AWARD/CONTRACT

1. THIS CONTRACT IS A RATED ORDER ↓ | RATING DO-C9 | PAGE 1 OF 20

2. CONTRACT NO. (Proc. Inst. Ident.) M67854-04-D-3118

3. EFFECTIVE DATE SEE BLOCK 20C

REQUISITION/PURCHASE REQUEST/PROJECT NO. SEE INDIVIDUAL DELIVERY ORDERS

5. ISSUED BY CODE M67854
MARINE CORPS SYSTEMS COMMAND
ATTN: CTQLD
2200 LESTER STREET
QUANTICO, VA 22134-6050 FAX: (703) 432-3262
BUYER: S. LEIGH D'LUGOS, PHONE: (703) 432-3267

6. ADMINISTERED BY (If Other than 5) CODE S0302A
DCMA PHOENIX
TWO RENAISSANCE SQUARE
40 NORTH CENTRAL AVE., SUITE 400
PHOENIX, AZ 85004-4424
PH: 602-594-7800 FAX: 602-594-7995/7991

7. NAME AND ADDRESS OF CONTRACTOR (No, Street, City, County, State and Zip Code)
ARMORWORKS INC.
7306 SOUTH HARL AVENUE
TEMPE, AZ 85283
POC: MR. JOHN ~~CASTLE~~ Lichtsinn
PH: (480)682-1026
TIN#: 86-0820182
CCR: VERIFIED

8. DELIVERY
[ ] FOB ORIGIN [X] OTHER (See below)
SEE SECTION F

9. DISCOUNT FOR PROMPT PAYMENT
NET 30 DAYS

10. SUBMIT INVOICES
SEE SECTION G

ITEM SEE SECTION G

CODE 06DJ7 FACILITY CODE

11. SHIP TO/MARK FOR CODE
SEE SECTION F

12. PAYMENT WILL BE MADE BY CODE HQ0339
DFAS COLUMBUS CENTER
DFAS-CO/WEST ENTITLEMENT OPERATIONS
P.O. BOX 182381
COLUMBUS, OH 43218-2381
TELEPHONE: (800) 756-4571 FAX: (614) 693-2267

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION.
[x] 10 U.S.C. 2304 (c) (2) [ ] 41 U.S.C. 253(c) ( )

14. ACCOUNTING AND APPROPRIATION DATA
TO BE PROVIDED IN INDIVIDUAL DELIVERY ORDERS

15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
	SEE SECTION B				

15G. TOTAL AMOUNT OF CONTRACT See Section B

16. TABLE OF CONTENTS

	SEC	DESCRIPTION	PAGES		SEC	DESCRIPTION	PAGES
		PART I - THE SCHEDULE				PART II – CONTRACT CLAUSES	
X	A	SOLICITATION/CONTRACT FORM	1	X	I	CONTRACT CLAUSES	14
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	2			PART III LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS	
X	C	DESCRIPTION/SPECS/WORK STATEMENT	4	X	J	LIST OF ATTACHMENTS	20
X	D	PACKAGING AND MARKING	7			PART IV – REPRESENTATIONS AND INSTRUCTIONS	
X	E	INSPECTION AND ACCEPTANCE	8		K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
X	F	DELIVERIES OR PERFORMANCE	9				
X	G	CONTRACT ADMINISTRATION DATA	11		L	INSTRS, CONDS, AND NOTICES TO OFFERORS	
X	H	SPECIAL CONTRACT REQUIREMENTS	13		M	EVALUATION FACTORS FOR AWARD	

CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR AS APPLICABLE

17. [X] 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 continuation 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. [ ] 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 continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) the award/contract. No further contractual document is necessary.

19A NAME AND TITLE OF SIGNER (Type or print)
WILLIAM J. PERCIBALLI, PRESIDENT

20A. NAME OF CONTRACTING OFFICER
LEIGH D'LUGOS, CONTRACTING OFFICER

19B. NAME OF CONTRACTOR
BY _____ (Signature of person authorized to sign)

19C DATE SIGNED 8/25/04

20B. UNITED STATES OF AMERICA
BY Leigh D'Lugos (Signature of Contracting Officer)

20C. DATE SIGNED 8/26/04

NSN 7540-01-152-8069
PREVIOUS EDITION UNUSABLE
FAR (48 CFR) 53.214(a)

STANDARD FORM 26 (REV 4-85)
Prescribed by GSA

AWARD/CONTRACT	1. THIS CONTRACT IS A RATED ↓ ORDER	RATING DO-C9	PAGE 1 OF 20
2. CONTRACT NO. (Proc. Inst. Ident.) M67854-04-D-3118	3. EFFECTIVE DATE SEE BLOCK 20C	REQUISITION/PURCHASE REQUEST/PROJECT NO. SEE INDIVIDUAL DELIVERY ORDERS	

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8. DELIVERY
[ ] FOB ORIGIN [X] OTHER (See below)
SEE SECTION F

9. DISCOUNT FOR PROMPT PAYMENT
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10. SUBMIT INVOICES
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ITEM SEE SECTION G

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18. [ ] 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 continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) the award/contract. No further contractual document is necessary.

