

DELIVERY ORDER **FINAL**

1. CONTRACT NO. N00178-04-D-4100	2. DELIVERY ORDER NO. 000204	3. EFFECTIVE DATE ORIG 08/20/2004 MOD 01/12/2005	4. PURCHASE REQUEST NO. N00024-05-MR-00283
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5. ISSUED BY Naval Sea Systems Command (NAVSEA) Patricia Watchorn 02552W BUILDING 197, ROOM 5w-2730 1333 ISAAC HULL AVENUE SE WASHINGTON NAVY YARD, DC 20376-2040 watchornpa@navsea.navy.mil 202-781-2207 Ext.	CODE N00024	6. ADMINISTERED BY DCMA ATLANTA 2300 LAKE PARK DRIVE, SUITE 300 SMYRNA, GA 30080	CODE S1103A
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7. CONTRACTOR Orbis Inc. 900 Island Park Dr. Suite 201E Charleston, SC 29492 TIN: 57-1109339	CODE 1SEL4	FACILITY	8. DELIVERY DATE See Section F
			9. CLOSING DATE/TIME
			SET ASIDE TYPE
			10. MAIL INVOICES TO See Section G

11. SHIP TO See Section D	12. PAYMENT WILL BE MADE BY CODE HQ0338 DFAS Columbus Center, South Entitlement Operations P.O. Box 182264 Columbus, OH 43213
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13. TYPE OF ORDER	<input checked="" type="checkbox"/> D	<input checked="" type="checkbox"/> X	This delivery order/call is issued on another Government agency or in accordance with and subject to terms and conditions of above-numbered contract.
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ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

Orbis Inc.		Guy Mossman, CEO	
NAME OF CONTRACTOR	SIGNATURE	TYPED NAME AND TITLE	DATE SIGNED

14. ACCOUNTING AND APPROPRIATION DATA
See Section G

15. ITEM NO.	16. SCHEDULE OF SUPPLIES/SERVICES	17. QUANTITY ORDERED/ACCEPTED*	18. UNIT	19. UNIT PRICE	20. AMOUNT
See the Following Pages					

*If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.	21. UNITED STATES OF AMERICA By: Peter E. Richmond	01/12/2005	22. TOTAL \$715,000
		CONTRACTING/ORDERING OFFICER	

SECTION	DESCRIPTION	SECTION	DESCRIPTION
B	SUPPLIES OR SERVICES AND PRICES/COSTS	H	SPECIAL CONTRACT REQUIREMENTS
C	DESCRIPTION/SPECS/WORK STATEMENT	I	CONTRACT CLAUSES
D	PACKAGING AND MARKING	J	LIST OF ATTACHMENTS
E	INSPECTION AND ACCEPTANCE		
F	DELIVERIES OR PERFORMANCE		
G	CONTRACT ADMINISTRATION DATA		

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GENERAL INFORMATION

The purpose of this modification to task order N00178-04-D-4100 0002 is to extend the period of performance for SLINs 0001AB and 0003AB. Accordingly, this task order is modified as follows:

1. Section F, Deliveries or Performance, extend the period of performance for SLINs 0001AB and 0003AB through 31 January 2005.

Note: For informational purposes only, a conformed copy of Sections B-J of this contract is attached to this modification, including the changes made herein. Attachments from the basic contract through the current modification are not included in this conformed contract modification unless specifically applicable to this modification. Financial Accounting Data sheets containing Accounting and Appropriation Data relating to this modification are also attached to this modification.

SECTION B SUPPLIES OR SERVICES AND PRICES

CLIN - SUPPLIES OR SERVICES

For Cost Type Items:

0001 Provide Theory of Constraint/Critical Chain Project Management Implementation and Training for the Navy Systems Support Group. \$3,596,824

Item	Supplies/Services	Qty	Unit	Est.Cost	Base Fee	Award Fee	CPAF
0001AA	Base Period: Provide Theory of Constraint/Critical Chain Project Management Implementation and Training for the Navy Systems Support Group. (TBD)		1.0 Lot	\$0	\$0	\$0	\$0

