONSIBILITY

Notwithstanding the right of the Contractor to review the Subcontractor's effort and progress, it is expressly understood that the Subcontractor is completely responsible for compliance with the provisions of this Subcontract and those contained in each Task Order and any reviews or approvals given by the Contractor do not relieve the Subcontractor of this responsibility.

G.8 IDENTIFICATION OF LOWER-TIER SUBCONTRACTORS

The Subcontractor shall inform the Contractor and shall obtain written consent from Contractor's Subcontract Representative for all lower-tier subcontractors, consultants, etc., who will provide materials and/or services hereunder to Subcontractor. Notification to Contractor of such procurement shall include the name of the lower-tier supplier, a general description of the materials/services being procured and the price therefore. This information need not be supplied if previously included in Subcontractor's proposal, as accepted by Contractor, or otherwise furnished to and accepted by Contractor in writing and no change has been made thereto.

G.9 CAPITAL EQUIPMENT

No capital equipment is allowed to be procured under this Agreement.

G.10 SUBCONTRACTOR SUPPORT

Subcontractor agrees to participate and support meetings with Contractor, the Government, and/or other Subcontractors hereunder, as may be required, to discuss/resolve interrelated problems of technical concern between the parties. Subcontractor shall be notified in advance of the scheduled meeting dates, locations, topics to be discussed, etc. when such Subcontractor support is required.

In addition, conferences may be planned between the Contractor and its customer, at which time the Subcontractor's attendance may be required. "Dry run" conferences also may be held between the Contractor and the Subcontractor prior to the scheduled conference between the Contractor and its customer. Subcontractor agrees to attend such conferences and dry runs, as necessary, when so requested by the Contractor.

SECTION H SPECIAL PROVISIONS

H.1 COMPLIANCE WITH LAWS

The Subcontractor agrees, in the performance of this Subcontract and each Task Order under it, to comply with all federal, state, and local laws, regulations, rules, and orders applicable to this Subcontract and the Task Orders under it, including, but not limited to, the provisions of the Fair Labor Standards Act of 1938, as amended, and any applicable Executive Orders.

H.2 COMMUNICATIONS WITH GOVERNMENT PERSONNEL

No order, statement or conduct of Government personnel who in any manner communicates with Subcontractor personnel during the performance of this Subcontract shall constitute a change under the "Changes" clause of this Subcontract (FAR 52.243-02). The Contractor shall be responsible for all liaisons and communications with the Contractor's customer for the term of this Subcontract. The Subcontractor shall not communicate with the Contractor's customer regarding this Subcontract and the Task Orders issued under it except with the prior consent of the Contractor. The Subcontractor shall coordinate all communications with the Contractor's other subcontractors with Contractor in advance and under no circumstances discuss the specific terms of this Subcontract or any Task Orders issued under it.

H.3 NEWS AND INFORMATIONAL RELEASES

No news or informational releases, including photographs and films, public announcements or confirmation of same, on any part of the subject matter of this Subcontract or any of the Task Orders issued hereunder shall be made without the prior written approval of the Contractor. Subcontractor will plan any such releases in advance to allow ample time for Contractor to seek this required approval. Subcontractor agrees to flow down these terms in any lower-tier contracts/purchase orders issued under this Subcontract or any of the Task Orders issued hereunder.

H.4 INCORPORATION BY REFERENCE

1. All representations and certifications and other written statements made by the Subcontractor in response to the Representations, Certifications, and Acknowledgments of the solicitation or otherwise submitted to the Contractor, incident to the award of the Subcontract, modification of this Subcontract, or any Task Orders issued under the Subcontract are hereby incorporated by reference with the same force and effect as if they were given in full text.
2. All specifications, standards, drawings, exhibits, and documents which are attached hereto, referenced herein below, referenced elsewhere in this Subcontract or in any of the Task Orders are applicable to the work to be performed and are incorporated herein with the same force and effect as if they were given in full text.

H.5 INTERPRETATION OF SUBCONTRACT

1. It shall be the obligation of the Subcontractor to exercise due diligence to discover and to bring to the attention of the Contractor, at the earliest possible time, any ambiguities, discrepancies, inconsistencies, or conflicts in or between any of the technical or contractual provisions hereof or in any of the Task Orders.
2. Any ambiguity, discrepancy, inconsistency, or conflict in or between any of the technical or contractual provisions hereof or any of the Task Orders shall be resolved by applying the most reasonable interpretation under the circumstances, giving full consideration to the intentions of the parties at the time of contracting.

H.6 REMEDIES AND NON-WAIVER

Failure of the Contractor to insist upon strict conformance of the provisions of this Subcontract or any individual Task Order shall not constitute a waiver of any of the provisions in either or a waiver of any of the technical requirements, specifications or drawings, or a waiver of any default provision.

H.7 EFFECT OF ANY INVALIDITY OF ANY PROVISION(S)

The invalidity in whole or in part of any provision of this Subcontract or any Task Order shall not affect the validity of any other provision(s) of this Subcontract or any of the Task Orders issued under it.

H.8 QUESTION OF FACT RELATED TO PRIME CONTRACT

If a decision on a question of fact arising under the Prime Contract is made by the Contracting Officer relating to this Subcontract or any Task Orders, notwithstanding the omission of any provisions or any provisions herein to the contrary, the decision, if binding on the Contractor under the Prime Contract, shall bind Contractor and Subcontractor to the extent that it relates to this Subcontract or any of the Task Orders.

H.9 LITIGATION AND CLAIMS

The Subcontractor shall give the Contractor immediate notice in writing regarding the following:

1. Any action, including any proceedings before a federal, state, or local governmental or civilian agency, filed against the Subcontractor arising out of the performance of any of the Task Orders under this Subcontract; and,

2. Any claim by a third party against the Subcontractor, the cost and expense of which is, or may be allowable, under this Subcontract or any Task Orders issued hereunder.

In the event of the occurrence of either of the above, the Subcontractor shall immediately furnish to the Contractor copies of all pertinent papers and documents received by the Subcontractor with respect to such action or claim.

H.10 ASSIGNMENT OF AGREEMENT

This Subcontract and all Task Orders issued hereunder shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and assigns. It may not be assigned in whole or in part by either party without the prior written consent of the other party.

H.11 FACILITIES NOT TO BE CONTRACTOR/GOVERNMENT FURNISHED

Except as may be otherwise expressly stated herein, the Subcontractor's obligation to perform any Task Order under this Subcontract is in no way conditioned upon the providing by the Contractor or its customer of any facilities. Accordingly, no such facilities shall be either acquired by the Subcontractor for the account of the Contractor or its customer hereunder. For the purpose of this Clause, facilities means industrial property (other than material, special tooling, military property, and special test equipment) for production, maintenance, research, development, or test, including real property and rights therein, building, structures, improvements, and plant equipment as defined in FAR clause 45.101.

H.12 SUBCONTRACTOR WARRANTIES

1. In addition and without prejudice to all warranties expressed or implied by law, Subcontractor warrants that all supplies/services covered by this Subcontract and any Task Orders issued hereunder will conform to the drawings, technical requirements, or other description and will be of good material and workmanship and free of defects.
2. Subcontractor warrants that the price(s) specified in each Task Order do not exceed the current selling prices for the same or substantially similar services whether sold to the Government or to any other purchaser, taking into account the quantity and conditions of sale.
3. Subcontractor warrants that to the best of his knowledge, information, and belief, the prices charged for supplies/services covered by each Task Order are not in excess of prices permitted by any applicable law or regulation.
4. Subcontractor warrants that the technical and management personnel proposed to perform the work under each Task Order are qualified to perform their assigned tasks.
5. Subcontractor warrants that it has obtained all required licenses necessary to perform the workscope under each Task Order.
6. The above warranties also constitute conditions of sale and shall survive inspection, acceptance and payment hereunder.

H.13 PATENT INDEMNITY, GENERAL INDEMNITY

Subcontractor agrees to defend and hold harmless Contractor, Contractor's customer, and those for whom Contractor may act as an agent from all loss or damage by reason of any and all actions or proceedings charging infringement of any patent, trademark, or copyright by reason of sale or use of any supplies/services furnished under this Subcontract or any Task Orders issued hereunder by the Subcontractor. Subcontractor agrees to indemnify and hold Contractor harmless from all loss, costs, or damages arising out the negligent acts and/or omissions of any of Subcontractor's employees, agents, or representatives relating to any work performed under this Subcontract or any Task Orders issued hereunder.

H.14 SET-OFF

Contractor may set-off against amount payable to Subcontractor hereunder any claim or charge Contractor may have against Subcontractor.

