

<b>AWARD/CONTRACT</b>		1 THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)	RATING	PAGE OF PAGES 1 / 27
2 CONTRACT (Proc. Inv. Ident.) NO. HSHQDC-09-C-00123		3 EFFECTIVE DATE See Block 20C	4 REQUISITION/PURCHASE REQUEST/PROJECT NO. RDTR-09-00261	
5 ISSUED BY	CODE DHS/OPO/DNDO	6 ADMINISTERED BY (If other than Item 5)		CODE DHS/OPO/DNDO
U.S. Dept. of Homeland Security Office of Procurement Operations Domestic Nuclear Detect. Office Acquisition Division 245 Murray Lane, SW, Bldg. 410 Washington DC 20528		U.S. Dept. of Homeland Security Office of Procurement Operations Domestic Nuclear Detect. Office Acquisition Division 245 Murray Lane, SW, Bldg. 410 Washington DC 20528		

7. NAME AND ADDRESS OF CONTRACTOR (No., Street, City, Country, State and ZIP Code)		8 DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)
PASSPORT SYSTEMS INC 70 TREBLE COVE ROAD NORTH BILLERICA MA 018622208		9 DISCOUNT FOR PROMPT PAYMENT  Net 30
10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN	ITEM	
CODE 1342913220000	FACILITY CODE	

11 SHIP TO/MARK FOR	CODE	12. PAYMENT WILL BE MADE BY	CODE
Department of Homeland Security DNDO 245 Murray Lane Washington DC 20528		DNDO Coast Guard Finance Center DNDO Invoices PO Box 4141 Chesapeake VA 23327	DNDO

13 AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION <input checked="" type="checkbox"/> 10 U.S.C. 2304 (c) ( ) <input type="checkbox"/> 41 U.S.C. 253 (c) ( )	14. ACCOUNTING AND APPROPRIATION DATA See Schedule
--	---

15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
Continued					
15G. TOTAL AMOUNT OF CONTRACT					\$1,043,393.00

16. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
	A	SOLICITATION/CONTRACT FORM		X	I	CONTRACT CLAUSES	19-25
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	4	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS./WORK STATEMENT	5	X	J	LIST OF ATTACHMENTS	26
X	D	PACKAGING AND MARKING	6	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	7	X	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	27
X	F	DELIVERIES OR PERFORMANCE	8-9	L. INSTRS., CONDS., AND NOTICES TO OFFERORS			
X	G	CONTRACT ADMINISTRATION DATA	10-15	M. EVALUATION FACTORS FOR AWARD			
X	H	SPECIAL CONTRACT REQUIREMENTS	16-18				

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 1 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any contribution sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) the award contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein)		18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any condition sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual documents are necessary.	
19A. NAME AND TITLE OF SIGNER (Type or print) Paul H. Johnson VP Contracts & Administration		20A. NAME OF CONTRACTING OFFICER Rhonda M. Trent	
19B. NAME OF CONTRACTOR Passport Systems, Inc.		20B. UNITED STATES OF AMERICA	
19C. DATE SIGNED 9-1-09		20C. DATE SIGNED 1 Sept 2009	
BY (b) (4) (Signature of person authorized to sign)		BY (b) (6)	

