

SOLICITATION, OFFER AND AWARD		1. This Contract Is A Rated Order Under DPAS (15 CFR 700)	Rating DOA5	Page 1 of 32
2. Contract No. DAAE20-03-G-0001	3. Solicitation No.	4. Type of Solicitation	5. Date Issued 2003MAR05	6. Requisition/Purchase No. SEE SCHEDULE
7. Issued By TACOM-ROCK ISLAND AMSTA-LC-CAC-A ROCK ISLAND IL 61299-7630		Code W52H09	8. Address Offer To (If Other Than Item 7)	

SOLICITATION NOTE: In sealed bid solicitations 'offer' and 'offeror' mean 'bid' and 'bidder'.

9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if handcarried, in the depository located in _____ until _____ (hour) local time _____ (Date).

Caution - Late Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. For Information Call:	Name PAM CANTERBURY E-mail address: CANTERBURY@RIA.ARMY.MIL	Telephone No. (Include Area Code) (NO Collect Calls) (309)782-4275
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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. Discount For Prompt Payment (See Section I, Clause No. 52.232-8)

14. Acknowledgment of Amendments (The offeror acknowledges receipt of amendments to the Solicitation for offerors and related documents numbered and dated:	Amendment Number	Date	Amendment Number	Date

15A. Contractor/Offeror/Quoter PEI ELECTRONICS INC 110 WYNN DRIVE HUNTSVILLE AL 35807-0929	Code 24290	Facility	16. Name and Title of Person Authorized to Sign Offer (Type or Print)
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15B. Telephone Number (Include Area Code)	15C. Check if Remittance Address is Different From Blk 15A- Furnish Such Address In Offer <input type="checkbox"/>	17. Signature	18. Offer Date
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AWARD (To be completed by Government)

19. Accepted As To Items Numbered SEE SCHEDULE	20. Amount \$0.00	21. Accounting And Appropriation SEE SECTION G
22. Authority For Using Other Than Full And Open Competition: <input checked="" type="checkbox"/> 10 U.S.C. 2304(c)(1) <input type="checkbox"/> 41 U.S.C. 253(c)		23. Submit Invoices To Address Shown In (4 copies unless otherwise specified) Item 25
24. Administered By (If other than Item 7) DCMA BIRMINGHAM BURGER PHILLIPS CENTER 1910 3RD AVE NORTH ROOM 201 BIRMINGHAM AL 35203-2376	Code S0101A	25. Payment Will Be Made By DFAS COLUMBUS CENTER DFAS-CO/SOUTH ENTITLEMENT OPERATION P O BOX 182264 COLUMBUS OH 43218-2264
SCD PAS NONE ADP PT HQ0338		Code HQ0338
26. Name of Contracting Officer (Type or Print) DAVE ELLIOTT (309)782-3814 ELLIOTT@RIA.ARMY.MIL	27. United States Of America _____ /SIGNED/ (Signature of Contracting Officer)	28. Award Date

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

Name of Offeror or Contractor: PEI ELECTRONICS INC

SECTION A - SUPPLEMENTAL INFORMATION

<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
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A-1	HQ, DA NOTICE TO OFFERORS - USE OF CLASS I OZONE-DEPLETING SUBSTANCES	JUL/1993
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(a) In accordance with Section 326 of P.L. 102-484, the Government is prohibited from awarding any contract which includes a specification or standard that requires the use of a Class I ozone-depleting substance (ODS) identified in Section 602(a) of the Clean Air Act, 42 U.S.C. 7671a(a), or that can be met only through the use of such a substance unless such use has been approved, on an individual basis, by a senior acquisition official who determines that there is no suitable substitute available.

(b) To comply with this statute, the Government has conducted a best efforts screening of the specifications and standards associated with this acquisition to determine whether they contain any ODS requirements. To the extent that ODS requirements were revealed by this review they are identified in Section C with the disposition determined in each case.