H.15 DISPUTES

1. Contractor and Subcontractor agree to enter into negotiation to resolve any dispute. Both parties agree to negotiate in good faith to reach a mutually agreeable settlement within a reasonable amount of time.
2. If negotiation is unsuccessful, Contractor and Subcontractor agree to enter into binding Arbitration. The American Arbitration Association (AAA) Commercial Arbitration Rules (most recent edition) are to govern this Arbitration. The Arbitration shall take place in the State of South Carolina. The Arbitrator shall be bound to follow the applicable Subcontract and Task Order provisions and South Carolina law in adjudicating the dispute. It is agreed by both parties that the Arbitrator's decision is final, and that no party may take any action, judicial or administrative, to overturn this decision. The judgment rendered by the Arbitrator may be entered in any court having jurisdiction thereof. Pending any decision, appeal or judgment referred to in this provision or the settlement of any dispute arising under this Subcontract, Subcontractor shall proceed diligently with the performance of the Task Orders under this Subcontract.
3. Disputes between the parties which involve a claim to be submitted to the Government under the auspices of the Contractor's Prime Contract shall be subject to FAR 52.233-1, incorporated in Section I herein. In this case, the arbitration procedures included in paragraph (2) above may serve as the alternative dispute resolution referenced in paragraph (g) of FAR 52.233-1. If the Government is party to the alternative dispute resolution, however, differing procedures may be negotiated by mutual consent.

H.16 INDEPENDENT SUBCONTRACTOR

In the conduct of the work under each Task Order, the Subcontractor is acting in the capacity of an independent Subcontractor and is not an agent or employee of the Contractor. The Contractor, however, shall have general direction of the work and the right to control the final results obtained within the limitations of the technical requirements hereof.

H.17 CONTRACTOR'S REVIEW AND APPROVAL

1. When review and approval of Subcontractor's work is necessary or required under a particular Task Order, the Subcontractor shall allow sufficient time for such review and/or approval as may reasonably be required by the Contractor and /or Contractor's customer. Contractor shall advise Subcontractor of the specific reasons for rejection of any of Subcontractor's submissions for review/approval.
2. The Contractor's notice of approval, acceptability, concurrence, or release to proceed with the work shall be construed only as acknowledgment that the course of action proposed by the Subcontractor appears reasonable and that Subcontractor may proceed to fulfill his responsibility to delivery services/data in full conformance with the requirements of both the Subcontract and individual Task Order.
3. At all reasonable times during the performance of this Subcontract, if applicable, Subcontractor shall furnish promptly, upon the request of Contractor, details of design, development, and test data of the work being performed for Contractor's review.

H.18 DETERMINATION OF AWARD FEE

The Award Fee Plan incorporated as Attachment B to this Agreement will be administered for all Cost-Plus-Award-Fee (CPAF) Task Orders awarded hereunder.

H.19 LIABILITY, AUTOMOBILE AND WORKMAN'S COMPENSATION INSURANCE

The Subcontractor shall, at its own expense, provide and maintain during the entire performance period of this Subcontract and each Task Order issued hereunder, at least the kinds and minimum amounts of insurance specified below for the duration of this Subcontract. In the event of any discrepancy between the requirements of this clause and the requirements stated in FAR 52.228-7, this clause shall rule.

1. Comprehensive General Liability: \$100,000 minimum per person and \$500,000 minimum per accident for bodily injury, and \$25,000 property damage.
2. Automobile Insurance: \$200,000 per person and \$500,000 per accident for bodily injury and \$20,000 per accident for property damage.
3. Standard Workmen's Compensation and Employer's Liability Insurance or, where maritime employment is involved, Longshoremen's and Harbor Worker's Compensation Insurance, as required or prescribed by law, in the minimum amount of \$100,000 or such greater amount as may be proper under applicable state or federal statutes.

H.20 INSURANCE CERTIFICATES

If any work is to be performed at Contractor's or its customer's facilities, or if the Contractor and/or its customer so requests, insurance certificates evidencing the required insurance coverage shall be delivered to Contractor's Subcontract Representative prior to any change or cancellation of the policies. Upon expiration of such insurance before this Subcontract or any Task Order issued hereunder is completed, the Subcontractor shall automatically submit renewal certificates.

H.21 STANDARDS OF WORK CLAUSE

The Subcontractor agrees that the performance of work and services pursuant to the requirements of this Subcontract and the Task Orders under it shall conform to high professional standards.

H.22 PERFORMANCE OF WORK ON CONTRACTOR'S/GOVERNMENT'S PREMISES

Any work under a Task Order which is performed by the Subcontractor or any of its 2nd tier subcontractors on the Contractor's or its customer's premises is subject to all the provisions of this Subcontract as well as the Task Order governing such work and the following:

1. All Subcontractor and 2nd tier subcontractor personnel shall obtain identification passes and shall, at all times, conspicuously display a distinctive badge provided by the Contractor or its customer identifying such personnel as employees of the Subcontractor. They shall observe and otherwise be subject to such facility rules and security regulations as are in effect for the particular premises involved.
2. Except as may be otherwise specified herein, the Subcontractor shall furnish all materials, tools, and equipment required for the work to be performed.
3. The Subcontractor shall provide direct supervision of its own employees and shall exercise control of its lower-tier subcontractor's employees.
4. The Subcontractor shall designate to the Contractor, in writing, an on-the-premises representative to serve as point of contact for the Subcontractor with the Contractor.
5. Performance of work on Contractor's or its customer's premises shall be confined to the area(s) specified by the Contractor and/or its customer.
6. The Subcontractor shall take all necessary precautions to prevent the occurrence of any injury to persons or damage to property during the progress of the work and, except to the extent that any such injury to persons or damage to property is due to Contractor's or its customer's fault or negligence, the Subcontractor shall hold harmless, indemnify, and protect the Contractor/Government against all liability, demands, or claims, including the costs of defending against any such claims, for injuries to any persons or damages to property occurring from the Subcontractor's performance of any Task Orders under this Subcontract.

H.23 RELEASE OF CLASSIFIED REPORTS

If, as a result of this Subcontract or any Task Order issued hereunder, any classified reports are produced and distributed by the Subcontractor to a distribution list, the Subcontractor shall have the responsibility to determine the storage and safeguarding capability of the recipients from the appropriate cognizant security office before the first release of any such reports. Subsequent releases of classified material may be made without reverification of storage and safeguarding capability until the distribution list is revised to delete the recipient.

H.24 FAILURE TO COMPLY

1. If Subcontractor fails to make delivery in accordance with the agreed upon delivery schedule in each Task Order, subject to FAR clause 52.249-14, or fails to comply with any of the provisions, terms or conditions applicable to this Subcontract or any of the Task Orders issued under it, the Contractor, with the concurrence of its customer, may either agree to a revised delivery date or schedule, equitable compensation therefore, or terminate this Subcontract, any Task Order issued under it, or both, or the undelivered portion thereof, in accordance with FAR clause 49.503, without any further liability to Subcontractor for the undelivered portion.

2. The rights and remedies of the Contractor provided in this Clause shall not be exclusive and are in addition to any other rights and remedies provided to the Contractor by law under the terms of this Subcontract.
3. None of the following shall be regarded as an extension, waiver, or abandonment of the delivery schedule or a waiver of the Contractor's right to terminate this Subcontract or any Task Order under it as provided above:
 - a. Delay by the Contractor in terminating this Subcontract, any Task Order issued under it, or both,
 - b. Acceptance of delinquent delivery, or
 - c. Acceptance or approval of samples.
4. Any assistance rendered to the Subcontractor under a Task Order under this Subcontract, or acceptance by Contractor of delinquent goods or services, will be solely for the purpose of mitigating damages and is not to be construed as an intention on the part of Contractor to condone delinquency or as a waiver of any rights the Contractor may have.

H.25 PROPRIETARY INFORMATION AND DATA OF CONTRACTOR/SUBCONTRACTOR

During the period covered by this Subcontract or any Task Order issued hereunder, it may be necessary for either party to provide proprietary information to the other or proprietary data may be developed jointly by the parties. With respect to such information, the parties agree as follows:

1. For proprietary information to be protected as such, in accordance with this Subcontract or any Task Order issued hereunder, it must be:
 - a. In writing,
 - b. Clearly identified as proprietary information on each page thereof and marked with the following legend: "Proprietary information of (furnishing party)" or equivalent, and
 - c. Delivered to the individual designated as provided herein or so identified in each Task Order.
 - d. If disclosed in oral or visual form, identified as proprietary at the time of disclosure and reduced to writing with the appropriate markings and delivered to the receiving party within 30 days of such disclosure. During the 30-day period, the information disclosed shall be deemed to be proprietary information.
2. Each party hereto agrees not to disclose such proprietary information to unauthorized parties. Neither party shall be liable, however, for the inadvertent or accidental disclosure of such information, marked as proprietary information as provided above, if such disclosure occurs despite the exercise of the same degree of care as such party normally takes to preserve and safeguard its own proprietary information. The receiving party shall not use proprietary information of the other for any purpose other than as is required for the performance of this Subcontract. The receiving party assumes no responsibility for release of proprietary information by the U.S. Government to general public pursuant to the Freedom of Information Act, as amended, or any other similar statute or regulation.
3. Each party will designate in writing one or more individuals within its organization as the only person(s) authorized to receive proprietary information exchanged between the parties pursuant to this individual Task Orders. The responsible party for the Contractor shall be the

- Technical Representative indicated herein or, if applicable, identified in a Task Order issued hereunder.
4. Disclosure of proprietary information shall be restricted to those employees having a “need to know” with regards to efforts under this Subcontract and any Task Orders issued hereunder.
 5. The obligations of the parties with respect to handling and using proprietary information are not applicable to the following:
 - a. Information that is or becomes available to the receiving party through third parties or the general public, without restriction and without breach of this Subcontract or a Task Order issued hereunder by the receiving party as demonstrated by the receiving party.
 - b. Information that is or becomes known to the receiving party independently of the disclosing party as demonstrated by the receiving party.
 - c. Information that is independently developed by the receiving party as demonstrated by the receiving party.
 - d. Information that is or has been furnished by the disclosing party to the Government with "unlimited rights."
 - e. Information that is or becomes available to a party by inspection or analysis of products offered for sale.
 6. The obligations of the parties under this provision shall terminate five years after Subcontract completion or completion of any resulting Task Orders and shall survive the expiration and termination of portions of this Subcontract or any Task Orders issued hereunder.
 7. Except as required in the performance of the Task Orders issued under this Subcontract, neither this Subcontract nor the furnishing of any information hereunder by the Contractor shall grant Subcontractor, by implication or otherwise, any license under any invention, patent, trademark or copyright.
 8. If no such proprietary information or data is identified, it will be assumed that all deliverable information and data is furnished with unlimited rights.