19A NAME AND TITLE OF SIGNER (Type or print)

20A. NAME OF CONTRACTING OFFICER
LEIGH D'LUGOS, CONTRACTING OFFICER

19B. NAME OF CONTRACTOR	19C DATE SIGNED	20B. UNITED STATES OF AMERICA	20C. DATE SIGNED
BY _____ (Signature of person authorized to sign)		BY _____ (Signature of Contracting Officer)	

SECTION B - SUPPLIES/SERVICES AND PRICES

B-1 SCHEDULE OF SUPPLIES/SERVICES AND PRICES

CONTRACT MINIMUM AND MAXIMUM:
Minimum: 6,400 each **Maximum: Total of 120,000**

DELIVERY ORDER MINIMUM AND MAXIMUM:
Minimum Order: 30 each **Maximum Order: 63,600 each**

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QTY	22. UNIT	23. UNIT PRICE	24. AMOUNT
0001	***ARMORWORKS B4C SAPI*** **FIRST ARTICLES TEST UNITS** Personnel Armor, USMC Small Arms Protective Inserts (SAPI) in accordance with (IWA) Section C.				
0001AA*	X-Small	6	Ea	$330.00	$1,980.00
0001AB*	Small	6	Ea	$356.00	$2,136.00
0001AC*	Medium	6	Ea	$390.00	$2,340.00
0001AD*	Large	6	Ea	$446.00	$2,676.00
0001AE*	X-Large	6	Ea	$509.00	$3,054.00
0002**	TECHNICAL DATA, in accordance with the attached Contract Data Requirements Lists (DD Forms 1423), See Section J.	**NSP	**NSP		
TOTAL					**$12,186.00**

*SLIN 0001AA-0001AE pricing reflects the total cost of planning, production, and delivery of First Article Test Units.

** Not Separately Priced. Price is included in SLINS 0001AA-0001AE.

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QTY	22. UNIT	23. UNIT PRICE	24. AMOUNT
0003	***ARMORWORKS B4C SAPI - PRODUCTION*** Personnel Armor, USMC Small Arms Protective Inserts (SAPI) in accordance with (IWA) Section C.				
0003AA	X-Small	Max: 1,200	Ea	$330.00	Max: $396,000.00
0003AB	Small	Max: 14,400	Ea	$356.00	Max:$5,126,400.00
0003AC	Medium	Max: 63,600	Ea	$390.00	Max:$ 24,804,000.00
0003AD	Large	Max: 37,200	Ea	$446.00	Max:$ 16,591,200.00
0003AE	X-Large	Max: 3,600	Ea	$509.00	Max:$1,832,400.00
0004*	TECHNICAL DATA, in accordance with the attached Contract Data Requirements Lists (DD Forms 1423), See Section J.	*NSP	*NSP		
0005	Shipping Costs for 0003AA-0003AE and 0004	1	Lot	**NTE	$200,000.00
TOTAL					**$48,950,000.00**

* Not Separately Priced. Price is included in SLINS 0003AA-0003AE.

** NTE = Not To Exceed

B-2 BERRY AMENDMENT COMPLIANCE

The Defense Appropriations and Authorizations Acts and other Statutes (Including what is commonly referred to as the "Berry Amendment") imposes restrictions on the DOD's acquisition of Foreign products and services.

A preference for certain domestic commodities is required by 10 USC 2533a and DFARS 252.225-7012. These references require the Department of Defense to acquire specific end items or components that have been grown, reprocessed, reused, or produced in the United States. Synthetic fibers used in the Small Arms Protective Inserts (SAPI's) will be considered to be compliant with the above references if the manufacturing process for the SAPI's is performed within the United States."

B-3 SIZE TARIFF The anticipated size tariff per 1,000 SAPI produced.

Size	Quantity*	Percentage*
X-Small (XS)	10	1%
Small (SM)	120	12%
Medium (MD)	530	53%
Large (LG)	310	31%
X-Large (XL)	30	3%

*The quantities/percentages shown are only anticipated, and therefore may vary slightly in individual orders.

SECTION C – DESCRIPTION/SPECIFICATION/WORK STATEMENT

C.1 BACKGROUND The U.S. Marine Corps (USMC) has a requirement for additional Small Arms Protective Inserts (SAPI). The SAPI consist of interchangeable plates that are inserted into the front and back of a Marine's Outer Tactical Vest. The inserts, which provide a Marine increased protection from small arms rifle fire and indirect fragments, include recent enhancements in comfort and operational effectiveness as compared to its predecessor protective plates.

C.2 SCOPE

C.2.1 General. The Contractor shall furnish the services, personnel, facilities, equipment and materials required to design, produce and deliver the SAPIs ordered under this contract in accordance with the performance specification, entitled "Personnel Armor, USMC Small Arms Protective Insert (SAPI)," (See Section J of this solicitation), and the delivery schedule proposed under Section F. The SAPI shall be delivered without defects and without durability or ballistic failures. The Contractor shall also accomplish any additional requirements set forth in this Statement of Work.