**CONTINUATION SHEET**

REFERENCE NO OF DOCUMENT BEING CONTINUED  
HSHQDC-09-C-00123

PAGE OF  
2 | 27

NAME OF OFFEROR OR CONTRACTOR  
PASSPORT SYSTEMS INC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>DUNS Number: 134291322+0000 ALC: 70-23-0001 APP: 70-X-0860</p> <p>The contractor shall provide all necessary labor, materials and all other resources needed in support of the Department of Homeland Security, Domestic Nuclear Detection Office's Advanced Technology Demonstration for Intelligent Radiation Sensor Systems (IRSS) in accordance with the terms and conditions of this contract. Phase I is fully funded at the not-to-exceed ceiling price of \$1,043,393.00.</p> <p>The period of performance for Phase I is for 9 months from September 01, 2009 through February 28, 2010. Phases II, Phase III and IV are options to be exercised at the Government's discretion in accordance with Section F.4.</p> <p>The total value of this contract including the base period and all options (if exercised) is in the not-to-exceed ceiling amount of . FOB: Destination Period of Performance: 09/01/2009 to 02/28/2010</p>				
0001	<p>Phase I - Preliminary Design Review in accordance with the Statement of Work outlined in Section J.</p> <p>Estimated Cost: \$ (b) (4) Fixed Fee: \$ (b) (4) Obligated Amount: \$1,043,393.00</p> <p>Accounting Info: 7-RD09XA000D-2009-RF0860-303200-ATDE-TR30-305000-3050000000000000-2550 Funded: \$1,043,393.00</p>				1,043,393.00
1001	<p>Option I/Phase II - Critical Design Review in accordance with the Statement of Work outlined in Section J.</p> <p>Estimated Cost: (b) (4) Fixed Fee: \$ (b) (4) Amount: (b) (4)</p> <p>Accounting Info: Continued ...</p>				0.00

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED  
HSHQDC-09-C-00123

PAGE OF  
3 | 27

NAME OF OFFEROR OR CONTRACTOR  
PASSPORT SYSTEMS INC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
2001	<p>NONE Funded:</p> <p>Option II/Phase III - Integration and Test in accordance with the Statement of Work outlined in Section J.</p> <p>Estimated Cost: Fixed Fee: \$ (b) (4) Amount:</p> <p>Accounting Info: none Funded:</p>				
3001	<p>Option III/Phase IV - Characterization &amp; Evaluation in accordance with the Statement of Work outlined in Section J.</p> <p>Estimated Cost: Fixed Fee: \$ (b) (4) Amount:</p> <p>Accounting Info: none Funded: (b) (4) Technical Point of Contact: (b) (6) (b) (6)</p> <p>Contracting Point of Contact (b) (6) (b) (6)</p> <p>The total amount of award: (b) (4) . The obligation for this award is shown in box 15G.</p>				

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS**

**B.1 Schedule**

The purpose of this contract is to utilize Passport’s advanced data analysis, fusion and decision algorithms development for use on a wireless network combined of WiFi and cellular with commercial detection devices. The total estimated cost for the cost-plus-fixed fee contract is Phase I – Preliminary Design Review will be fully funded in the amount of \$1,043,393.00 as specified herein. The Contractor shall provide the necessary labor (requisite level of technical personnel, materials and all other resources) required to perform the services in accordance with the terms and conditions of this contract.

Each contract line item number is outlined as follows:

CLIN	Phase/Description	POP	Est. Cost	Fixed Fee	Total
0001	Phase I – Preliminary Design Review	Base	(b) (4)	(4)	\$1,043,393.00
1001	II – Critical Design Review	Option 1			-
2001	III – Integration and Test	Option 2			-
3001	IV – Characterization & Evaluation	Option 3			-
	<b>Total</b>				

Phases II, III, and IV are options to be exercised at the Government’s discretion as outlined in Section F.4. Pricing for Phase I is based on the SOW in Section J. Pricing for SOWs for subsequent phases are estimates. SOWs in subsequent phases will be based on work completed in the prior phase, which may impact pricing in the subsequent phases.

**END OF SECTION B**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT**

The Statement of Work is listed as Attachment I under Section J of this document.

**END OF SECTION C**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION D – PACKAGING AND MARKING**

This Section is intentionally left blank.

**END OF SECTION D**

## **SECTION E – INSPECTION AND ACCEPTANCE**

### **E.1 CONTRACT CLAUSES INCORPORATED BY REFERENCE**

The following contract clauses pertinent to this Section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (Feb 1998) in Section I of this contract. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at:

<http://arnet.gov/far/>

<u>NUMBER</u>	<u>TITLE/DATE</u>
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)
52.246-9	Inspection of Research and Development (Short Form) (Apr 1984)

### **E.2 Acceptance**

The Contracting Officer's Technical Representative identified in Section G of this contract is responsible for the acceptance of all services and resultant deliverables/documents.