(c) If offerors possess any special knowledge about any other ODSs required directly or indirectly at any level of contract performance, the U.S. Army would appreciate if such information was surfaced to the Contracting Officer for appropriate action. To preclude delay to the procurement, offerors should provide any information in accordance with FAR 52.214-6 or 52.215-14 as soon as possible after release of the solicitation and prior to the submission of offers to the extent practicable. It should be understood that there is no obligation on offerors to comply with this request and that no compensation can be provided for doing so.

(AA7020)

A-2	52.201-4501 NOTICE ABOUT TACOM-RI OMBUDSMAN TACOM-RI	APR/2002
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a. We have an Ombudsman Office here at TACOM-RI. Its purpose is to open another channel of communication with TACOM-RI contractors.

b. If you think that this solicitation:

1. has inappropriate requirements; or
2. needs streamlining; or
3. should be changed

you should first contact the buyer or the Procurement Contracting Officer (PCO).

c. The buyer's name, phone number and address are on the cover page of this solicitation.

d. If the buyer or PCO doesn't respond to the problem to your satisfaction, or if you want to make comments anonymously, you can contact the Ombudsman Office. The address and phone number are:

U.S. Army TACOM-RI
 AMSTA-AQ-AR (OMBUDSMAN)
 Rock Island IL 61299-7630
 Phone: (309) 782-3224
 Electronic Mail Address: ombudsman@ria.army.mil

e. If you contact the Ombudsman, please provide him with the following information:

- (1) TACOM-RI solicitation number;
- (2) Name of PCO;
- (3) Problem description;
- (4) Summary of your discussions with the buyer/PCO.

(End of clause)

(AS7006)

Name of Offeror or Contractor: PEI ELECTRONICS INC

A-3	52.204-4505 TACOM-RI	DISCLOSURE OF UNIT PRICE INFORMATION	FEB/2003
A-4	52.211-4506 TACOM-RI	INSTRUCTIONS REGARDING SUBSTITUTIONS FOR MILITARY AND FEDERAL SPECIFICATIONS AND STANDARDS	DEC/1997

(a) Section I of this document contains DFARS clause 252.211-7005, Substitutions for Military Specifications and Standards, which allows bidders/quoters/offerors to propose Management Council approved Single Process Initiatives (SPIs) in their bids/quotes/offers, in lieu of military or Federal specifications and standards cited in this solicitation.

(b) An offeror proposing to use an SPI process under this solicitation shall identify the following for each proposed SPI as required by DFARS 252.211-7005 contained in Section I:

SPI	MILITARY/FEDERAL SPEC/STANDARD	LOCATION OF REQUIREMENT	FACILITY	ACO
soldering Process	ANSI/J-Std-001 Class 3	E2 (d)	PEI	Birmingham
Rework/Repair	IPC-7711 & 7721 Class 3	E2 (d)	PEI	Birmingham
Acceptability of Solder Joint	IPC-A-610 Class 3	E2 (d)	PEI	Birmingham
QA Program	ISO 9001	E2 (c)	PEI	Birmingham
Board Performance Spec	IPC-6010/IPC-6011			Birmingham

(c) An offeror proposing to use an SPI process under this solicitation shall also provide a copy of the Department of Defense acceptance for each SPI process proposed.

(d) In the event an offeror does not identify any SPI in paragraph (b) above, the Government shall conclude that the bidder/quoter/offeror submits its bid/quote/proposal in accordance with the requirements of this solicitation.

(e) The price that is provided by the offeror in the Schedule in Section B will be considered as follows:

(1) If an SPI is identified in paragraph (b) above, the Government will presume that the price is predicated on the use of the proposed SPI.

(2) If there is no SPI identified in paragraph (b) above, the Government will presume the price is predicated on the requirements as stated in the solicitation.