H.26 INSOLVENCY

The Contractor reserves the right to cancel this Subcontract, by written notice to the Subcontractor, upon the happening of a voluntary or involuntary filing of a petition under the bankruptcy laws of the United States, the execution of an assignment for the benefit of creditors, a calling of a meeting of creditors, an appointment of a dissolution or liquidation agent or committee, or an application for the appointment of a receiver.

H.27 PROPERTY

The following Government Property is provided for use under this Subcontract:

Government Property to be provided: To Be Determined in each Task Order if applicable.

Contractor Property to be provided: To Be Determined in each Task Order if applicable.

Government Property provided to or acquired or made by the Subcontractor and charged to the Task Orders under this Subcontract as therein authorized are subject to the provisions of FAR 45.5, DFARS 245.5, DoD Instruction 4161.2-M, and FAR Clause 52.245-1 incorporated herein by reference.

Notwithstanding the provisions of FAR 52.245-1 or any other provision of the Subcontract or any Task Orders issued hereunder, the Subcontractor shall assume the risk of and be responsible for any loss or destruction of, or damage to, any Government and/or Contractor Property while in the Subcontractor's possession or control, with the exception of reasonable wear and tear or reasonable and proper consumption. All property shall be returned at the end of the Task Order in as good as condition as when received with the exception of said reasonable wear and tear or in accordance with the provisions of the Task Order regarding its use. The Subcontractor shall maintain adequate insurance to cover its risk and promptly furnish evidence thereof at the Contractor's request.

The Subcontractor shall establish and maintain adequate control records for all Government and/or Contractor Property and shall promptly furnish evidence of its compliant government property control system at the Contractor's request. If the Subcontractor has a compliant government property control system, its property control records shall constitute the official property records unless an exception has been authorized. If Subcontractor does not have a compliant government property control system, it will employ Contractor's policies and procedures for the management, acquisition, receiving, identification, records, movement, storage, physical inventories, reporting, utilization, maintenance, disposition, and close-out associated with Government and/or Contractor Property.

The Subcontractor will provide the Contractor with an annual inventory in a form and format acceptable to the Contractor and a completed Form DD1662 no later than June 30th of each year of the Subcontract.

The Contractor reserves the right to inspect Government and/or Contractor Property and records during the term of the Subcontract to ensure that adequate controls are employed. The Subcontractor must obtain explicit written authorization for any transfer or disposition of Government and/or Contractor Property.

H.28 UNAUTHORIZED CHANGES AFFECTING DOCUMENTS

The Subcontractor shall make no modifications, revisions, alterations, or changes to any document or drawing related the work being performed under this Subcontract or any Task Orders issued hereunder which has previously been approved by the Contractor and/or its customer without the prior written consent of Contractor.

H.29 IDENTIFICATION OF TECHNICAL DATA

Technical data delivered by the Subcontractor to the Contractor pursuant to a Task Order issued under this Subcontract shall be marked with the name and address of Subcontractor or Subcontractor's lower-tier subcontractor who generated the technical data, and all such documents shall include an identification/drawing number, a current revision number and date and the applicable distribution statement identified in the Task Order.

H.30 RIGHTS IN INVENTIONS

Inventions shall remain the property of the originating party. In the event of joint inventions, the parties shall establish their respective rights by negotiations between them. In that regard, it is recognized and agreed that the parties may be required to and shall grant license or other rights to the Government to inventions, data, and information under the provisions contained herein and as specified in individual Task Orders.

H.31 TITLE/RISK OF LOSS OR DAMAGE OF DELIVERABLES

Title to deliverables shall pass to Contractor upon inspection and acceptance of same by Contractor at first destination. The Contractor is relieved from all risks of loss or damage to the deliverable prior to such time except when loss or damage is due to fault or negligence of the Contractor.

H.32 INVENTION DISCLOSURES AND REPORTS

Prior to final payment and as a condition thereof, the Subcontractor shall submit all invention disclosures and reports required by the Patent Rights clause of this Subcontract to the Contractor's Subcontract Representative for delivery to the Government.

H.33 SUBCONTRACTOR'S DELIVERABLE SUBMISSIONS

1. Any Subcontractor deliverable submissions of reports, data, drawings, artwork, etc., applicable hereto which require no input from the Contractor, shall be submitted to Contractor's Technical Representative in final form suitable for direct submission to Contractor's customer.
2. The initial draft of Subcontractor's deliverables shall be submitted to Contractor for informational purposes/review whenever practicable and/or when specifically requested by Contractor. Contractor shall advise Subcontractor of those initial draft deliverables, if any, to be submitted for informational purposes/review.
3. Scientific or technical reports prepared by the Contractor and deliverable under the terms of this contract will be prepared in accordance with format requirements contained in ANSI/NISO Z39.18-2005, Scientific and Technical Reports: Elements, Organization, and Design. [NOTE: All NISO American National Standards are available as free, downloadable .pdf(s) at <http://www.niso.org/standards/index.html>].

H.34 KEY PERSONNEL REQUIREMENTS

1. This Clause shall apply only if the Subcontractor submitted "Key Personnel" resumes or otherwise identified or designated key personnel for Contractor's evaluation of the Subcontractor's proposal for certain skilled, experienced, professional, and/or technical personnel essential for successful accomplishment of the work to be performed under this Subcontract or any Task Order issued hereunder and such key personnel are identified. For purposes of this Subcontract, key personnel will be identified in each Task Order.
2. The Subcontractor agrees that key personnel shall not be removed from the Task Order work or replaced without compliance with paragraphs 3 and 4 below.

3. If one or more of the key personnel for whatever reason becomes, or is expected to become, unavailable for work under this a Task Order for a continuous period exceeding 20 work days, or is expected to devote substantially less effort to the work than indicated in the Subcontractor's proposal or initially anticipated, the Subcontractor shall provide advance notification of 30 days to the Contractor and, shall submit resumes of the qualifications of the proposed replacements in sufficient detail to permit evaluation of the impact on the contract. Subject to the concurrence of the Contractor, the Subcontractor shall replace such personnel with personnel of substantially equal ability and qualifications.
4. All requests for approval of key personnel substitutions hereunder must be in writing to Contractor's Subcontract Representative and provide a detailed explanation of the circumstances necessitating the proposed substitutions. The request must contain a complete resume for the proposed substitute, and any other information requested by the Contractor or needed by it to obtain approval of the proposed substitution by Contractor's customer, if applicable. The Contractor will promptly notify the Subcontractor of the approval or disapproval of any proposed key personnel substitutions.

H.35 FORCE MAJEURE

Any delay or failure of either party to perform its obligations hereunder shall be excused if, and to the extent that it is cause by an event or occurrence beyond the reasonable control of the party and without its fault or negligence, such as, by way of example and by way of limitation, acts of God, action by any government authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars, sabotage, labor problems (including lockouts, strikes and slowdowns), inability to obtain power, material, labor, equipment or transportation, or court injunction or order; provided that written notice of such delay (including the anticipated duration of the delay) shall be given by the affected party to the other party within ten (10) days. During the period of such delay or failure to perform by Subcontractor, Contractor, at its option, may purchase goods from other sources and reduce its schedules to Subcontractor by such quantities, without liability to Subcontractor, or have Subcontractor provide the goods from other sources in quantities and at times requested by Contractor and at the price set forth in this Subcontract. If requested by the Contractor, Subcontractor shall, within ten (10) days of such request, provide adequate assurances that the delay shall not exceed thirty (30) days. If the delay lasts more than thirty (30) days or Subcontractor does not provide adequate assurance that the delay will cease within thirty (30) days, Contractor may immediately cancel the Subcontract without liability.

H.36 MANAGEMENT REVIEWS

The Contractor reserves the right to call monthly Program Review meetings or other meetings as needed or required by providing 15 days written notice to Subcontractor. The Subcontractor will support these meetings with appropriate personnel, data, reports, or other information stated in the notice.