### **E.3 Acceptance Criteria**

Certification by the COTR of satisfactory services provided is contingent upon the contractor performing in accordance with the terms and conditions of the contract and all modifications.

**END OF SECTION E**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION F – DELIVERIES OR PERFORMANCE**

**F.1 Period of Performance**

The period of performance for this contract is (9) nine months from 01 September 2009 through 28 February 2010.

The period of the performance for the option periods if exercised are as follows:

Option Year 1/Phase II – 01 March 2010 – 31 October 2010 (9 months)

Option Year 2/Phase III - 01 November 2010 – 30 June 2011 (9 months)

Option Year 3/Phase IV – 01 July 2011 – 31 December 2011 (6 months)

**F.2 Place of Performance**

The services will be performed at the contractor’s facility located at 70 Treble Cove Road, N. Billerica, MA 01862.

**F.3 Deliverables/Reporting Requirements**

The Contractor shall prepare and submit the deliverables as outlined in the below table.

#	Deliverable	Phase	Due	Format	Receipt
1	Monthly Reports	All	Two weeks after the last day of each month	Government	COTR/PM, CO, CS
2	Quarterly Performance Review (QPR) Brief	All	One week before QPR	Vendor	COTR/PM, CO, CS
3	QPR Meeting Minutes	All	One week after QPR	Vendor	COTR/PM, CO, CS
4	End-of-Phase Performance Evaluation (EPE) Brief	All	One week before EPE	Vendor	COTR/PM, CO, CS
5	EPE Meeting Minutes	All	Two weeks after EPE	Vendor	COTR/PM, CO, CS
6	Draft Phase End Report	All	One week before EPE	Vendor	COTR/PM, CO, CS

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

7	Final Phase End Report	All	Two weeks after EPE	Vendor	COTR/PM, CO, CS
8	Test Readiness Review Plan	IV	Two weeks before TRR	Vendor	COTR/PM, CO, CS
9	PoC T&E Demo Plan	IV	One month before EPE	Vendor	COTR/PM, CO, CS

All deliverables shall be sent in accordance with the table to the individuals identified in Section G.2. All financial and management reports shall be sent electronically to the COTR, Contracting Officer (CO) and the Contract Specialist (CS) at the addresses listed in Section G.

**F.4 OPTION TO EXEND THE TERM OF CONTRACT 52-217-9  
(MAR 2000)**

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 30 days before the contract expires. The preliminary notice does not commit the Government to an extension.

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

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 30 months.

**END OF SECTION F**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION G CONTRACT ADMINISTRATION DATA**

**G.1 CONTRACTING OFFICER (CO) AND CONTRACT SPECIALIST (CS)**

The Contracting Officer (CO) for this Contract is identified below:

Name:	Rhonda Trent
Title:	Contracting Officer
Agency:	Department of Homeland Security Office of Procurement Operations
	(b) (6)

The Contract Specialist (CS) for this Contract is identified below:

Voice:	(b) (6)
Fax:	(b) (6)
	(b) (6)

**G.2 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)**

The COTR for this Contract is identified below:

Name:	
Title:	Contracting Officer's Technical Representative
Agency:	Department of Homeland Security Domestic Nuclear Detection Office
Address:	245 Murray Lane, Bldg Washington, DC 20528
Voice:	(b) (6)
Email:	(b) (6)

### **G.3 Contracting Officer's Authority**

The Contracting Officer (CO) assigned to this contract has responsibility for ensuring the performance of all necessary actions for effective contracting; ensuring compliance with the terms of the contract and safeguarding the interests of the United States in its contractual relationships. The CO is the only individual who has the authority to enter into, administer, or terminate this contract and is the only person authorized to approve changes to any of the requirements under this contract, and notwithstanding any provision contained elsewhere in this contract, this authority remains solely with the CO.