Item	Supplies/Services	Qty	Unit	Est.Cost	Base Fee	Award Fee	CPAF
0001AB	Base Period: Provide Theory of Constraint/Critical Chain Project Management Implementation and Training for the Navy Systems Support Group (O&MN,N)		1.0 Lot	\$72,139	\$1,365	\$4,096	\$77,600

Item	Supplies/Services	Qty	Unit	Est.Cost	Base Fee	Award Fee	CPAF
0001AC	Base Period: Provide Theory of Constraint/Critical Chain Project Management Implementation and Training for the Navy Systems Support Group (O&MN,N)		1.0 Lot	\$260,338	\$4,916	\$14,746	\$280,000

Item	Supplies/Services	Qty	Unit	Est.Cost	Base Fee	Award Fee	CPAF
0001AD	Base Period: Provide Theory of Constraint/Critical Chain Project Management Implementation and Training for the Navy Systems Support Group (O&MN,N)		1.0 Lot	\$185,980	\$3,505	\$10,515	\$200,000

Item	Supplies/Services	Qty	Unit	Est.Cost	Base Fee	Award Fee	CPAF
0001BA	Option Year 1: Provide Theory of Constraint/Critical Chain Project Management Implementation and Training for the Navy Systems Support Group. (TBD) Option		1.0 Lot	\$456,051	\$8,595	\$25,786	\$490,432

Item	Supplies/Services	Qty	Unit	Est.Cost	Base Fee	Award Fee	CPAF
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0001CA	Option Year 2: Provide Theory of Constraint/Critic al Chain Project Management Implementation and Training for the Navy Systems Support Group. (TBD) Option	1.0 Lot	\$793,348	\$14,952	\$44,856	\$853,156
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Item	Supplies/Services	Qty	Unit Est. Cost	Base Fee	Award Fee	CPAF
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0001DA	Option Year 3: Provide Theory of Constraint/Critic al Chain Project Management Implementation and Training for the Navy Systems Support Group. (TBD) Option	1.0 Lot	\$790,104	\$14,877	\$44,632	\$849,613
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Item	Supplies/Services	Qty	Unit Est. Cost	Base Fee	Award Fee	CPAF
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0001EA	Option Year 4: Provide Theory of Constraint/Critic al Chain Project Management Implementation and Training for the Navy Systems Support Group. (TBD) Option	1.0 Lot	\$786,811	\$14,803	\$44,409	\$846,023
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For ODC Items:

Item	Supplies/Services	Qty	Unit Est. Cost
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0003	Provide Theory of Constraint/Critic al Chain Project Management Implementation and Training for the Navy Systems Support Group.		\$856,000
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0003AA	Base Period: Other Direct Costs (ODCs) in Support of SLIN 0001AA. (TBD)	1.0 Lot	\$0
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0003AB	Base Period: Other Direct Costs (ODCs) in Support of 0001AB (O&MN,N)	1.0 Lot	\$22,400
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0003AC	Base Period: Other Direct Costs (ODCs) in Support of SLIN 0001AC (O&MN,N)	1.0 Lot	\$70,000
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0003AD	Base Period: Other Direct Costs (ODC)s in support of SLIN 0001AD (O&MN,N)	1.0 Lot	\$65,000
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0003BA	Option Year 1: Other Direct Costs (ODCs) in Support of SLIN 0001BA. (TBD) Option	1.0 Lot	\$98,600
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0003CA	Option Year 2: Other Direct Costs (ODCs) in Support of SLIN 0001CA. (TBD) Option	1.0 Lot	\$200,000
0003DA	Option Year 3: Other Direct Costs (ODCs) in Support of SLIN 0001DA. (TBD) Option	1.0 Lot	\$200,000
0003EA	Option Year 4: Other Direct Costs (ODCs) in Support of SLIN 0001EA. (TBD) Option	1.0 Lot	\$200,000

NOTE A - Option item to which the option clause in SECTION I-2 applies and which is to be supplied only if and to the extent said option is exercised.

NOTE B - Additional SLINs may be created to accommodate the types of funds that shall be used to fund this effort.

The clause entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF FUNDS" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified estimated cost.

CONTRACT TYPE SUMMARY FOR PAYMENT OFFICE (COST TYPE)

(NAVSEA) (FEB 1997)

This entire contract is cost plus award fee type.