C.2.2 Operation Security. Security of ballistic data generated under this contract shall comply with the DD 254, Contract Security Classification Specification (See Attachment J.2).

C.3 TECHNICAL DATA AND REPORTS

C.3.1 Use & Care Pamphlet - A Use and Care Pamphlet is required with each SAPI . The Pamphlet shall explain the purpose and performance characteristics of the SAPI, how they are to be assembled with the Marine's Outer Tactical Vest, proper fitting, donning and doffing, safe use, cleaning and maintenance instructions, and instructions on when to turn the SAPI in for repair or exchange (See Exhibit A001).

C.3.2 Contract Status Report – The Contractor shall provide a monthly contract status report IAW Exhibit A002.

C.3.3 System Safety Hazard Analysis Report (SSHAR)– The Contractor shall deliver this report with the First Article Test Units (See Exhibit A003).

C.3.4 Safety Assessment Reports (SAR) – As specified on individual delivery orders (See Exhibit A004).

C.4. TASKS

C.4.1 Commercial Products/Standard Parts. The Contractor shall use commercial products, processes, and practices when possible to reduce production and operation support costs. In every case where it is technically and economically feasible, a standard part will be used rather than a non-standard part. A standard part is one that is routinely available in the Government inventory or commercial supply channels and is not sole source or proprietary in nature. Any non-standard part shall be identified.

C.4.2 Product Improvements. Future improvements are encouraged in weight reduction, durability, ballistic performance and cost during the contract term through the use of Engineering Change Proposals, Value Engineering Proposals, Manufacturing Technology, and Operation Support Cost Reduction. Product improvements may be proposed by either the contractor or Government to eliminate operational shortcomings, improve operational effectiveness, accommodate fielding requirements, or provide savings to the Government.

C.4.3 Engineering Change Proposal (ECP). The contractor is encouraged to submit an ECP at its own initiative and own expense. The contractor may be required to submit Production Demonstration Samples (PDS) or portion of a PDS to demonstrate the effectiveness of the proposal. Technologies that reduce the SAPI weight without degradation of other performance characteristics, and/or increase performance, durability, and service life are a priority.

C.4.4 Value Engineering Change Proposal (VECP). A VECP is an incentive for the contractor to aggressively seek ways to reduce the SAPI production or operation and support costs, yet not affecting required SAPI performance. If the government approves the VECP, the Contractor will share in a percentage of the resulting cost savings.

C.5 TEST AND EVALUATION.

C.5.1 First Article Test.

C.5.1.1. First Article Test. The government will conduct First Article Tests in accordance with FAR 52.209-4 First Article Approval – Government Testing (See Section I for clause in full text).

C.5.1.2. First Article Test Requirements.

(a) The contractor shall deliver 30 SAPI First Article Test Units (6 each size XS, SM, MD, LG, XL) within 45 days of contract award (delivery address is provided in F-1).

(b) At a minimum, the government's First Article Test will include the following data (See Attachment J.1– Performance Specification for more detail).

Paragraph	Requirement	Verification Reference	Number of Determinations
3.6	Operating Requirements		
3.6.1	Ease of Insertion	4.6.1.1	5/size
3.6.1.1	Hand gear	4.6.1.1.2	5/size
3.6.2	Markings	4.6.2, 4.7.1.1.5	5
3.6.3	Weight	4.6.3.1	5/size
3.6.4	Size and Shape	4.6.3.2	5/size
3.6.5	Thickness	4.6.3.3	5/size
3.6.6	Color	4.4.1, 4.6.4	1
3.6.7	Health and Safety	4.6.5, -.1, -.2	2
3.7	Ownership and Support Requirements		
3.7.1	Shelf Life	4.7.1	1
3.7.2	Durability	4.7.2	2
3.8	Operating Environment Requirements		
3.8.1	Weatherometer	4.8.1	1
3.8.2	Temperature	4.8.2	2 Hi/2Lo
3.8.3	Temperature Shock	4.8.3	1
3.8.4	Fluid	4.8.4	1 each fluid
3.8.5	Altitude	4.8.5	1
3.8.6	Fungus	4.8.6	1
3.9	Performance Requirements		
3.9.1	Area of protection	4.9	X
3.9.2	Spall, Debris and Residual Penetrator	4.9.9.5	X
3.9.3	V_{50} Ballistic Limit	4.9	
	(a) NATO 7.62 x 51 mm M-80 Ball		1
	(b) Soviet 7.62 x 54R mm Type LPS Ball		1
	(a) US 5.56 mm M-885 Ball		1
3.9.4	V_0 Protection and	4.9	
	(a) NATO 7.62 x 51 mm M-80 Ball		2
	(b) Soviet 7.62 x 54R mm Type LPS Ball		3
	(a) US 5.56 mm M-885 Ball		2
3.9.5	Transient Deformation	4.9	
	(a) NATO 7.62 x 51 mm M-80 Ball		2
	(b) Soviet 7.62 x 54R mm Type LPS Ball		3
	(a) US 5.56 mm M-885 Ball		2

X – Not separately tested. Data generated during other ballistic tests.