It is the Contractor's responsibility to contact the CO immediately if there is even the appearance of any technical direction that is or may be outside the scope of the contract. The Government will not reimburse the Contractor for any work not authorized by the CO, including work outside the scope of the contract.

### **G.4 Contracting Officer's Technical Representative (HSAR 3052.242-72)**

**(DEC 2003)**

(a) The Contracting Officer may designate Government personnel to act as the Contracting Officer's Technical Representative (COTR) to perform functions under the contract such as review or inspection and acceptance of supplies, services, including construction, and other functions of a technical nature. The Contracting Officer will provide a written notice of such designation to the Contractor within five working days after contract award or for construction, not less than five working days prior to giving the contractor the notice to proceed. The designation letter will set forth the authorities and limitations of the COTR under the contract.

(b) The Contracting Officer cannot authorize the COTR or any other representative to sign documents, such as contracts, contract modifications, etc., that require the signature of the Contracting Officer.

### **G.5 Technical Direction**

(a) Technical Direction is defined to include:

- (1) Written directions to the Contractor which fill in details, suggest possible lines of inquiry, or otherwise facilitate completion of work within the existing scope of work as defined in the Statement of Work;

Advanced Technology Demonstration (ATD)

for

Intelligent Radiation Sensor Systems (IRSS)

- (2) Provision of written information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work statement;
- (3) Review and, where required, provide written approval of technical reports, drawings, specifications, or technical information to be delivered. Technical directions must be in writing, and must be within the scope of the work as detailed in Section C.

(b) The COTR is authorized by designation to take any or all action with respect to the following which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of this Contract:

- (1) Assure that the Contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.
- (2) Perform or cause to be performed, inspections necessary in connection with (1) above and require the Contractor to correct all deficiencies; perform acceptance for the Government.
- (3) Maintain all liaison and direct communications with the Contractor. Written communications with the Contractor and documents shall be signed as "Contracting Officer's Technical Representative" with a copy furnished to the Contracting Officer.
- (4) Issue written interpretations of technical requirements of Government drawings, designs, and specifications.
- (5) Monitor the Contractor's production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays or problems.
- (6) Obtain necessary security clearance and appropriate identification if access to Government facilities is required. If to be provided, ensure that Government furnished property is available when required.

**LIMITATIONS:** The COTR is not empowered to award, agree to, or sign any contract (including delivery or purchase orders) or modifications thereto, or in any way to obligate the payment of money by the Government. The COTR may not take any action which may impact on the contract schedule, funds, scope or rate of utilization of LOE. All contractual agreements, commitments, or modifications

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)  
which involve prices, quantities, quality, and schedules shall be made  
only by the Contracting Officer.

- (a) The COTR is required to meet annually with the Contractor and the Contracting Officer concerning performance of items delivered under this contract and any other administration or technical issues. Telephonic reports may be made if no problems are being experienced. Problem areas should be brought to the immediate attention of the Contracting Officer.
- (b) In the absence of the designated COTR, the COTR may designate someone to serve as COTR in their place. However, such action to direct an individual to act in the COTR's stead shall immediately be communicated to the Contractor and the Contracting Officer.
- (c) Contractual Problems - Contractual problems, of any nature, that may arise during the life of the contract must be handled in conformance with specific public laws and regulations (i.e. Federal Acquisition Regulation). The Contractor and the COTR shall bring all contracting problems to the immediate attention of the Contracting Officer. Only the Contracting Officer is authorized to formally resolve such problems. The Contracting Officer will be responsible for resolving legal issues, determining contract scope and interpreting contract terms and conditions. The Contracting Officer is the sole authority authorized to approve changes in any of the requirements under this contract. Notwithstanding any clause contained elsewhere in this contract, the said authority remains solely with the Contracting Officer. These changes include, but will not be limited to the following areas: scope of work, price, quantity, technical specifications, delivery schedules, and contract terms and conditions. In the event the Contractor effects any changes at the direction of any other person other than the Contracting Officer, the change will be considered to have been made without authority.
- (d) Failure by the Contractor to report to the Contracting Officer conduct that the Contractor considers to constitute a change to this contract, as provided by FAR 52.243-7 (Notification of Changes), waives the Contractor's right to any claims for equitable adjustments.