PAYMENTS OF FEE (S) (COMPLETION) (NAVSEA) (MAY 1993)

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, "fixed fee" in cost-plus-fixed-fee type contracts for completion and phase type contracts.

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR 52.216-10), as applicable. Such payments shall be equal to (OFFEROR TO FILL IN) percent of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) In the event of discontinuance of the work under this contract, or any specified phase of the contract, in accordance with the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22) or "LIMITATION OF COST" (FAR 52.232-20), as applicable, the fee shall be equitably adjusted by mutual agreement to reflect the diminution of work. If the adjusted fee is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the adjusted fee exceeds all payments made to the Contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee(s) in accordance with paragraph (c) above, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

SECTION C DESCRIPTIONS AND SPECIFICATIONS

1.0 Background:

Naval Sea Systems Command (NAVSEA) has embarked on an initiative to implement the "Theory of Constraints" (TOC) and Critical Chain Project Management (CCPM) methodology as Project Management tools at all NAVSEA depots. This initiative is one of several key elements in NAVSEA's "Nuclear Ship Industrial Base Transformation Initiative," which is designed for the development of a ship surge capacity to support national defense requirements in the war on terrorism. The NAVSEA shipyard corporation is a diverse and dynamic industrial environment and is striving to utilize TOC/CCPM best practices to achieve dramatic and sustained productivity improvements. The goal of the initiative is significant improvements in all work at NAVSEA shipyards to increase throughput and reduce work in process and process cycle time. In order to meet this objective, throughput must improve continuously to support the needs of the fleet concurrent with reductions in inventory, volume of work in flow, and operating expenses. The Navy Systems Support Group (NSSG) has been assigned the lead role in developing and implementing a detailed Plan of Action and Milestones (POA&M) for the introduction and use of TOC/CCPM in all Naval shipyards by the close of fiscal year 2004. In support of the POA&M, each Naval shipyard has appointed a TOC/CCPM Implementation Manager and nominated a near-term availability to "pilot" the use of CCPM utilizing the Concerto software. In addition, a major constraint placed upon NSSG and the TOC/CCPM implementation team is the requirement to link the TOC/CCPM tool to a limited number of existing corporate information systems.

2.0 SCOPE

The scope of this Order includes the acquisition of support services required to manage, train, deploy, implement, evaluate and maintain TOC concepts, which include but are not limited to CCPM and Drum-Buffer-Rope.

Acceptable Quality Level: All delivered products are fully coordinated with stakeholders, delivered in a timely manner, and correctly formatted without any technical or editorial errors. Classified and Unclassified meetings are properly supported with respect to meeting announcements, minutes, Action Item tracking, and facility support.

Performance Assessment Plan: Navy Systems Support Group (NSSG) staff will review and assess deliverables and products. The contractor will provide periodic reports in accordance with following requirements.

3.0 DETAILED REQUIREMENTS

This effort will use a phased approach with concurrent training and on-site implementation support to provide rapid and effective TOC/CCPM implementation and evaluation at each Naval shipyard or combined shipyard and IMF-Norfolk, Portsmouth, Pearl & IMF, and Puget Sound & IMF. Each activity requires consultant support to achieve the following outcomes and capabilities.

3.1 BUSINESS STRATEGY AND TACTICAL PLANNING

The contractor shall participate in the development of the complete TOC/CCPM roll-out across the entire Shipyard enterprise. This includes a holistic approach integrating TOC/CCPM methodologies of critical chain scheduling and project management, subordinate critical chain management, drum buffer rope management and supply chain replenishment and supporting surrounding business processes.

Performance Standard: Products are delivered within the deadlines established by task managers. Products delivered are accurate and IAW established NSSG and Navy standards and policy. Meetings, Classified and Unclassified, are well planned and executed, meeting minutes and list of action items are delivered in a timely manner. General guidelines are as follows:

CDRL A001 Assistance and Input to Implementation Plan as required

3.2 PERFORMANCE MEASUREMENTS

The contractor shall provide a report detailing the required system of common metrics to measure how effectively each Pilot Project is implementing/operating TOC/CCPM. The contractor needs to set the foundation of how activity of the enterprise is contributing to the overall throughput and productivity of each ship availability and the corporation as a whole. The contractor shall plan for and lead the effort to analyze