C.5.1.3. Lot Testing/Ballistic Verification.

(a) The Contractor shall provide measurements and certificates of conformance for all in-process material inspections needed to meet the minimum requirements of the SAPI performance specification. Government ballistic testing shall be conducted on all lots, and satisfactory results are required for lot acceptance. The Contractor shall assign serial numbers for each SAPI produced, and the Defense Contract Management Agency (DCMA) Quality Assurance Representative (QAR) shall identify randomly selected serial numbered components to be pulled from production for purposes of ballistic testing. One SAPI shall be randomly selected from every 100 SAPI produced, regardless of lot size.

(b) Lot testing will include elements from the contractor's proposed and Government approved QA plan. At a minimum, the Government's intended ballistic threats and velocities are those listed in the Performance Specification para 3.9.4. threats (a) (7.62mm x 51 M80 Ball) and (b) (Soviet 7.62mm x 54R Type LPS); specifically two M80s and one Type LPS for every three samples drawn. Samples tested will also meet the requirements of 3.9.5 (Transient Deformation), except that instead of averaging five (5) shots, the average shall be of all impacts from the QA lot (normally six (6) M80s and four (4) Type LPS for a QA lot of 1000 SAPIs. The contractor shall be responsible for test conduct at mutually agreed upon laboratory. The Government (DCMA) shall be given notice and opportunity to witness all QA testing. The contractor shall bear the cost of all testing, except for the OTV vest panels or simulant shoot pack (Performance Specification paragraph 6.8 or equivalent), which will be government furnished material (GFM) for QA Lot testing only.

C.6 Program Manager. The contractor shall designate a Program Manager. This individual shall serve as the primary point of contact between the Government and contractor, and shall be responsible for the coordination of all Contractor activities related to the contract.

C.7 Post Award Conference. A Post Award Conference may be held if deemed necessary by the Government. If necessary, and at the behest of the Contracting Officer, the conference shall be hosted by the contractor within 45 days of contract award. The contractor and all significant subcontractors shall participate in the conference if held. The purpose of the conference is to ensure mutual understanding of contract requirements and procedures. To this end, discussions at the conference would focus upon project orientation, clarification and transfer of applicable background information, contract requirements, dispute resolution procedures, and identification of points of contact from contractor and Government organizations.

C.8 In Process Reviews (IPR). The contractor shall host and participate in IPRs as required, but initially, at a minimum, on a quarterly basis. The IPR initially reviews the progress of the SAPI program until production ramp-up is complete and monthly production is running consistently. After reaching and sustaining full production, IPRs will be held when deemed appropriate by the Government. IPRs shall be conducted on dates mutually agreeable to the Government and the Contractor's Program Manager, who shall brief the production status and schedule, and any other issues related to contract execution.

C.9 Warranty. The Contractor warrants the SAPI for workmanship, materials, design, and compliance with the performance specifications.

SECTION D - PACKAGING AND MARKING

D-1 PACKAGING AND MARKING

(a) Packaging, for both the SAPI and any technical data to be shipped under the contract, shall be accomplished in accordance with standard commercial practices that ensure the items reach their final destination in their original condition.

(b) All shipping containers shall be marked with durable, legible print that includes quantities, serial and lot numbers (when SAPIs are shipped), weight, and cube dimensions, as well as the contract and delivery order numbers and the Contractor's name and address.

SECTION E – INSPECTION AND ACCEPTANCE

E-1 INSPECTION AND ACCEPTANCE TERMS

Supplies/services will be inspected/accepted at:

CLIN/SLIN	INSPECT AT	INSPECT BY	ACCEPT AT	ACCEPT BY
0001AA	Origin	Government	Destination	Government
0001AB	Origin	Government	Destination	Government
0001AC	Origin	Government	Destination	Government
0001AD	Origin	Government	Destination	Government
0001AE	Origin	Government	Destination	Government
0002	Destination	Government	Destination	Government
0003AA	Origin	Government	Origin	Government
0003AB	Origin	Government	Origin	Government
0003AC	Origin	Government	Origin	Government
0003AD	Origin	Government	Origin	Government
0003AE	Origin	Government	Origin	Government
0004	See DD Form 1423s,	Section J for details		

E-2 CLAUSES INCORPORATED BY REFERENCE

52.246-2	Inspection Of Supplies--Fixed Price	AUG 1996
52.246-15	Certificate of Conformance	APR 1984
52.246-16	Responsibility For Supplies	APR 1984
252.246-7000	Material Inspection And Receiving Report	MAR 2003

E-3 QUALITY ASSURANCE

The contractor shall comply with ANSI/ASQC 9002-1994 "Quality Systems - Model for Quality Assurance in Production, Installation and Servicing" or equivalent best commercial process.