(f) Bidders/quoters/offerors are cautioned that there is always the possibility that the Government could make a determination at the Head of the Contracting (HCA)/Program Executive Officer (PEO) level that the proposed SPI is not acceptable for this procurement. If such a determination is made, and the bid/quote/offer only identifies a price predicated on use of proposed SPI, the bid/quote/offer will be determined nonresponsive. Bidders/quoters/offerors who propose SPI processes are encouraged to provide a price below to reflect their price for the item manufactured in accordance with the requirements as stated in this solicitation to preclude possibly being determined nonresponsive:

CLIN _____	PRICE \$ _____

(End of clause)

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Name of Offeror or Contractor: PEI ELECTRONICS INC		

A-5 52.233-4503 AMC-LEVEL PROTEST PROGRAM JUN/1998
TACOM-RI

(OCTOBER 1996)

If you have complaints about this procurement, it is preferable that you first attempt to resolve those concerns with the responsible contracting officer. However, you can also protest to Headquarters, AMC. The HQ, AMC-Level Protest Program is intended to encourage interested parties to seek resolution of their concerns within AMC as an Alternative Dispute Resolution forum, rather than filing a protest with General Accounting Office or other external forum. Contract award or performance is suspended during the protest to the same extent, and within the same time periods, as if filed at the GAO. The AMC protest decision goal is to resolve protests within 20 working days from filing. To be timely, protests must be filed within the periods specified in FAR 33.103. Send protests (other than protests to the contracting officer) to:

HQ Army Materiel Command
Office of Command Counsel
ATTN: AMCCC-PL
5001 Eisenhower Avenue
Alexandria, VA 22333-0001

Facsimile number (703) 617-4999/5680
Voice Number (703) 617-8176

The AMC-level protest procedures are found at:

<http://www.amc.army.mil/amc/cc/protest.html>

If Internet access is not available contact the contracting officer or HQ, AMC to obtain the AMC-Level Protest Procedures.

(END OF CLAUSE)

(AS7010)

A-6 52.246-4538 CONTRACTOR PERFORMANCE CERTIFICATION PROGRAM (CP) 2 JUN/1998
TACOM-RI

THE U.S. ARMY TANK-AUTOMOTIVE AND ARMAMENTS COMMAND (TACOM) ROCK ISLAND (RI) ACTIVELY PARTICIPATES IN THE CONTRACTOR PERFORMANCE CERTIFICATION PROGRAM (CP)2.

THE (CP)2 CERTIFICATION PROCESS IDENTIFIES CONTRACTORS COMMITTED TO TOTAL QUALITY, CUSTOMER SATISFACTION, AND CONTINUOUS IMPROVEMENT OF THEIR DESIGN/DEVELOPMENT AND PRODUCTION PROCESSES. ANY CONTRACTORS WHO HAVE HAD OR ANTICIPATE HAVING CONTRACTS WITH ANY AMC MAJOR SUBORDINATE COMMAND MAY VOLUNTARILY PARTICIPATE.

ADDITIONAL INFORMATION CAN BE OBTAINED BY CONTACTING THE CONTRACT SPECIALIST, OR THE (CP)2 PARTNERSHIP TEAM AT (309) 782-6591.

(END OF CLAUSE)

(AS7502)

1. The contractor shall ensure products provided under this contract, to include hardware, software, firmware, and middleman, whether acting alone or combined as a system, are year 2000 compliant as defined in FAR Part 39.

2. All invoice payments for all Delivery Orders under this contract shall be directed to the following address:

FIRST UNION WACHOVIA
ABY ROUTING NUMBER 0530 0021 9
CREDIT: PEI ELECTRONICS, INC
ACCOUNT: 2000010102381
PAYMENT FOR INVOICE NUMBER:

3. The following referenced clauses are required in all contracts and delivery orders when the deployment of contractors are anticipated. The following clauses apply to subsequent Delivery Orders and Delivery Order Modifications that require the deployment of contractors during contingency operations.

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Any contingency operation support directed by the Government under this BOA will be governed by an appropriate Scope of Work that supports rapid deployment of contractor personnel to the Theatre of Operations.