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current business processes and facility utilization associated with implementation of TOC/CCPM business practices. The contractor shall facilitate management process mapping to develop new business policies and processes; role and responsibility mapping; and facilities needs associated with pull vice push scheduling to support our cycle time reduction efforts using TOC/CCPM concepts and techniques. The goal of this effort is to implement new business strategies and processes and plans for the Naval Shipyards, as TOC/CCPM is implemented throughout the facility. This business policy, process, and role analysis and development will be current with the appropriate phase of the TOC/CCPM implementation process to provide integrated management responses to the needs of the implementation efforts

Performance Standard: Products are delivered within the deadlines established by task managers. Products delivered are accurate and IAW established NSSG and Navy standards and policy. Meetings, Classified and Unclassified, are well planned and executed, meeting minutes and list of action items are delivered in a timely manner. General guidelines are as follows:

CDRL A002 Assistance and Input to Performance Improvement Report as required

3.3 ON-SITE IMPLEMENTATION SUPPORT

The contractor shall provide on-site support to assist the pilot project teams to effectively implement TOC/CCPM. The on-site support will include but is not limited to network building, planning and execution and performance measurement techniques, guidance and lessons learned.

Performance Standard: Products are delivered within the deadlines established by task managers. Products delivered are accurate and IAW established NSSG and Navy standards and policy. Meetings, Classified and Unclassified, are well planned and executed, meeting minutes and list of action items are delivered in a timely manner. General guidelines are as follows:

CDRL A003 Bi-Weekly Progress Report

3.4 PILOT PROJECT ASSESSMENT

The contractor shall plan for and participate in require pilot assessments and enhancement of the existing critical chain scheduling and project management for the TOC/CCPM pilot projects. The contractor shall work in conjunction with pilot project teams and designated TOC/CCPM core team members to enhance and improve existing critical chain scheduling and buffer management for the pilot projects. This shall include determination of any further potential reduced cycle times while better utilizing resources to sustain the cycle time reductions on a long-term basis.

Performance Standard: Products are delivered within the deadlines established by task managers. Products delivered are accurate and IAW established NSSG and Navy standards and policy. Meetings, Classified and Unclassified, are well planned and executed, meeting minutes and list of action items are delivered in a timely manner. General guidelines are as follows:

CDRL A004 Pilot Assessment Support

4.0 SECURITY

A confidential facility clearance will be required in performance of this task order. Individual Contractor employees who require access to classified information will require confidential security clearances and access to Unclassified Naval Nuclear Propulsion Information. Please see attached Department of Defense Contract Security Classification Specifications (DD254 Forms) for specific security guidelines. Given the timeframes for implementation, contractors must be able to get individual clearances within 10 days of award of the contract. The facility license is required upon start of the contract. Additional security guidance may be provided by individual shipyards.

5.0 GOVERNMENT FURNISHED PROPERTY

The Government shall furnish all GFP materials and facilities, as required, in support of this delivery order. For this purpose, the contractor for this work will be located at Government facilities at Norfolk, Portsmouth, Puget Sound, and Pearl Harbor Naval Shipyards. In addition, the Government shall provide fax support, LAN/WAN access, phone conferencing facilities, video teleconferencing facilities, meeting facilities, staff availability, consultation, and analysis support for specific functional issues and/or specific local conditions unique to the site being supported. Directives, policies, procedures and standards that are applicable to the program management activities required by this SOW, will be made available to contractor. The Government shall furnish the run-time environment hardware, software, and supporting GFP materials and facilities, as

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required, in support of the analysis, design, coding, and testing tasks requested in this delivery order. The intent is for the Government to provide contractor with a technical environment that accurately reflects the production run-time environment, and thus minimizes the risk of this effort.

6.0 PLACE OF PERFORMANCE

The Principle Place of Contract Performance will take place at government facilities at Norfolk Naval Shipyard and Portsmouth Naval Shipyard. Auxiliary work will be done at government facilities at Puget Sound Naval Shipyard & IMF, and Pearl Harbor Naval Shipyard & IMF. The contractor shall be available to travel to remote locations for off-site availabilities. Required travel and material costs will be reimbursed in accordance with the Joint Travel Regulations.