SECTION F – DELIVERIES OR PERFORMANCE

F-1 DELIVERY INFORMATION

SLIN	DELIVERY DATE	UNIT OF ISSUE	QUANTITY	FOB	SHIP TO ADDRESS
0001AA	45 DAYS AFTER CONTRACT AWARD	Each	6	Destination	U.S. Army Research, Development and Engineering Command Attn: AMSRD-NSC-IP-MC (Michael Codega) 1 Kansas St. Natick, MA 01760
0001AB	45 DAYS AFTER CONTRACT AWARD	Each	6	Destination	See address above
0001AC	45 DAYS AFTER CONTRACT AWARD	Each	6	Destination	See address above
0001AD	45 DAYS AFTER CONTRACT AWARD	Each	6	Destination	See address above
0001AE	45 DAYS AFTER CONTRACT AWARD	Each	6	Destination	See address above
0002	See DD Form 1423s, Section J for details				

SLIN	DELIVERY DATE	UNIT OF ISSUE	QUANTITY	FOB	SHIP TO ADDRESS
0003AA	To Be Determined in Individual Delivery Orders	Each	Max: 800	Origin Freight-Prepaid	To Be Determined in Individual Delivery Orders
0003AB	To Be Determined in Individual Delivery Orders	Each	Max: 9,600	Origin-Freight Prepaid	To Be Determined in Individual Delivery Orders
0003AC	To Be Determined in Individual Delivery Orders	Each	Max: 42,400	Origin-Freight Prepaid	To Be Determined in Individual Delivery Orders
0003AD	To Be Determined in Individual Delivery Orders	Each	Max: 24,800	Origin-Freight Prepaid	To Be Determined in Individual Delivery Orders
0003AE	To Be Determined in Individual Delivery Orders	Each	Max: 2,400	Origin-Freight Prepaid	To Be Determined in Individual Delivery Orders
0004	To Be Determined in Individual Delivery Orders				

F-2 CLAUSES INCORPORATED BY REFERENCE

52.242-15	Stop-Work Order	AUG 1989
52.242-17	Government Delay Of Work	APR 1984
52.247-32	F.O.B. Origin, Freight Prepaid – Applies to CLIN 0003	NOV 1998
52.247-34	F.O.B. Destination – Applies to CLIN 0001	NOV 1991

F-3 PROPOSED DELIVERY SCHEDULE *(APPLICABLE TO SLINS 0003AA-0003AE ONLY)*

Quantity (Finished SAPI)	**Delivery Within __ Days after Issuance of Order**
2,410 each month (28,925 total for 1st Year of Production)	Every 30 Days during the 1st Year of Production
2,391 each month (28,695 total for 2nd Year of Production)	Every 30 Days during the 2nd Year of Production
2,048 each month (22,380 total for 3rd Year of Production)	Every 30 Days during the 3nd Year of Production

F-4 CLAUSES INCORPORATED BY FULL TEXT

52.211-16 VARIATION IN QUANTITY (APR 1984)

(a) A variation in the quantity of any item called for by this contract will not be accepted unless the variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified in paragraph (b) below.

(b) The permissible variation shall be limited to:
0% Percent increase
0% Percent decrease
This increase or decrease shall apply to **all delivery orders.**

(End of clause)

SECTION G - CONTRACT ADMINISTRATION DATA

G-1 CLAUSES INCORPORATED BY REFERENCE

252.242-7000 Postaward Conference DEC 1991

G-2 CLAUSE INCORPORATED IN FULL TEXT

252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS

(a) *Definitions.* As used in this clause-

(1) "Contract financing payment" and "invoice payment" have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) "Electronic form" means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms.

(3) "Payment request" means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at https://rmb.ogden.disa.mil.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at https://ecweb.dfas.mil.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at http://www.X12.org.

(ii) EDI implementation guides are available on the Internet at http://www.dfas.mil/ecedi.

(4) Another electronic form authorized by the Contracting Officer.

(c) If the Contractor is unable to submit a payment request in electronic form, or DoD is unable to receive a payment request in electronic form, the Contractor shall submit the payment request using a method mutually agreed to by the Contractor, the Contracting Officer, and the payment office.

(d) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

(End of clause)

SUPPLEMENTAL INVOICING INSTRUCTIONS

In compliance with DFARS 252.232-7003, "Electronic Submission of Payment Requests (March 2003)", the United States Marine Corps (USMC) utilizes WAWF-RA to electronically process vendor requests for payment. The contractor shall be required to utilize this system when processing invoices and receiving reports under this contract, unless the provision at DFARS 252.232-7003(c) apply. The contractor shall (i) register to use WAWF-RA at <https://rmb.ogden.disa.mil>, and (ii) ensure an Electronic Business Point of Contact is designated in the Central

Contractor Registration at <http://www.ccr.gov>, within ten (10) days after award of this contract. Questions regarding invoices can be directed to either the Project Officer or the Contracting Officer.