SECTION I APPLICABLE FEDERAL REGULATIONS

I.1 DEFINITIONS

The following definitions apply unless otherwise specifically stated:

1. Subcontract - This executed contractual agreement between Contractor and Subcontractor listing services to be furnished and the consideration therefore.
2. Task Order – Delivery order placed under this Subcontract with its own Statement of Work.
3. Contractor - The party purchasing the services.
4. Subcontractor - The party that has entered into this Subcontract with the Contractor.
5. Government - The United States of America or any department or agency thereof.
6. Procuring Agency - The department of the Government having cognizance of the prime contract.
7. Contracting Officer - The person having cognizance on behalf of the Government of the Prime Agreement and any other officer or civilian employee of the Government who is properly designated as the Contracting Officer of the awarding agency. The term includes, except as otherwise provided in this Subcontract, any authorized representative of such Contracting officer acting within the limits of his authority.
8. Provision - Any part of this Subcontract or attachment thereto including, but not limited to, any referenced or incorporated agreement, specification, documentation or data, or any clause(s) or part(s) or combination(s) thereof.
9. Contractor's Subcontract Representative - Such employee(s) of the Contractor as having authority to act for and on behalf of the Contractor for contractual and administrative matters relating to this Subcontract.
10. Subcontractor's Contract Representative - Such employee(s) of the Subcontractor, as the Subcontractor has received notice from the Contractor, as having authority to act for and on behalf of the Contractor for contractual and administrative matters relating to this Subcontract.
11. Contractor's Technical Representative - Such employee(s) of the Contractor as having authority to act for and on behalf of the Contractor for technical matters relating to this Subcontract.
12. Subcontractor's Technical Representative - Such employee(s) of the Subcontractor, as the Subcontractor has received notice from the Contractor, as having authority to act for and on behalf of the Contractor for technical matters relating to this Subcontract.
13. FAR - Federal Acquisition Regulation.
14. Modification – Any written change in the terms of the contract.

I.2 FAR CLAUSES APPLICABLE TO THIS SUBCONTRACT

The FAR and DFAR Clauses referenced below, in effect on the date of this Subcontract are incorporated herein. To the extent that an earlier version of any such clause is included in the Prime Contract or Subcontract under which this Subcontract is issued, the date of the clause as it appears in such Prime Contract or Subcontract shall be controlling and said version shall be incorporated herein. In all such clauses, unless the context of the clause required otherwise, the term "Contract" shall mean this Subcontract, and the terms "Government", "Contracting Officer" and equivalent phrases shall mean Contractor and Contractor's representative, respectively. It is intended that the referenced clauses shall apply to Subcontractor as a Subcontractor to Contractor, to insure Subcontractor's obligations to Contractor and to the United State Government, and to enable Contractor to meet its obligations under its Prime Contract or Subcontract. In no event will the before-mentioned equivalent phrases for Government or Contracting Officer references apply to Clauses such as "Examination of Records by the Comptroller General," "Audit by Department of Defense," "Rights in Technical Data," or "Patent Rights."

Of the FAR and DFAR Clauses listed below, only those that are applicable to the procurement by virtue of the dollar amount involved, the item being procured, and/or the Subcontract type apply. In determining applicability, the final subcontract price, as adjusted for changes during the period of performance, shall be used.

In order to provide some assistance as to when a dollar threshold triggers the applicability of a Clause, specific symbols as shown below have been associated with appropriate dollar thresholds.

- * Applies when contract action exceeds \$10,000
- ** Applies when contract action exceeds \$100,000
- + Applies when contract action exceeds \$500,000
- ++ Applies when contract action exceeds \$550,000 and subcontracting possibilities exist.
Small Business Exempt.
- # Applies when contract action exceeds \$650,000

The full text of a clause may be accessed electronically at the addresses below:

<http://www.acqnet.gov/far/>

<http://farsite.hill.af.mil/>

This Subcontract and the resulting Task Orders incorporate the following clauses by reference with the same force and effect as if they were given in full text.

a) **FEDERAL ACQUISITION REGULATION (FAR) CLAUSES**

Reference	Title
** FAR 52.202-1	Definitions (JUL 2004)
** FAR 52.203-3	Gratuities (APR 1984)
** FAR 52.203-5	Covenant Against Contingent Fees (APR 1984)
** FAR 52.203-6	Restrictions on Subcontractor Sales to the Government (SEP 2006)
** FAR 52.203-7	Anti-Kickback Procedures (JUL 1995)
** FAR 52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (JAN 1997)
** FAR 52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (JAN 1997)
** FAR 52.203-12	Limitation on Payments to Influence Certain Federal Transactions (SEP 2007)
** FAR 52.204-4	Printed or Copied Double-Sided on Recycled Paper (AUG 2000)
** FAR 52.204-7	Central Contractor Registration (APR 2008)
FAR 52.204-8	Annual Representations and Certifications (FEB 2009)
** FAR 52.209-5	Certification Regarding Responsibility Matters (DEC 2008)
FAR 52.211-15	Defense Priority and Allocation Requirements (APR 2008)
** FAR 52.215-2	Audit and Records – Negotiations (MAR 2009)
FAR 52.215-8	Order of Precedence - Uniform Contract Format (OCT 1997)
# FAR 52.215-10	Price Reduction for the Defective Cost or Pricing Data (OCT 1997) (The clause is applicable to subcontracts over \$650,000.)
# FAR 52.215-12	Subcontractor Cost or Pricing Data (OCT 1997) (Applicable to subcontracts over \$650,000 only)
** FAR 52.215-14	Integrity of Unit Prices (OCT 1997) and Alternate I (OCT 1997) (Alternate I is applicable if the action is contracted under Other Than Full and Open Competition)
# FAR 52.215-15	Pension Adjustments and Asset Reversions (OCT 2004)
# FAR 52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions (JUL 2005)
# FAR 52.215-19	Notification of Ownership Changes (OCT 1997) (Applicable when Cost or Pricing Data is required)
FAR 52.216-7	Allowable Cost and Payment (DEC 2002)
FAR 52.216-8	Fixed Fee (MAR 1997)
** FAR 52.219-4	Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JUL 2005)
** FAR 52.219-8	Utilization of Small Business Concerns (MAY 2004)
FAR 52.219-28	Post-Award Small Business Representation (APR 2009)
FAR 52.222-1	Notice to the Government of Labor Disputes (FEB 1997)
FAR 52.222-3	Convict Labor (JUN 2003) (Reserved when FAR 52.222-20 Walsh Healy Public Contracts Act is applicable)
** FAR 52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation (JUL 2005)

FAR 52.222-21	Prohibition of Segregated Facilities (FEB 1999)
FAR 52.222-26	Equal Opportunity (MAR 2007)
** FAR 52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006)
** FAR 52.222-36	Affirmative Action for Workers with Disabilities (JUN 1998)
** FAR 52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (SEP 2006)
FAR 52.222-50	Combating Trafficking in Persons (FEB 2009)
** FAR 52.223-14	Toxic Chemical Release Reporting (AUG 2003)
FAR 52.225-13	Restrictions on Certain Foreign Purchases (JUN 2008)
** FAR 52.227-1	Authorization and Consent (DEC 2007) Alternate I (APR 1984)
** FAR 52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (DEC 2007)
FAR 52.228-7	Insurance Liability to Third Persons (MAR 1996) (Further to paragraph (a)(3), unless otherwise stated in this contract, types and limits of insurance required are as stated in FAR 28.307-2)
FAR 52.232-23	Assignment of Claims (JAN 1986) and Alternate I (APR 1984)
FAR 52.233-1	Disputes (JULY 2002)
FAR 52.242-1	Notice of Intent to Disallow Costs (APR 1984)
# FAR 52.242-3	Penalties for Unallowable Costs (MAY 2001)
FAR 52.242-4	Certification of Final Indirect Costs (JAN 1997)
** FAR 52.242-13	Bankruptcy (JUL 1995)
FAR 52.242-15	Stop Work Order (AUG 1989) and Alternate I (APR 1984)
** FAR 52.244-2	Subcontracts (JUN 2007)
** FAR 52.244-5	Competition in Subcontracting (DEC 1996)
FAR 52.244-6	Subcontracts for Commercial Items (MAR 2009)
FAR 52.245-1	Government Property (JUN 2007)
FAR 52.245-9	Use and Charges (JUN 2007)
** FAR 52.247-64	Preference for Privately Owned U.S. Flag Commercial Vessels (FEB 2006)
FAR 52.249-6	Termination (Cost-Reimbursement) (MAY 2004)
FAR 52.249-14	Excusable Delays (APR 1984)
FAR 52.251-1	Government Supply Sources (APR 1984)
FAR 52.253-1	Computer Generated Forms (JAN 1991)

b) DEPARTMENT OF DEFENSE FAR SUPPLEMENTAL (DFARS) CLAUSES:

Applicability / Reference	Title
DFARS 252.203-7000	Requirements Relating to Compensation of Former DoD Officials (JAN 2009)
** DFARS 252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (DEC 2008)
DFARS 252.203-7002	Requirement to Inform Employees of Whistleblower Rights (JAN 2009)
DFARS 252.204-7003	Control of Government Work Product (APR 1992)
DFARS 252.204-7004	Alternate A, Central Contractor Registration (SEP 2007)
DFARS 252.204-7007	Alternate A, Annual Representations and Certifications (JAN 2008)
DFARS 252.204-7010	Requirement for the Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S. International Atomic Energy Agency Additional Protocol (JAN 2009)
** DFARS 252.209-7001	Disclosure of Ownership of Control by the Government of a Terrorist Country (JAN 2009)
** DFARS 252.209-7004	Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country (DEC 2006)
# DFARS 252.215-7000	Pricing Adjustments (DEC 1991)
# DFARS 252.215-7003	Excessive Pass-Through Charges – Identification of a Subcontract Effort (May 2008)
# DFARS 252.215-7004	Excessive Pass-Through Charges (May 2008)
DFARS 252.225-7004	Reporting of Contract Performance Outside the United States and Canada-Submission After Award (MAY 2007)
** DFARS 252.225-7012	Preference for Certain Domestic Commodities (DEC 2008)
** DFARS 252.225-7013	Duty-Free Entry (JUN 2006)
DFARS 252.225-7031	Secondary Arab Boycott of Israel (JUN 2005)
+ DFARS 252.226-7001	Utilization of Indian Organizations and Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns (SEP 2004)
DFARS 252.227-7013	Rights in Technical Data – Noncommercial Items (NOV 1995), and Alternate I (JUN 1995)
DFARS 252.227-7014	Rights In Noncommercial Computer Software and Noncommercial Computer Software Documentation (JUN 1995)
DFARS 252.227-7016	Rights in Bid or Proposal Information (JUN 1995)
DFARS 252.227-7019	Validation of Asserted Restrictions – Computer Software (JUN 1995)

DFARS 252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (JUN 1995)
DFARS 252.227-7027	Deferred Ordering of Technical Data or Computer Software (APR 1988)
DFARS 252.227-7030	Technical Data – Withholding of Payment (MAR 2000)
DFARS 252.227-7037	Validation of Restrictive Markings on Technical Data (SEP 1999)
DFARS 252.231-7000	Supplemental Cost Principles (DEC 1991)
DFARS 252.232-7003	Electronic Submissions of Payment Requests (MAR 2008)
** DFARS 252.243-7002	Requests for Equitable Adjustment (MAR 1998)
** DFARS 252.246-7000	Material Inspection and Receiving Report (MAR 2008)
** DFARS 252.247-7023	Transportation of Supplies by Sea (MAY 2002)
** DFARS 252.247-7024	Notification Of Transportation Of Supplies By Sea (MAR 2000) (Applicable when the Contractor has made a negative response to the inquiry in the representation at DFARS 252.247-7022.)
DFARS 252.251-7000	Ordering from Government Supply Sources (NOV 2004)

c) ADDITIONAL FAR AND DFARS CLAUSES

The following FAR and DFARS clauses apply to all Subcontracts.

Reference	Title
FAR 52.203-13	Contractor Code of Business Ethics and Conduct (DEC 2008) (Applicable in solicitations and contracts if the value is expected to exceed \$5,000,000 and the performance period is 120 days or more.)
FAR 52.203-14	Display of DoD Hotline Poster (DEC 2007)
FAR 52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (SEP 2006) (Applicable to contracts exceeding \$30,000 in value.)
FAR 52.215-17	Waiver of Facilities Capital Cost of Money (OCT 1997)
FAR 52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data - Modifications (OCT 1997) (Applicable to 'contracts' if cost or pricing data or information other than cost or pricing data will be required for modifications)
FAR 52.219-9	Small Business Subcontracting Plan (APR 2008)(Use in solicitations and contracts that offer subcontracting possibilities, are expected to exceed \$550,000, and are required to include the clause at 52.219-8, Utilization of Small Business Concerns, unless the acquisition is set aside or is to be accomplished under the 8(a) program.

FAR 52.219-16	Liquidated Damages- Subcontracting Plan (JAN 1999)(Use in all solicitations and contracts containing the clause at 52.219-9)
FAR 52.223-5	Pollution Prevention and Right-to-Know Information (AUG 2003) (Applicable if contract provides for performance, in whole or in part, on a Federal facility)
FAR 52.223-6	Drug-Free Workplace (MAY 2001) (Applies when contract action exceeds \$100,000 or at any value when the contract is awarded to an individual)
FAR 52.230-2	Cost Accounting Standards (APR 1998)
FAR 52.230-6	Administration of Cost Accounting Standards (MAR 2008)
FAR 52.232-20	Limitation of Cost (APR 1984)
FAR 52.232-22	Limitation of Funds (APR 1984)
DFARS 252.204-7009	Requirements Regarding Potential Access to Export-Controlled Items (JUL 2008)
DFARS 252.205-7000	Provision of Information to Cooperative Agreement Holders (DEC 1991) (Applicable only when contract action exceeds \$1,000,000 or when any modification increases total contract amount to more than \$1,000,000)
DFARS 252.211-7007	Reporting of Government-Furnished Equipment in the DoD Item Unique Identification (IUID) Registry (NOV 2008)
DFARS 252.215-7002	Cost Estimating System Requirements (DEC 2006) (Applicable only to contract actions awarded on the basis of certified cost or pricing data)
DFARS 252.219-7003	Small Business Subcontracting Plan (DoD Contracts) (APR 2007) (Use this clause in solicitations and contracts that contain the clause FAR 52.219-9, Small Business Subcontracting Plan)
DFARS 252.223-7004	Drug-Free Work Force (SEP 1988)
DFARS 252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials (APR 1993) (Applicable if work requires, may require, or permits contractor performance on a DoD installation)
DFARS 252.242-7004	Material Management and Accounting System (NOV 2005) (Applicable to contract actions exceeding \$100,000)

d) COST-PLUS-FIXED-FEE-RESEARCH AND DEVELOPMENT CLAUSES

The following FAR and DFARS clauses apply to Cost-Plus-Fixed-Fee Research and Development Subcontracts:

Reference	Title
FAR 52.216-8	Fixed Fee (MAR 1997)
FAR 52.227-11	Patent Rights – Retention by the Contractor (Short Form) (DEC 2007)
FAR 52.243-2	Changes – Cost Reimbursement (AUG 1987) and Alternate V (APR 1984)
FAR 52.246-9	Inspection of Research and Development (Short Form) (APR 1984)
FAR 52.246-23	Limitation of Liability (FEB 1997)
FAR 52.249-6	Termination (Cost Reimbursement) (MAY 2004)
DFARS 252.227-7038	Patents – Ownership by the Contractor (Large Business) (DEC 2007)
DFARS 252.227-7039	Patents – Reporting of Subject Inventions (APR 1990)
DFARS 252.235-7010	Acknowledgement of Support and Disclaimer (MAY 1995)
DFARS 252.235-7011	Final Scientific or Technical Report (NOV 2004)

e) COST PLUS AWARD FEE CLAUSES

For Cost-Plus-Award-Fee (CPAF) task order awards, the clauses in Section I.2.a shall be used with the following amendments:

Delete the following clause for CPAF orders:

FAR 52.216-8	Fixed Fee (MAR 1997)
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An Award Fee clause will be created for Section H.18, and inserted or revised in the relevant task order solicitation(s) and ensuing task order award(s) for particular requirements.

SIGNATURE PAGE

This Base Task Order Agreement, and the Task Orders issued hereunder constitute the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations and agreements. It shall not be varied except by an instrument in writing of subsequent date duly executed by an authorized representative of each of the parties. The validity, construction, scope and performance of this Base Task Order Agreement and the Task Orders issued hereunder shall be governed by the laws of the state of South Carolina, and any dispute, controversy, or claim arising out of or in connection with this Task Order Subcontract or any Task Order issued hereunder, or the breach, termination, or invalidity thereof, shall be governed by its laws.

IN WITNESS WHEREOF, the parties hereto have, through duly authorized officials, executed this Base Task Order Agreement effective as of the day and year indicated on the cover page.

<Subcontractor>

Advanced Technology International

By: _____

By: _____

Name: _____
(printed/typed)

Name: _____
(printed/typed)

Title: _____

Title: _____

Date: _____

Date: _____

**SECTION J LIST OF DOCUMENTS, EXHIBITS AND ATTACHMENTS
APPLICABLE TO THIS SUBCONTRACT**

- A. Representations, Certifications, and Other Statements of Offerors
This Subcontract incorporates herein by reference the Subcontractor's most recent executed version of the Representations, Certifications, and Other Statements of Offeror, currently on file with Contractor, with the same force and effect as if they were furnished in full text herewith.

- B. CNST Award Fee Plan

CNST Award Fee Plan

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Award - Fee Plan

1.0 – Introduction

This award-fee plan sets forth procedures and guidelines to govern the Office of Naval Research evaluation, award, and distribution of award fee for ManTech cost-plus-award-fee task orders awarded under the terms of Contract #N00014-09-D-0584 (the “Prime Contract”). It describes criteria and procedures used to assess the contractor’s performance and to determine the amount of award fee earned for performance of ManTech project efforts. Specifically, the following document outlines an award fee structure which involves Subcontractor performance against the criteria set forth in this plan, Prime Contractor self-evaluation and recommendation related to Subcontractor performance, and Government review and determination of the award fee amount. The determination by the Government of any award fee amounts earned by the Prime on behalf of the Subcontractor is a unilateral decision made by the Government.