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**G.6 Interpretation or Modification**

No oral statement by any person, and no written statement by anyone other than the Contracting Officer (CO), or his/her authorized representative acting within the scope of his/her authority, shall be interpreted as modifying or otherwise affecting the terms of this contract. All requests for interpretation or modification shall be made in writing to the CO.

**G.7 Accounting and Appropriation Data**

The accounting and appropriation data corresponding to this contract is found in Section B, Pricing Schedule.

**G.8 Invoicing Instructions**

In order to initiate payment, the Contractor shall submit proper invoices for payment in the manner and format described herein:

- (a) The Contractor shall submit an original invoice or send via facsimile or email to the following address:

Invoicing PPB  
Coast Guard Finance Center  
DNDO Invoices  
P.O. Box 4141  
Chesapeake, VA 23327  
Email address: [FIN-SMB-DNDOInvoices@uscg.mil](mailto:FIN-SMB-DNDOInvoices@uscg.mil)

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

(b) Each invoice shall include the following:

- Contract/Modification Number
- Contractor Name
- Date of Invoice
- Invoice/Voucher Number
- Contract Line Item Number (CLIN)
- Incurred Cost

The Contractor can obtain status of each invoice by calling or emailing to:  
USCG FINCEN Customer Service  
Call: 1-800-564-5507 or 757-523-6940  
Email: [http://www.fincen.uscg.mil/vendor info.htm](http://www.fincen.uscg.mil/vendor%20info.htm)

**END OF SECTION G**

## SECTION H - SPECIAL CONTRACT REQUIREMENTS

### H.1 Confidentiality of Information

- (a) To the extent that the work under this contract requires that the Contractor be given access to or be furnished with confidential or proprietary business, technical, or financial information or data belonging to other entities which is clearly marked as confidential or proprietary, the Contractor shall, after receipt thereof, treat such information in confidence and agrees not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized in writing by the Contracting Officer. The foregoing obligations, however, shall not apply to and the Contractor shall have no obligation under this Agreement to hold information in confidence which, although identified and disclosed as stated herein, has been or is developed by the Contractor independently and without benefit of information disclosed hereunder; and:
- (1) Information or data which is in the public domain at the time of receipt by the Contractor;
  - (2) Information or data which is published or otherwise subsequently becomes part of the public domain through no fault of the Contractor;
  - (3) Information or data which the Contractor can demonstrate was already in its possession at the time of receipt thereof; or
  - (4) Information or data which the Contractor can demonstrate was received by it from a third party who did not require the Contractor to treat it in confidence.
- (b) The Contractor agrees (1) to enter into an agreement, identical in all material respects to the requirements of paragraph (a) above, with each entity requesting such agreement and that is supplying such confidential or proprietary information or data to the Contractor under this contract and (2) to supply a copy of such agreement to the Contracting Officer, upon written request.
- (c) This clause shall be included in any subcontract under which there is a requirement or there becomes a requirement that the subcontractor be given access to or be furnished with confidential or proprietary business, technical, or financial information or data.

## **H.2 Access Restriction/Information Handling**

The Contractor shall restrict access to those individuals with a valid need-to-know who are actually providing services under this contract. Further dissemination to other contractors, subcontractors, or other government agencies and private individuals or organizations is prohibited unless authorized in writing by the Contracting Officer's Technical Representative (COTR).

## **H.3 Advertisements, Publicizing Awards, and News Releases**

All press releases or announcements about agency programs, projects, and contract awards need to be cleared by the Program Office and the Contracting Officer. Under no circumstances shall the Contractor, or anyone acting on behalf of the Contractor, refer to the supplies, services, or equipment furnished pursuant to the provisions of this contract in any publicity news release or commercial advertising without first obtaining explicit written consent to do so from the Program Office and the Contracting Officer.