For SLINs 0001AA –0001AE and 0002 – FIRST ARTICLE TEST UNITS

Payment Office DoDAAC: HQ0339
Issue By DoDAAC: M67854
Admin Office DoDAAC: S0302A
Service Acceptor DoDAAC: M67854, Extension: PG-16
Contract Number: M67854-04-D-3118
WAWF Submission: Select Combo or Invoice 2-in-1 **NOT** Fast Pay

For SLINs 0003AA –0003AE, 0004 and 0005 – PRODUCTION UNITS

Payment Office DoDAAC: HQ0339
Issue By DoDAAC: M67854
Admin Office DoDAAC: S0302A
Service Acceptor DoDAAC: S0302A
Contract Number: M67854-04-D-3118
WAWF Submission: Select Combo or Invoice 2-in-1 **NOT** Fast Pay

G-3 ACCOUNTING AND APPROPRIATION DATA

Funding and associated accounting and appropriation data will be provided on each individual delivery order

G-4 REMITTANCE ADDRESS

The address to which Electronic Funds Transfer (EFT) payments should be made by the Government is as follows **(OFFERORS SHALL FILL-IN AS APPROPRIATE):**

Bank Name: Wells Fargo
Account Number: 100-2038915
ABA Number: 121000248
Swift Code: n/a

G-4 CONTRACTOR'S CONTRACT ADMINISTRATION

The Contractor's contract administration functions will be performed at the following address:

Name and Title:	John Castle, Contract Administrator
Responsible Office:	ArmorWorks, Inc.
Address :	7306 South Harl Avenue Tempe, AZ 85283
Telephone Number:	(480) 517-1150 Ext. 1019
DUNS #: 961353422	CAGE #: 06DJ7

SECTION H – SPECIAL CONTRACT REQUIREMENTS

H-1 SECURITY REQUIREMENTS

Data generated under this contract may be classified up to the SECRET level. Therefore, all offerors will be required to possess a SECRET clearance or posses the ability to obtain one by award. A DD 254 - Contract Security Classification Specification is provided as Attachment J.2.

SECTION I – CONTRACT CLAUSES

I-1 CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	DEC 2001
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-11	Certification And Disclosure Regarding Payments To Influence Certain Federal Transactions	APR 1991
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	JUN 2003
52.204-2	Security Requirements	AUG 1996
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	JUL 1995
52.211-5	Material Requirements	AUG 2000
52.211-15	Defense Priority And Allocation Requirements	SEP 1990
52.215-2	Audit and Records--Negotiation	JUN 1999
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-9	Changes or Additions to Make-or-Buy Program	OCT 1997
52.215-11	Price Reduction for Defective Cost or Pricing Data--Modifications	OCT 1997
52.215-12	Subcontractor Cost or Pricing Data	OCT 1997
52.215-13	Subcontractor Cost or Pricing Data--Modifications	OCT 1997
52.215-14	Integrity of Unit Prices	OCT 1997
52.215-21	Requirements for Cost or Pricing Data or Information Other Than Cost or Pricing Data--Modifications	OCT 1997
52.219-6	Notice Of Total Small Business Set-Aside	JUN 2003
52.219-8	Utilization of Small Business Concerns	OCT 2000
52.219-14	Limitations On Subcontracting	DEC 1996
52.222-19	Child Labor-Cooperation with Authorities and Remedies	SEP 2002
52.222-20	Walsh-Healey Public Contracts Act	DEC 1996
52.222-21	Prohibition Of Segregated Facilities	FEB 1999
52.222-26	Equal Opportunity	APR 2002
52.222-35	Equal Opportunity For Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans	DEC 2001
52.222-36	Affirmative Action For Workers With Disabilities	JUN 1998
52.222-37	Employment Reports On Special Disabled Veterans, Veterans Of The Vietnam Era, and Other Eligible Veterans	DEC 2001
52.222-38	Compliance with Veterans' Employment Reporting Requirements	DEC 2001
52.223-6	Drug-Free Workplace	MAY 2001
52.223-11	Ozone-Depleting Substances	MAY 2001
52.223-14	Toxic Chemical Release Reporting	AUG 2003
52.225-13	Restrictions on Certain Foreign Purchases	OCT 2003
52.226-1	Utilization Of Indian Organizations And Indian-Owned Economic Enterprises	JUN 2000
52.227-1	Authorization and Consent	JUL 1995
52.227-2	Notice And Assistance Regarding Patent And Copyright Infringement	AUG 1996