This award-fee plan is incorporated into all Subcontracts allowing for cost-plus-award-fee task orders awarded by the Prime under the terms and authority of the Prime Contract. This Award Fee Plan is only applicable to awards issued under the Prime contract for cost-plus-award-fee tasks.

The Prime will distribute the award fee amount determined to be payable in each period to the appropriate Subcontractors. Each unilateral action under this contract authorizing the Subcontractor to bill for earned award fee shall represent a final decision of the amount of the award fee earned by the Subcontractor and shall not be subject to dispute by the Subcontractor under the clause entitled “Disputes” or any other clause of the contract and shall not be appealable to any Board of Contract Appeals, Claims Court or any other court. Payment of award fee is also not subject to the “Allowable Cost and Payment” clause of the contract.

2.0 - Determination of Award Fees

Government personnel participating in the award fee determination consist of the Fee Determining Official (FDO) and the award fee organization. In order to provide effective information on the progress of evaluated projects, the Prime will establish the Contractor’s Self-Evaluation Board (CSEB). In addition, the Prime shall designate Performance Monitors to evaluate Subcontractor performance and make recommendations to the award fee organization.

2.1 Fee Determining Official. The FDO will be the ManTech Director, ONR-03T. The FDO will determine award fee amounts earned for ManTech project performance over the six month evaluation period(s) based on recommendations by the award fee organization. The decision of the FDO is final, and is not subject to the Disputes clause of either the Prime Contract or the Subcontracts.

2.2 Award Fee Organization. The following individuals may provide recommendations to the FDO for consideration in the fee determination decision: Government Contracting Officer (CO; ONR-253), the MANTECH Program Officer (ONR-03T) and the appropriate ManTech Technical Assistants (Sponsor representatives) applicable to each evaluated Mantech project.

2.3 Contractor's Self-Evaluation Board. The CSEB shall consist of Prime Contractor Personnel assigned to the roles of Chairperson, Business Manager, and Recorder, as well as Prime Contractor technical personnel. CSEB members review Performance Monitors' evaluations of the Subcontractors' performance, consider all information from pertinent sources, and prepare a comprehensive Self-Evaluation Report for presentation to the Government. The Contractor's Self-Evaluation Procedures are described in greater detail in ANNEX 6. The CSEB will also recommend changes to this plan to the FDO as appropriate.

2.3.1 CSEB Chairperson. The Center Executive Director will serve as the CSEB Chairperson, and will oversee the meetings of the CSEB and the Performance Monitors. The CSEB may brief the Government Award Fee Organization on the Self-Evaluation Report, as appropriate, and may recommend award-fee plan changes to the FDO. The CSEB Chairperson will be responsible for oversight of the Prime's self-evaluation process as well as distribution of award fee to Subcontractors. These duties include overseeing the monitoring and reporting of Subcontractor performance, determining the final amount of fee awarded to each Subcontractor in each period, and reviewing the efficacy of the award fee evaluation in stimulating excellent technical, schedule, and cost performance from Subcontractors.

2.3.2 Business Manager. The Business Manager serves as the Prime's liaison between Government, Prime Contractor, and Subcontractor personnel. The Business Manager is responsible for ensuring that the Prime's self-evaluation procedures and Subcontractor award fee distribution processes outlined in this plan are properly followed, and that the integrity of the evaluation process is preserved. The Business Manager will be responsible for overseeing the Subcontractor's compliance with terms and conditions, and shall review the assessments of Subcontractor performance reported to the CSEB to verify that appropriate information is considered and documented in the Self-Evaluation Report. The Business Manager may delegate duties and/or be assisted by other contracts personnel as appropriate.

2.3.3 Recorder. The CSEB Recorder is responsible for coordinating the administrative actions required by the Performance Monitors and the CSEB, including: 1) ensuring receipt, processing and distribution of evaluation reports from all required sources; 2) scheduling and assisting with internal evaluation milestones, such as briefings; 3) compilation of the earned award fee recommendation package (i.e. the Self-Evaluation Report); and 4) accomplishing other actions required to ensure the smooth operation of the Prime's award fee process.

2.3.4 Prime Contractor's Technical Personnel. The Prime's Deputy Director will be responsible for oversight of the day-to-day monitoring of the Subcontractor's technical performance on each project. The Deputy Director may delegate primary responsibility for individual technical projects to appropriate Prime Contractor Program Managers. These Program Managers will serve as Performance Monitors on some subfactors, and interface with other Performance Monitors and appropriate Government personnel (such as the Technical Assistant for each project as well as ONR's Program Officer) on other subfactors. The Prime Contractor's Program Managers will work closely with Subcontractor technical personnel to establish and maintain a team-oriented network of communication for the purpose of ensuring that the Subcontractor is continually aware of perceptions of and reports on its performance, and can self-monitor to ensure maximum incentive for performance and disbursement of incentive awards. CNST Technical Personnel will have a significant role on the CSEB, and will be primarily responsible for reviewing the relevant information provided by other members of the CSEB, drawing on their own personal interactions, and assigning recommended grades to the performing subcontractors on each evaluation factor.

2.3.5 Performance Monitors. Performance Monitors are Contractor personnel assigned to evaluate performance of specific subfactors according to their functional area(s) of expertise, and consist of Program and Contracts Managers assigned to specific projects as well as Project Managers responsible for functions covering multiple projects. Performance Monitors maintain written records of the Subcontractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained relative to the performance criteria listed in ANNEX 2 of this document.

3.0 - Award-Fee Processes

Evaluations of the Contractor's performance will be conducted for each six (6)-month performance rating period. Members of the Government award fee organization will provide their award fee recommendations to the FDO within thirty (30) days after the end of each evaluation period. The FDO will make the final decision on the actual percentage and amount of the actual award fee to be provided to the Contractor.

3.1 Available Award Fee Amount. The available award fee for each evaluation period is shown in each CPAF task order, as described in ANNEX 1.

3.2 Performance Evaluation Periods. Each performance evaluation period shall cover six (6) months of performance. Performance of projects beginning with three (3) months or less remaining in the then current performance evaluation period will not be evaluated until the next period. As such, a project's first evaluation may cover greater than a six (6)-month period, if the start date allowed for less than three (3) month's performance in the prior evaluation period. In addition, the final award fee evaluation may be postponed if a no-cost extension to the period of performance is granted.

3.3 Evaluation Criteria. Evaluations will be based on the general criteria specified in ANNEX 2 and ANNEX 3. If the Prime Contracts Representative does not give specific notice in writing to the Subcontractor of any change to the evaluation criteria prior to the start of a new evaluation period, then the same criteria listed for the preceding period will be used in the subsequent award-fee evaluation period. The Subcontractor will be notified of any changes in the evaluation criteria in accordance with Section 4.0 herein.

3.4 Contractor's Self-Assessment. The Prime shall submit a Self-Evaluation Report to the Program Officer within ten (10) working days of the closure of the evaluation period.

3.5 Evaluations. The FDO will determine the overall grade and earned award-fee amount for the evaluation period using the report and relative weights included at ANNEX 3. Qualitative ratings will be assigned to each factor and subfactor according to the standards included in ANNEX 2, and points will be assigned to each qualitative rating in accordance with the table included as ANNEX 4. Within forty (40) calendar days after each evaluation period, the FDO will inform the Government CO regarding evaluation results. The Government CO will then issue a contract modification within fifteen (15) calendar days after the FDO's decision to authorize payment of the earned-award-fee amount. A completed copy of ANNEX 3 for each evaluated project will be provided to the Prime within forty-five (45) days of the end of each evaluation period, and the Prime shall have a concurrent opportunity for verbal discussions with the Program Officer of projects for which the Government's evaluation differed significantly from the Contractor's Self-

Evaluation (for the purpose of facilitating the Prime's effective and equitable distribution of award fee to Subcontractors).

3.6 Subcontracts. The Government will evaluate the total project performance, and Subcontractor award fees shall be determined by the Prime. The Subcontractor award fee determination will be based upon (1) the Subcontractor's award fee evaluation included in the Contractor's Self-Evaluation Report, (2) the amount of fee awarded to the Prime by the FDO, and (3) any information provided by the Government as explanation for differences between the Contractor's Self-Evaluation Report and the FDO's award fee determination.

4.0 - Award-Fee Plan Change Procedure

4.1 Recommendation of Changes. Personnel involved in the administration of the award fee provisions of the Prime Contract and Subcontracts are encouraged to recommend plan changes with a view toward changing management emphasis, motivating higher performance levels, or improving the award fee determination process. Prime personnel will submit recommended changes to the CSEB for consideration. The CSEB and the Government Award Fee Organization may make recommendations to the Government CO for consideration. Such recommendations, including any appropriate comments and justification, must be submitted to the Government CO no later than thirty (30) days prior to the beginning of the evaluation period.

4.2 Notification of Changes. Subcontractor will be notified of changes approved or implemented by the Government Contracting Officer, and changes will be incorporated into the subcontractor award fee plan prior to the next evaluation period start date. Changes can apply only to the next evaluation period and all subsequent evaluations periods; not the current evaluation period.