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SECTION D PACKAGING AND MARKING

Packaging and Marking in accordance with Section D of the IDIQ contract.

SECTION E INSPECTION AND ACCEPTANCE

Inspection and Acceptance in accordance with Section E of the SeaPort Multiple Award IDIQ contract and supplemented by the following performance assessment standard:

Task Order Performance Standard:

Monthly status reports submitted to the Task Order Manager under subject Task Order shall identify the work that had been performed during the month, deliverables that had been submitted, and the name of the Government representative that had received the deliverable. The Task Order Manager will be required on a monthly basis to rate the quality of deliverables in terms of timeliness and quality on a rating scale of one (1) to five (5). The rating scale is specified in the table and defined below:

Rating Number Rating Description

5	Significantly Exceeds Expectation
4	Exceeds Expectation
3	Meets Expectation
2	Barely Meets Expectation
1	Fails to Meet Expectation

Task Order acceptance will be made by the Task Order Manager upon the Contractor having achieved an overall rating of all deliverables, of "Meets Expectation" or better.

Rating Definitions:

Significantly Exceeds Expectation: Deliverables are completed on or prior to their respective due date 100% of the time without further revisions being required.

Exceeds Expectation: Deliverables are completed on or prior to their respective due date 100% of the time with only minor revisions being required on approximately 5% of items submitted. The required rework does not negatively impact upon the respective program.

Meets Expectation: Deliverables are completed on or prior to their respective due date 100% of the time with minor revisions being required on approximately 10% of items submitted. The required rework does not negatively impact upon the respective program.

Barely Meets Expectation: Deliverables are completed on or prior to their respective due date approximately 95% of the time with minor revisions being required on approximately 15% of items submitted. The delayed submission and required rework of deliverables results in a minor negative impact to the respective program.

Fails to Meet Expectation: Deliverables are completed on or prior to their respective due date less than 90% of the time with significant revisions being required on greater than 15% of items submitted. The delayed submission and required rework of deliverables results in a significant negative impact to the respective program.

SECTION F DELIVERIES OR PERFORMANCE

CLIN - DELIVERIES OR PERFORMANCE

The periods of performance for the following firm items are from date of task order award through 12 months thereafter, estimated at:

0001AA 8/2/2004 - 9/30/2004
0001AB 8/18/2004 - 12/31/2004
0001AC 9/22/2004 - 9/30/2005
0001AD 9/30/2004 - 9/30/2005
0003AA 8/2/2004 - 9/30/2004
0003AB 8/18/2004 - 12/31/2004
0003AC 9/22/2004 - 9/30/2005
0003AD 9/30/2004 - 9/30/2005

The period of performance for the following option items are from date of option exercise through 12 months thereafter, estimated at:

0001BA 10/1/2004 - 9/30/2005
0001CA 10/1/2005 - 9/30/2006
0001DA 10/1/2006 - 9/30/2007
0001EA 10/1/2007 - 9/30/2008
0003BA 10/1/2004 - 9/30/2005
0003CA 10/1/2005 - 9/30/2006
0003DA 10/1/2006 - 9/30/2007
0003EA 10/1/2007 - 9/30/2008

SECTION G CONTRACT ADMINISTRATION DATA

Task Order Managers:

Mike Tracy
Navy Systems Support Group
Norfolk Naval Shipyard
Bldg 33
Portsmouth, VA 23709
757-396-1973

Matthew Maroney
Navy Systems Support Group
Norfolk Naval Shipyard
Bldg 33
Portsmouth, VA 23709
757-396-1989

SECTION H SPECIAL CONTRACT REQUIREMENTS

NAVSEA 5252.232-9104 -- ALLOTMENT OF FUNDS (MAY 1993)

(a) This task order is incrementally funded with respect to both cost and fee. The amount(s) presently available and allotted to this task order for payment of fee for incrementally funded contract line item number/contract subline item number (CLIN/SLIN), subject to the clause entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE" (FAR 52.216-10), as appropriate, is specified below. The amount(s) presently available and allotted to this task order for payment of cost for incrementally funded CLINs/SLINs is set forth below. As provided in the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22), the CLINs/SLINs covered thereby, and the period of performance for which it is estimated the allotted amount(s) will cover are as follows:

ITEM	ALLOTED TO COST	ALLOTED TO FIXED FEE	CPFF	M/HS	EST. POP
0001AB	72,139	1,365	73,504		8/18/2004 - 12/31/2004
0001AC	260,338	4,916	265,254		9/22/2004 - 9/30/2005
0001AD	185,980	3,505	189,485		9/30/2004 - 9/30/2005

(b) The parties contemplate that the Government will allot additional amounts to this contract from time to time for the incrementally funded CLINs/SLINs by unilateral task order modification, and any such modification shall state separately the amount(s) allotted for cost, the amount(s) allotted for fee, the CLINs/SLINs covered thereby, and the period of performance which the amount(s) are expected to cover.

(c) CLIN(s)/SLIN(s) 0001AA, 0003AA, 0003AB, 0003AC, 0003AD are fully funded and performance under CLIN(s)/SLIN(s) is subject to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable.

(d) The Contractor shall segregate costs for the performance of incrementally funded CLINs/SLINs from the costs of performance of fully funded CLINs/SLINs.

NAVSEA 5252.242-9115 TECHNICAL INSTRUCTIONS

(a) Performance of work hereunder may be subject to written technical instructions signed by the Task Order Manager (TOM) specified in Section G of this contract. As used herein, technical instructions are defined to include the following:

(1) Directions to the Contractor which suggest pursuit of certain lines of inquiry, shift work emphasis, fill in

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details and otherwise serve to accomplish the contractual statement of work.

(2) Guidelines to the Contractor which assist in the interpretation of drawings, specifications or technical portions of work descriptions.

(b) Technical instructions must be within the general scope of work stated in the contract. Technical instruction may not be used to: (1) assign additional work under the contract; (2) direct a change as defined in the "CHANGES" clause in this contract; (3) increase or decrease the contract price or estimated contract amount (including fee), as applicable, the level of effort, or the time required for contract performance; or (4) change any of the terms, conditions or specifications of the contract.

(c) If, in the opinion of the Contractor, any technical instruction calls for effort outside the scope of the contract or is inconsistent with this requirement, the Contractor shall notify the Contracting Officer in writing within ten (10) working days after the receipt of any such instruction. The Contractor shall not proceed with the work affected by the technical instruction unless and until the Contractor is notified by the Contracting Officer that the technical instruction is within the scope of the contract.

(d) Nothing in the foregoing paragraph shall be construed to excuse to Contractor from performing that portion of the contractual work statement which is not affected by the AWARD TERM CLAUSE. See Award Term Clause and Plan, Section J, Task Order Attachment 2.

5252.249-9105 AWARD FEE DETERMINATION IN EVENT OF TERMINATION OR DISCONTINUANCE (CA) (JAN 1990)

In the event that this contract is terminated in whole or pursuant to the contract clause entitled "TERMINATION (COST-REIMBURSEMENT)" (FAR 52.249-6) or in the event this contract is discontinued pursuant to the contract clause entitled "LIMITATION OF COST" (FAR 52.232-20), the last award fee period shall end with the effective date of such termination or discontinuance. In either of such events, the amount of award fee, if any, determined to be otherwise payable shall be adjusted or prorated to reflect the difference, if any, in award fee periods resulting from termination or discontinuance.

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SECTION I CONTRACT CLAUSES

FAR 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000) (NAVSEA VARIATION) (MAR 2000)

(a) The Government may extend the term of this delivery order by written notice(s) to the Contractor within the periods specified below. If more than one option exists, each option is independent of any other option, and the Government has the right to unilaterally exercise any such option whether or not it has exercised other options.

ITEM(S) LATEST OPTION EXERCISE DATE

Option 1	12 Months after issuance of Task Order
Option 2	12 Months after Option Exercise
Option 3	12 Months after Option Exercise
Option 4	12 Months after Option Exercise

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

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SECTION J LIST OF ATTACHMENTS

Attachment 1: Financial Accounting Data Sheet for Task Order Award.

Attachment 2: FAD for 0002 01 in the amount of \$335,254 (O&MN)

Attachment 3: FAD for 0002 02 in the amount of \$254,485(O&MN)