52.227-3	Patent Indemnity	APR 1984
52.227-5	Waiver of Indemnity	APR 1984
52.227-10	Filing Of Patent Applications--Classified Subject Matter	APR 1984
52.227-11	Patent Rights--Retention By The Contractor (Short Form)	JUN 1997
52.227-12	Patent Rights--Retention By The Contractor (Long Form)	JAN 1997
52.227-14	Rights in Data--General (Jun 1987) - Alternate IV	JUN 1987
52.229-3	Federal, State And Local Taxes	APR 2003
52.230-2	Cost Accounting Standards	APR 1998
52.230-6	Administration of Cost Accounting Standards	NOV 1999
52.232-1	Payments	APR 1984
52.232-8	Discounts For Prompt Payment	FEB 2002
52.232-11	Extras	APR 1984
52.232-17	Interest	JUN 1996
52.232-23	Assignment Of Claims	JAN 1986
52.233-1	Disputes	JUL 2002
52.233-1 Alt I	Disputes (Jul 2002) - Alternate I	DEC 1991
52.233-3	Protest After Award	AUG 1996
52.242-2	Production Progress Reports	APR 1991
52.242-12	Report of Shipment (REPSHIP)	JUN 2003
52.242-13	Bankruptcy	JUL 1995
52.243-1	Changes--Fixed Price	AUG 1987
52.243-6	Change Order Accounting	APR 1984
52.243-7	Notification Of Changes	APR 1984
52.244-6	Subcontracts for Commercial Items	APR 2003
52.246-23	Limitation Of Liability	FEB 1997
52.248-1	Value Engineering	FEB 2000
	Fill In:	
	Program Requirement (Mandatory)	
	Instant Contract Rate: 25%	
	Concurrent and Future Contract Rate: 25%	
52.249-1	Termination For Convenience Of The Government (Fixed Price) (Short Form)	APR 1984
52.249-2	Termination For Convenience Of The Government (Fixed-Price)	SEP 1996
52.249-8	Default (Fixed-Price Supply & Service)	APR 1984
52.253-1	Computer Generated Forms	JAN 1991
252.203-7001	Prohibition On Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	MAR 1999
252.203-7002	Display Of DOD Hotline Poster	DEC 1991
252.204-7000	Disclosure Of Information	DEC 1991
252.204-7002	Payment For Subline Items Not Separately Priced	DEC 1991
252.204-7003	Control Of Government Personnel Work Product	APR 1992
252.205-7000	Provision Of Information To Cooperative Agreement Holders	DEC 1991
252.209-7000	Acquisition From Subcontractors Subject To On-Site Inspection Under The Intermediate Range Nuclear Forces (INF) Treaty	NOV 1995
252.209-7004	Subcontracting With Firms That Are Owned or Controlled By The Government of a Terrorist Country	MAR 1998
252.215-7000	Pricing Adjustments	DEC 1991
252.223-7001	Hazard Warning Labels	DEC 1991
252.223-7002	Safety Precautions For Ammunition And Explosives	MAY 1994
252.223-7003	Changes In Place Of Performance--Ammunition And Explosives	DEC 1991
252.223-7004	Drug Free Work Force	SEP 1988
252.225-7001	Buy American Act And Balance Of Payments Program	APR 2003
252.225-7002	Qualifying Country Sources As Subcontractors	APR 2003
252.225-7012	Preference For Certain Domestic Commodities	FEB 2003
252.225-7014	Preference For Domestic Specialty Metals	APR 2003
252.225-7025	Restriction on Acquisition of Forgings	APR 2003

252.225-7031	Secondary Arab Boycott Of Israel	APR 2003
252.227-7013	Rights in Technical Data--Noncommercial Items	NOV 1995
252.227-7016	Rights in Bid or Proposal Information	JUN 1995
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends	JUN 1995
252.227-7030	Technical Data--Withholding Of Payment	MAR 2000
252.227-7034	Patents--Subcontracts	APR 1984
252.227-7036	Declaration of Technical Data Conformity	JAN 1997
252.227-7037	Validation of Restrictive Markings on Technical Data	SEP 1999
252.231-7000	Supplemental Cost Principles	DEC 1991
252.242-7004	Material Management And Accounting System	DEC 2000
252.243-7001	Pricing Of Contract Modifications	DEC 1991
252.243-7002	Requests for Equitable Adjustment	MAR 1998
252.246-7001	Warranty Of Data	DEC 1991
252.247-7023	Transportation of Supplies by Sea	MAY 2002

I-2 CLAUSES INCORPORATED BY FULL TEXT

52.209-4 FIRST ARTICLE APPROVAL--GOVERNMENT TESTING (SEP 1989) - ALTERNATE I (JAN 1997)

(a) The Contractor shall deliver **30** unit(s) of Items under CLIN 0001 within **45 calendar days** from the date of this contract to the Government at the address identified in Section F. The shipping documentation shall contain this contract number and the Lot/Item identification. The characteristics that the first article must meet and the testing requirements are specified elsewhere in this contract.

(b) Within **60 calendar days** after the Government receives the first article, the Contracting Officer shall notify the Contractor, in writing, of the conditional approval, approval, or disapproval of the first article. The notice of conditional approval or approval shall not relieve the Contractor from complying with all requirements of the specifications and all other terms and conditions of this contract. A notice of conditional approval shall state any further action required of the Contractor. A notice of disapproval shall cite reasons for the disapproval.

(c) If the first article is disapproved, the Contractor, upon Government request, shall submit an additional first article for testing. After each request, the Contractor shall make any necessary changes, modifications, or repairs to the first article or select another first article for testing. All costs related to these tests are to be borne by the Contractor, including any and all costs for additional tests following a disapproval. The Contractor shall furnish any additional first article to the Government under the terms and conditions and within the time specified by the Government. The Government shall act on this first article within the time limit specified in paragraph (b) of this clause. The Government reserves the right to require an equitable adjustment of the contract price for any extension of the delivery schedule or for any additional costs to the Government related to these tests.