5.0 - Contract Termination

If the Subcontract or any Task Order issued thereunder is terminated for the convenience of the Government after the start of an award-fee evaluation period, the award fee deemed earned for that period shall be determined using the normal award-fee evaluation process. After termination for convenience, the remaining award-fee amounts allocated to all subsequent award-fee evaluation periods cannot be earned by the Subcontractor and, therefore, shall not be paid.

ANNEX 1 -- Award-Fee Allocation by Evaluation Periods

The maximum available award-fee amount that can be proposed or earned is 8% of the total Government/Prime cost of the project. Evaluation periods will be determined in accordance with paragraph 3.2 and the following schedule.

Evaluation Period	Dates	Award Fee Pool Amount
1	Mar 1, 2010 - Aug 30, 2010	See Note 1
2	Sept 1, 2010 - Feb 28, 2011	See Note 1
3	Mar 1, 2011 - Aug 30, 2011	See Note 1
4	Sept 1, 2011 - Feb 29, 2012	See Note 1
5	Mar 1, 2012 - Aug 30, 2012	See Note 1
6	Sept 1, 2012 - Feb 28, 2013	See Note 1
7	Mar 1, 2013 - Aug 30, 2013	See Note 1
8	Sept 1, 2013 - Feb 28, 2014	See Note 1
9	Mar 1, 2014 - Aug 30, 2014	See Note 1

(1) To assist the Government in the determination of the Award Fee pool, the Subcontractor shall include a recommended division of the proposed award fee pool by evaluation period in each cost-plus-award-fee proposal submitted for a new ManTech project. Upon award of a proposal, the Government will determine the award fee pool available in each evaluation period. Both the prime and subcontract award documents will include the available award fee pool by evaluation period. It is anticipated that the award fee pool will be divided to appropriately mirror the importance and complexity of the technical effort performed in each period, as opposed to reflecting only the costs expected to be incurred during each period.

(2) Calculation of the award fee earned by the Subcontractor for each period shall be accomplished by applying the total score for the period to the award fee pool above.

(3) The minimum award fee earned during the project period of performance, as well as in any individual evaluation period, is zero (0%) (i.e. there is no base fee awarded without regard for performance). Any amount of award fee unearned in an evaluation period is not available to be "rolled over" to subsequent evaluation periods. Ceiling cost and award fee amounts are subject to equitable adjustment arising from changes or other contract modifications.

ANNEX 2 – Evaluation Factors and Qualitative Standards

Evaluations of the Subcontractor’s products and services for Mantech project efforts shall be evaluated according to the following criteria:

EVALUATION FACTOR & RATING WEIGHT	Unsatisfactory	Marginal	Satisfactory	Good	Outstanding
A. Technical / Programmatic Effort 25%					
1. Quality of Work 17.50%	Work is frequently incomplete, inaccurate, and/or non-compliant with minimum industry norms and technical requirements. Little or no improvement from the previous period.	Work is partially complete, somewhat inaccurate, and/or in minimal compliance with industry norms and technical requirements. Consideration may be given to improvement (or lack thereof) from previous periods.	Work is complete, generally accurate, and in compliance with minimum industry norms and technical requirements. Consideration may be given to improvement (or lack thereof) from previous periods.	Work is of a high caliber of thoroughness and/or accuracy. Meets or exceeds industry norms and technical requirements. Consideration may be given to improvement from previous periods.	Work is of the highest caliber for both thoroughness and accuracy. Exceeds industry norms and technical requirements. Little or no possibility for improvement.
2. Progress Towards Technical Goals / Metrics 7.50%	Technical progress does not meet expectations. Little possibility of technical success of project.	Technical progress significantly below expectations. Recovery plan in place. Significant risk to technical success of project.	Technical progress below expectations but is justified and approved recovery plan is in place. Minor overall risk to technical success of project.	Technical progress acceptable with only minor concerns. Project expected to be successful.	Technical progress meets or exceeds project expectations.
B. Project Management 25%					
1. Adherence to Schedule 6.25%	Project is significantly behind schedule. Plan to recover schedule slippage is nonexistent or not reasonable. Little or no improvement from previous period.	Project is significantly behind schedule. Justification for late delivery or lack of progress is provided and approved in a timely manner. Reasonable plan is in place to recover schedule slippages. Consideration may be given for improvement (or lack thereof) from previous periods.	Minor schedule slippages on project overall. Delays are relatively minor and have adequate justification. Consideration may be given to improvement (or lack thereof) from previous periods, as well as the reasonableness of any plan for further improvement.	Project is on or ahead of schedule for most tasks. Delays are minor, have adequate justification, and do not significantly impact performance.	Project is on or ahead of schedule for all tasks. Little or no possibility of improvement.
2. Adherence to Spend Plan / Goals 6.25%	Contractor does not control costs and consistently does not incur the costs projected for each month. Cumulative incurred costs vary by more than 20% from the approved plan. Little or no improvement from previous periods, and/or inadequate justification	Contractor does not control costs, spend plan was not maintained for several months, and/or cumulative costs vary by more than 15% from the approved plan. Consideration may be given to improvement (or lack thereof) from previous periods and/or the reason for the variance.	Contractor controls costs, spend plan generally maintained for each month, and/or cumulative expenditures vary by no more than 15% from the approved plan (unless a revised plan is forthcoming and it's determined to be in the best interest of the Government).	Contractor controls costs and spend plan remains generally accurate on both a monthly and a cumulative basis, with cumulative expenditures varying by no more than 10% from the approved plan (unless a greater deviation is considered to be in the best interests of the Government).	Contractor controls costs and spend plan remains accurate on both a monthly and a cumulative basis, with cumulative expenditures varying by no more than 5% from the approved plan (unless a greater deviation is considered to be in the best interest of the Government.)
3. Deliverables - Timeliness / Quality 6.25%	Deliverable deadlines are consistently missed and/or deliverables are consistently of poor quality. Plan to recover schedule slippage is nonexistent or not reasonable. Little or no improvement from previous period.	Deliverable deadlines are frequently missed and/or of poor quality. Consideration may be given for improvement (or lack thereof) from previous periods.	Some minor problems with timeliness and quality of deliverables, but any delays did not significantly impact performance. Consideration may be given to improvement (or lack thereof) from previous periods.	Deliverables are generally provided on time and are complete; and any delays have no significant impact on performance. Consideration may be given to improvement from previous periods.	All deliverables are complete and provided on time. Little or no possibility of improvement.
4. Responsiveness to Gov't Requests 6.25%	Consistently nonresponsive to requests.	Misses suspense dates with some errors in responses. Provides adequate justification for lack of performance.	Some minor problems with both response time and errors, but neither has any significant impact on performance.	Either responds on or before suspense dates, and responses are generally without errors. Any errors or delays have no significant impact on performance.	Responds on or before suspense dates without errors.

EVALUATION FACTOR & RATING WEIGHT		Unsatisfactory	Marginal	Satisfactory	Good	Outstanding
C. Invoicing 25%						
1. Timeliness of Invoice 12.50%	Consistently does not provide timely invoicing and/or invoices frequently contain significant errors. Little or no improvement from previous periods.	Invoices are frequently provided late and/or with errors. Consideration may be given to improvement (or lack thereof) from previous periods.	Most invoices provided on time, with only minor errors. Consideration may be given to improvement (or lack thereof) from previous periods.	Almost all invoices provided on time, with very few or no errors. Consideration may be given to improvement from previous periods.	Consistently provides timely, error-free invoices. Little or no possibility for improvement.	
2. Appropriateness of Invoice 12.50%	Invoices are consistently incomplete or do not accurately reflect actual project performance.	Invoices are frequently incomplete or do not accurately reflect project activities for that time period. Consideration may be given for improvement (or lack thereof) from previous periods.	Invoices are occasionally incomplete or lag behind technical progress and actual expenditures, but with little impact on center meeting expenditure benchmarks.	Invoices are usually complete and accurately reflect work performed in invoicing period. Consideration may be given to improvement from previous periods.	Invoices are always complete and accurately reflect work performed in invoicing period.	
D. Technology Transition 15%						
1. Transition Coordination and Planning 13.50%	Project did not or will not transition. During project, transition plan not submitted. Transition activities not coordinated. Key personnel not actively involved.	Project did not or will not transition. During project, transition activities not well coordinated and sponsor representative(s) not actively involved.	Project proceeding towards transition but with some concerns. Transition activities coordinated; appropriate sponsor representative(s) involved.	Project proceeding towards transition. Acceptable transition plan submitted. Transition activities well-coordinated; appropriate sponsor representative(s) actively involved.	Project transitioned or will very likely transition. Transition activities well-coordinated during the project. Additional transition opportunities identified and proceeding.	
2. Secondary Transitions 1.50%	No additional transitions planned or possible.	Some thought towards secondary transitions but no plan in place to achieve them.	Some interest in additional transitions. Working to identify and define additional transition paths.	Secondary transitions paths are considered. Secondary transitions possible.	Secondary transition paths are actively pursued. Strong likelihood of additional transitions.	
E. Customer Satisfaction 8.00%						
1. Customer Satisfaction Note: 10% total if no Cost Share (see F. below).	Did not meet customer expectations. ONR customer dissatisfied.	Met minimal ONR customer expectations. ONR customer indifferent.	Met ONR customer expectations. ONR customer satisfied.	Exceed ONR customer expectations. ONR customer satisfied.	Exceeded ONR customer expectations. ONR customer very satisfied.	
F. Cost Share / Leveraging 2.00%						
1. Cost Share / Leveraging Note: If no cost share -- 0% (2% then added to Customer Satisfaction to make 10%).	Cost share or leveraging opportunities identified but not implemented.	Cost share or leverage identified but only minimal cost share or leverage applied to the project.	Cost share or leverage identified and some cost share or leverage applied to the project.	Cost share or leverage identified and cost share or leverage applied to the project as expected.	Cost share or leverage identified and a significant cost share or leverage applied to the project.	