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by the Federal Government or is considered by the Government to be superior to other products or services.

## **H.4 Government Furnished Property/Information**

### **(a) Government Furnished Property**

The Government may provide the IRPL detector with directional discrimination capability (i.e. CZT array with Compton scatter algorithms) at a later date, however this property will not affect the overall negotiated contract price.

### **(b) Government Furnished Information**

The Government shall provide access to nuclear modeling codes (i.e. MCNP5) through the Radiation Safety Information Computational Center (RSICC) at the Oak Ridge National Laboratory.

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**H.5 Travel Costs**

(a) Except as otherwise provided herein, the Contractor shall be reimbursed for its reasonable actual travel costs in accordance with FAR clause 31.205-46.

(b) The Contractor is to use the current Federal Travel Regulations for all rates and definitions for travel, lodging and incidental expense and apply them consistently.

(c) Reimbursable travel costs are any costs associated with travel required to perform the contract, and approved by the Contracting Officer Technical Representative and/or the Contracting Officer.

**END OF SECTION H**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**PART II- CONTRACT CLAUSES**

**SECTION I CONTRACT CLAUSES**

**I.1 CONTRACT CLAUSES INCORPORATED BY REFERENCE**

The following contract clauses pertinent to this Section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (Feb 1998) in Section I of this contract. This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at:

[www.acquisition.gov](http://www.acquisition.gov)

NUMBER	TITLE FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	DATE
52.202-1	Definitions	JUL 2004
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions on Subcontractor Sales to the Government	SEP 2006
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	JAN 1997
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	SEP 2007
52.204-7	Central Contractor Registration	APR 2008

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment	SEP 2006
52.215-2	Audit and Records – Negotiation	JUN 1999
52.215-8	Order of Precedence – Uniform Contract Format	OCT 1997
52.215-11	Price Reduction For Defective Cost or Pricing Data-Modifications	OCT 1997
52.215-13	Subcontractor Cost or Pricing Data-Modifications	OCT 1997
52.215-14	Integrity of Unit Price	OCT 1997
52.215-17	Waiver of Facilities Capital Cost of Money	OCT 1997
52.215-19	Notification of Ownership Changes	OCT 1997
52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data –Modification Alternate IV (OCT 1995)	OCT 1997
52.216-7	Allowable Cost and Payment	DEC 2002
52.216-8	Fixed Fee	Mar 1997
52.217-8	Option To Extend Services	NOV 1999
52.219-8	Utilization of Small Business Concerns	MAY 2004
52.219-9	Small Business Subcontracting Plan	APR 2008
52.219-14	Limitations on Subcontracting	DEC 1996
52.222-2	Payment for Overtime Premiums	JUL 1990
52.222-3	Convict Labor	JUN 2003
52.222-21	Prohibition of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	MAR 2007
52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2006
52.222-36	Affirmative Actions for Workers with Disabilities	JUN 1998
52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	SEP 2006

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

52.222-38	Compliance With Veterans' Employment Reporting Requirement	DEC 2001
52.222-39	Notification of Employee Rights Concerning Payment of Union Dues or Fees	DEC 2004
52.222-41	Service Contract Act of 1965, as Amended	NOV 2007
52.222-50	Combating Trafficking In Persons	FEB 2009
52.223-6	Drug-Free Workplace	MAY 2001
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.225-13	Restrictions on Certain Foreign Purchases	JUN 2008
52.227-1	Authorization and Consent Alternate I (APR 1984)	DEC 2007
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	DEC 2007
52.227-11	Patent Rights-Ownership by the Contractor (Short Form)	DEC 2007
52.227-14	Rights in Data-General	DEC 2007
52.228-7	Insurance-Liability To Third Persons	MAR 1996
52.232-17	Interest	OCT 2008
52.232-18	Availability of Funds	APR 1984
52.232-20	Limitation of Costs	APR 1984
52.232-22	Limitation of Funds	APR 1984
52.232-23	Assignment of Claims	JAN 1986
52.232-25	Prompt Payment	OCT 2008
52.232-33	Payment by Electronic Funds Transfer – Central Contractor Registration	OCT 2003
52.232-35	Designation of Office for Government Receipt of Electronic Funds Transfer Information	MAY 1999
52.233-1	Disputes	JUL 2002
52.233-2	Service of Protest	SEP 2006