(d) If the Contractor fails to deliver any first article on time, or the Contracting Officer disapproves any first article, the Contractor shall be deemed to have failed to make delivery within the meaning of the Default clause of this contract.

(e) Unless otherwise provided in the contract, the Contractor--

(1) May deliver the approved first article as a part of the contract quantity, provided it meets all contract requirements for acceptance and was not consumed or destroyed in testing; and

(2) Shall remove and dispose of any first article from the Government test facility at the Contractor's expense.

(f) If the Government does not act within the time specified in paragraphs (b) or (c) of this clause, the Contracting Officer shall, upon timely written request from the Contractor, equitably adjust under the Changes clause of this

contract the delivery or performance dates and/or the contract price, and any other contractual term affected by the delay.

(g) The Contractor is responsible for providing operating and maintenance instructions, spare parts support, and repair of the first article during any first article test.

(h) Before first article approval, the acquisition of materials or components for, or the commencement of production of, the balance of the contract quantity is at the sole risk of the Contractor. Before first article approval, the costs thereof shall not be allocable to this contract for (1) progress payments, or (2) termination settlements if the contract is terminated for the convenience of the Government.

(i) The Government may waive the requirement for first article approval test where supplies identical or similar to those called for in the schedule have been previously furnished by the Offeror/Contractor and have been accepted by the Government. The Offeror/Contractor may request a waiver.

(j) The Contractor shall produce both the first article and the production quantity at the same facility.

(End of clause)

52.216-18 ORDERING. (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from **date of award through 60 months.**

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(End of clause)

52.216-19 ORDER LIMITATIONS. (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than **30 items**, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor:

(1) Any order for a single item in excess of **63,600 SAPI.**

(2) Any order for a combination of items in excess of **63,600 SAPI**; or

(3) A series of orders from the same ordering office within **30 days** that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within **15 days** after

issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

52.216-22 INDEFINITE QUANTITY. (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum".

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract **after all order quantities have been delivered.**

(End of clause)

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

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

http://www.arnet.gov/far

http://www.acq.osd.mil/dp/dars/dfars.html

http://farsite.hill.af.mil/vffar1.htm

252.217-7001 SURGE OPTION (AUG 1992)

(a) "General." The Government has the option to --

(1) Increase the quantity of supplies or services called for under this contract by no more than **25 percent**; and/or

(2) Accelerate the rate of delivery called for under this contract, at a price or cost established before contract award or to be established by negotiation as provided in this clause.

(b) "Schedule."

(1) When the Production Surge Plan (DI-MGMT-80969) is included in the contract, the option delivery schedule shall be the production rate provided with the Plan. If the Plan was negotiated before contract award, then the negotiated schedule shall be used.

(2) If there is no Production Surge Plan in the contract, the Contractor shall, within 30 days from the date of award, furnish the Contracting Officer a delivery schedule showing the maximum sustainable rate of delivery for items in this contract. This delivery schedule shall provide acceleration by month up to the maximum sustainable rate of delivery achievable within the Contractor's existing facilities, equipment, and subcontracting structure.

(3) The Contractor shall not revise the option delivery schedule without approval from the Contracting Officer.

(c) "Exercise of option."

(1) The Contracting Officer may exercise this option at any time before acceptance by the Government of the final scheduled delivery.

(2) The Contracting Officer will provide a preliminary oral or written notice to the Contractor stating the quantities to be added or accelerated under the terms of this clause, followed by a contract modification incorporating the transmitted information and instructions. The notice and modification will establish a not-to-exceed price equal to the highest contract unit price or cost of the added or accelerated items as of the date of the notice.

(3) The Contractor will not be required to deliver at a rate greater than the maximum sustainable delivery rate under paragraph (b)(2) of this clause, nor will the exercise of this option extend delivery more than 24 months beyond the scheduled final delivery.

(d) "Price negotiation."

(1) Unless the option cost or price was previously agreed upon, the Contractor shall, within 30 days from the date of option exercise, submit to the Contracting Officer a cost or price proposal (including a cost breakdown) for the added or accelerated items.

(2) Failure to agree on a cost or price in negotiations resulting from the exercise of this option shall constitute a dispute concerning a question of fact within the meaning of the Disputes clause of this contract. However, nothing in this clause shall excuse the Contractor from proceeding with the performance of the contract, as modified, while any resulting claim is being settled.

SECTION J - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

ATTACHMENT	DOCUMENT	NO. OF PAGES
J-1	Performance Specification, PERSONNEL ARMOR, MARINE CORPS SMALL ARMS PROTECTIVE INSERT dated 1 December 2003	20
J-2	DD Form 254, Contract Security Classification Specification	5
EXHIBIT	**DOCUMENT**	
A	Contract Data Requirements List (CDRL) DD Form 1423 with Associated Data Item Descriptions:	4
A001	Use and Care Manual	
A002	Contractor Progress, Status, and Management Report	
A003	System Safety Hazard Analysis Report (SSHAR)	
A004	Safety Assessment Report (SAR)	