ANNEX 3 – Subcontractor Performance Evaluation Report

Method of award fee calculation shall be performed in accordance with the following chart:

FACTOR/SUB CATEGORY	Qualitative Rating	Award Fee Points	Sub Cat. Rating Weight	Award Fee Points Subtotals	FACTOR RATING Weight	Total Award Fee POINTS
A. TECHNICAL/ PROGRAMMATIC						
1. Quality of Work	_____	_____	X .70 =	+ _____		
2. Progress Towards Technical Goals / Metrics	_____	_____	X .30 =	+ _____		
Factor Total Weighted Rating				= _____	X .25 =	+ _____
B. PROJECT MANAGEMENT						
1. Adherence to Schedule	_____	_____	X .25 =	+ _____		
2. Adherence to Spend Plan / Goals	_____	_____	X .25 =	+ _____		
3. Deliverables – Timeliness and Quality	_____	_____	X .25 =	+ _____		
4. Responsiveness to Gov't Requests	_____	_____	X .25 =	+ _____		
Factor Total Weighted Rating				= _____	X .25 =	+ _____
C. INVOICING						
1. Timeliness of Invoice	_____	_____	X .50 =	+ _____		
2. Appropriateness of Invoice	_____	_____	X .50 =	+ _____		
Factor Total Weighted Rating				= _____	X .25 =	+ _____
D. TECHNOLOGY TRANSITION						
1. Transition Coordination and Planning	_____	_____	X .90 =	+ _____		
2. Secondary Transitions	_____	_____	X .10 =	+ _____		
Factor Total Weighted Rating				= _____	X .15 =	+ _____
E. CUSTOMER SATISFACTION	_____	_____	X 1 =	= _____		
Factor Total Weighted Rating				= _____	X .08 =	+ _____

F. COST SHARE LEVERAGING	_____	_____	X 1 =	= _____		
Factor Total Weighted Rating				= _____	X .02 =	+ _____
TOTAL AWARD FEE POINTS						= _____

Note: If no Cost Share / Leveraging, then F. Cost Share / Leveraging is 0% and E. Customer Satisfaction is worth 10%

ANNEX 4 -- Award Fee - Conversion Chart

<u>Quantitative Evaluation Rating</u>	<u>Award Fee Points</u>	<u>Percentage of Award Fee Available</u>
Outstanding	100	100.0
	99	99.0
	98	98.0
	97	97.0
	96	96.0
	95	95.0
	94	94.0
	93	93.0
	92	92.0
	91	91.0
90	90.0	
Good	89	89.0
	88	88.0
	87	87.0
	86	86.0
	85	85.0
	84	84.0
	83	83.0
	82	82.0
81	81.0	
Satisfactory	80	80.0
	79	75.0
	78	70.0
	77	65.0
	76	60.0
	75	55.0
	74	50.0
	73	45.0
	72	40.0
	71	35.0
70	30.0	
Marginal	69	23.0
	68	15.0
	67	7.0
	66	0
	65	0
	64	0
	63	0
	62	0
61	0	
Unsatisfactory	0-60	0.0

ANNEX 5 – Contractor’s Self-Evaluation Process

A. Monitoring Subcontractor Performance

The CSEB Chairperson will ensure that each Performance Monitor receives the following: (a) a copy of this Award Fee Plan along with any changes made; (b) appropriate orientation and guidance; and (c) specific instructions applicable to the Performance Monitor’s assigned performance areas.

(1) Responsibilities During the Evaluation Period

The Prime Contractor’s Performance Monitors will evaluate and assess Subcontractor’s performance and discuss the results with the Prime Contractor’s Technical and Contracts personnel as appropriate. In particular, the data from the tailored EVMS project performance tracking system (or other cost-schedule tracking system, if applicable) will be an important source of evaluation information and early performance problem detection. As indicated in Section 2.3.4 above, the Prime Contractor’s Technical Personnel are primarily responsible for ensuring effective communication between Prime and Subcontractor personnel in order to provide early resolution of performance problems, and provide maximum return on investment of Government funding. Any discrepancies between the perspectives of Prime Contractor evaluators and Subcontractor personnel will be addressed by the Business Manager, assisted by subordinate contracts personnel as appropriate.

On a monthly or quarterly basis (as appropriate for the given evaluation factor or subfactor), Performance Monitors will prepare internal reports and documentation with regard to the Subcontractor’s performance in their assigned area(s).

The Prime Contractor’s Center Technical Director and other Technical Personnel, as appropriate, will solicit feedback and informal evaluation from the Technical Assistant (TA) for each project, the ONR Program Officer, and other Government personnel, as appropriate, during project reviews and throughout the evaluation period. Any salient points of these discussions relative to award fee criteria will be noted and retained by the Prime Contractor’s Technical Personnel for use in the evaluation process, and appropriate feedback will be provided to the Subcontractor.

(2) End-of-Period Responsibilities

Within five (5) calendar days *prior to* the close of the evaluation period, Performance Monitors will have prepared reports on each Subcontractor’s performance in the assigned area(s) and be prepared to provide and discuss those reports with the other member of the CSEB. Reports and deliverables received from each Subcontractor will be evaluated in the period received rather than the period described in the reports (i.e. for Quarterly Status Reports) in order to accommodate the award fee evaluation schedule.

B. Evaluating Subcontractor Performance

Within two (2) days prior to the close of the evaluation period, the CSEB Chair will convene the CSEB to review Performance Monitors’ records and other documentation as

appropriate. This documentation will be reviewed for each ongoing cost-plus-award-fee task order, including new start projects with at least three (3) months of performance occurring in the evaluation period. The CSEB will discuss the information internally, and may consult with Subcontractor or Government personnel, as appropriate, to ensure the accuracy and efficacy of the evaluation process. During the meeting, consensus will be reached on an adjectival rating of the Subcontractor's performance on each of the subfactors. A corresponding numerical score will be assigned to each subfactor, in accordance with the table included at ANNEX 4. These subfactor scores will be weighted according to the subfactor weights listed in ANNEX 3 and summed to result in a total factor score, which again will be weighted according to the appropriate factor weighting. The sum of the corresponding weighted grades compared to the available maximum weighted grade, to determine the portion of the award fee pool recommended for each Subcontractor.

C. Documenting Subcontractor Performance

The Recorder will document the discussions, compile the grading sheets, and prepare a "report card" for each Subcontractor. This evaluation summary will contain both the subfactor adjectival ratings as well as the factor scores, and the recommended award fee amount. Sufficient narrative explanation may also be included as required to ensure clear communication on the relevant performance issues. Report cards are anticipated to be submitted to Subcontractors within one (1) calendar day after the close of the evaluation period. If there are areas that the Subcontractor believes have not been adequately or appropriately considered, the Subcontractor may submit responses and justification to the CSEB within three (3) calendar days of receipt of the report card. The CSEB will reconvene (if required) or electronically review any significant responses from Subcontractors, and will provide any necessary changes to the evaluations to the Recorder within three (3) additional calendar days (not later than eight (8) calendar days after the end of the evaluation period).

The Recorder will finalize the recommendation package to be presented to the Government Award Fee Organization. This package will contain a recommended grading by evaluation subfactor for each ManTech project, additional detailed evaluations for each Subcontractor performing on each ManTech project as well as recommended portion of the fee pool to award to each Subcontractor, and any pertinent comments or supporting documentation (including Subcontractor responses, if applicable) required to adequately advise the Government and facilitate an appropriate award fee determination. The CSEB Chair will present the Self-Evaluation Report to the Government within ten (10) calendar days following the close of the evaluation period.

D. Calculating Final Subcontractor Earned Award Fee

Once the FDO's final decision has been issued to the Prime, the Prime will review and note any significant differences between the recommended scoring included in the Contractor's Self-Evaluation Report and the FDO's final decision. The CSEB Chairman, supported by other Prime Contractor personnel as appropriate, will discuss those

differences with the ONR Program Officer, and will clarify which Subcontractors and projects were evaluated differently by the Government than by the Prime. The Contractor's Self-Evaluation report cards for each Subcontractor will be adjusted to accommodate the total amount of awarded fee, in consideration of the discussions with the Government. The CSEB Chairman will approve the final award fee determination made for each Subcontractor, and will make all reasonable efforts to provide such notification to the Subcontractor within sixty (60) days of the end of the evaluation period.