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

52.233-3	Protest After Award (Alternate I) JUN 1985	AUG 1996
52.233-4	Applicable Law of Breach of Contract Claim	OCT 2004
52.242-1	Notice of Intent to Disallow Costs	APR 1984
52.242-3	Penalties for Unallowable Costs	MAY 2001
52.242-4	Certification of Final Indirect Cost	JAN 1997
52.242-13	Bankruptcy	JUL 1995
52.243-2	Changes – Cost Reimbursement Alternate V (APR 1984)	AUG 1987
52.243-7	Notification of Changes	APR 1984
52.244-2	Subcontracts	JUN 2007
52.244-5	Competition in Subcontracting	DEC 1996
52.244-6	Subcontracts for Commercial Items	MAR 2009
52.245-1	Government Property Alternate II (JUN 2007)	JUN 2007
52.245-9	Use and Charges	JUN 2007
52.246-25	Limitation of Liability-Services	FEB 1997
52.247-34	F.O.B. Destination	NOV 1991
52.247-67	Submission of Transportation Documents For Audit	FEB 2006
52.249-6	Termination for Convenience of the Government  (Cost Reimbursement)	MAY 2004
52.249-14	Excusable Delays	APR 1984
52.250-3	Safety Act Block Designation/Certification	FEB 2009
52.250-5	Safety Act – Equitable Adjustment	FEB 2009
52.251-1	Government Supply Sources	APR 1984
52.253-1	Computer Generated Forms	JAN 1991

**I.2 Prohibitions on Contracts with Corporate Expatriates (HSAR 3052.209-70)(Jun 2006)**

**Prohibitions.**

Section 835 of Public Law 107-296, prohibits the Department of Homeland Security from entering into any contract with a foreign incorporated entity after November 25, 2002, which is treated as an inverted domestic corporation as defined in this clause. The Secretary shall waive the prohibition with respect to any specific contract if the Secretary determines that the waiver is required in the interest of homeland security, or to prevent the loss of any jobs in the United States or prevent the Government from incurring any additional costs that otherwise would not occur.

**Definitions.** As used in this clause:

“Expanded Affiliated Group” means an affiliated group as defined in section 1504(a) of the Internal Revenue Code of 1986 (without regard to section 1504(b) of such Code), except that section 1504 of such Code shall be applied by substituting ‘more than 50 percent’ for ‘at least 80 percent’ each place it appears. “Foreign Incorporated Entity” means any entity which is, or but for subsection (b) of Section 835 of the Homeland Security Act, Public Law 107-296, would be, treated as a foreign corporation for purposes of the Internal Revenue Code of 1986.

“Inverted Domestic Corporation.” A foreign incorporated entity shall be treated as an inverted domestic corporation if, pursuant to a plan (or a series of related transactions)—The entity completes after November 25, 2002, the direct or indirect acquisition of substantially all of the properties held directly or indirectly by a domestic corporation or substantially all of the properties constituting a trade or business of a domestic partnership; After the acquisition at least 80 percent of the stock (by vote or value) of the entity is held—In the case of an acquisition with respect to a domestic corporation, by former shareholders of the domestic corporation by reason of holding stock in the domestic corporation; or In the case of an acquisition with respect to a domestic partnership, by former partners of the domestic partnership by reason of holding a capital or profits interest in the domestic partnership; and The expanded affiliated group which after the acquisition includes the entity does not have substantial business activities in the foreign country in which or under the law of which the entity is created or organized when compared to the total business activities of such expanded affiliated group. “Person”, “domestic”, and “foreign” have the meanings given such terms by paragraphs (1), (4), and (5) of section 7701(a) of the Internal Revenue Code of 1986, respectively.

**Special rules.**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

The following definitions and special rules shall apply when determining whether a foreign incorporated entity should be treated as an inverted domestic corporation.

**Certain Stock Disregarded.** For the purpose of treating a foreign incorporated entity as an inverted domestic corporation these shall not be taken into account in determining ownership: stock held by members of the expanded affiliated group which includes the foreign incorporated entity; or stock of such entity which is sold in a public offering related to the acquisition described in subsection (b)(1) of Section 835 of the Homeland Security Act, Public Law 107-296.

**Plan Deemed In Certain Cases.** If a foreign incorporated entity acquires directly or indirectly substantially all of the properties of a domestic corporation or partnership during the 4-year period beginning on the date which is after the date of enactment of this Act and which is 2 years before the ownership requirements of subsection (b)(2) are met, such actions shall be treated as pursuant to a plan.

**Certain Transfers Disregarded.** The transfer of properties or liabilities (including by contribution or distribution) shall be disregarded if such transfers are part of a plan a principal purpose of which is to avoid the purposes of this section.

*Special Rule for Related Partnerships.*

For purposes of applying Section 835(b) of Public Law 107-296 to the acquisition of a domestic partnership, except as provided in regulations, all domestic partnerships which are under common control (within the meaning of section 482 of the Internal Revenue Code of 1986) shall be treated as a partnership.

*Treatment of Certain Rights.*

Certain rights shall be treated as stocks to the extent necessary to reflect the present value of all equitable interests incident to the transaction, as follows: warrants; options; contracts to acquire stock; convertible debt instruments; and others similar interests.

Rights labeled as stocks shall not be treated as stocks whenever it is deemed appropriate to do so to reflect the present value of the transaction or to disregard transactions whose recognition would defeat the purpose of Section 835.

*Disclosure.*

By signing and submitting its offer, an Offeror under this solicitation represents that it not a foreign incorporated entity that should be treated as an inverted domestic corporation pursuant to the criteria of Section 835 of the Homeland Security Act, Public Law 107-296 of November 25, 2002. If a waiver has been granted, a copy of the approved waiver shall be attached to the bid or proposal.

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**I.3 DISSEMINATION OF CONTRACT INFORMATION (HSAR  
3052.242-71) (DEC 2003)**

The Contractor shall not publish, permit to be published, or distribute for public consumption, any information, oral or written, concerning the results or conclusions made pursuant to the performance of this contract, without the prior written consent of the Contracting Officer. An electronic or printed copy of any material proposed to be published or distributed shall be submitted to the Contracting Officer.

**I.4 F.O.B DESTINATION ONLY (HSAR 3052.242-72) (DEC 2003)**

Offers are invited on the basis of f.o.b. destination only. Offers submitted on any other basis will be rejected as nonresponsive.

**END OF SECTION I**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION J – LIST OF ATTACHMENTS**

**J.1 - Statement of Work**

Statements of Work for succeeding phases are subject to change based on work in prior phase.

**END OF SECTION J**

Advanced Technology Demonstration (ATD)  
for  
Intelligent Radiation Sensor Systems (IRSS)

**SECTION K – REPRESENTATION AND CERTIFICATIONS**

The contractor's annual representation and certifications electronically filed at [www.orca.bpn.gov](http://www.orca.bpn.gov) are incorporated herein by reference and made a part of this contract.

**END OF SECTION K**

**Statement of Work**

(b)

(4)

(b)

(4)

(b) (4)

---

(b) (4)

(b) (4)

patents, some of the 200 patents, and the 200.

(b) (4)

(b)

(4)

(b)

(4)

(b)

(4)

(b)

(4)

(b)

(4)