- a. FAR 52.228-3 Workers compensation insurance (Defense Base Act).
- b. FAR 52.228-4 Workers compensation and war hazard insurance overseas.
- c. DFARS 252.228-7000 Reimbursement for War Hazard Losses.
- d. DFARS 252.228-7003 Capture and Detention.
- e. DFARS 252.225-7043 Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States.
- f. DFARS 252.209-7001 Disclosure of ownership or Control by the Government of a Terrorist Country.

*** END OF NARRATIVE A 001 ***

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Name of Offeror or Contractor: PEI ELECTRONICS INC

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
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B-1	16.703(a) FAR	SCOPE OF AGREEMENT
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(1) Direct Support Electrical System Test Sets (DSESTS)-M1 Abrams Family of Vehicles; M2, M3 Bradley Fighting Vehicle System Family of Vehicles; DSESTS - Thermal Imaging Systems (TIS) and ancillary equipment; DSESTS Light Armored Vehicles (LAV) Family of Vehicles and factory equivalent, Factory Automatic Component Test System (FACTS) and other Ground Combat System Diagnostics.

(2) Modify/install military vans to accomodate the family of DSESTS and ancillary equipment.

(3) Spare parts for the Family of DSESTS and ancillary equipment.

(4) Depot Services - rebuild, repair, diagnose and analyze.

(5) Develop Test Program Sets (TPSSs), provide technical support, including in-plant and on-site support of Government logistical tasks.

(6) The family of DSESTS and ancillary equipment to determine effects of special and environmental conditions.

(7) Technical and cost determination and evaluations to assess the effects of proposed trade offs and modifications to Government logistics and inventories.

(8) Data as specified in Contract Data Requirements List (CDRL), DD Form 1423, incorporate into individual Delivery Orders.

(9) Investigation of service revealed deficiencies to determine cause and provide solutions as required.

Tasks authorized under this BOA shall be performed at the time and manner stipulated in individual Delivery Orders.

It is understood and agreed that any specific quantity of the items covered by the Agreement will be ordered during the period of this agreement, and that no liability whatsoever to the Contractor shall be incurred by the Government in the event that no order is issued.

(BF6001)

EFFECTIVE PERIOD, EXTENSION AND DISCONTINUANCE OF THIS AGREEMENT:

a. This agreement shall continue in effect for a period of five (5) years from the effective date thereof, provided however, that any order issued during this period and prior to the expiration date of the agreement shall continue in effect until performance thereunder is complete.

b. In the event the parties elect to extend the effective period of this agreement, a BOA modification will be executed prior to the expiration of the then effective period.

c. This agreement may be discontinued by either party with thirty (30) days written notice to the other party. This agreement shall be reviewed, at a minimum, annually before the anniversary of its effective date and revised to conform with all requirements of statutes, executive orders or procurement regulations. The Government may discontinue this agreement immediately upon furnishing notice to the contractor if the parties fail to agree upon any deletion, amendment or addition to this agreement which is required by statute, executive order or procurement regulation. No deletion, modification, addition to, or discontinuance of, this agreement shall affect any orders hereunder entered into prior to the effective date of such change unless mutually agreed to by both parties or otherwise required by operation of law.

*** END OF NARRATIVE B 001 ***

LIMITATION OF GOVERNMENT LIABILITY

a. As of the effective date of this Agreement no funds are obligated hereunder. On the execution of bilateral orders or order modifications thereto funds will be obligated in the agreed amount set forth in the bilateral order or order modification thereto.

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b. The Contractor is not authorized to make expenditures or incur obligations in the performance of any order issued hereunder which exceeds the total amount for the specific order, as stated in the order of modification thereafter.

c. The maximum amount for which the Government shall be liable, if any order issued hereunder is terminated, is the total amount obligated for the specific order, as stated in the order or modification thereof.

*** END OF NARRATIVE B 002 ***

DEFINITIONS

a. Basic Ordering Agreement_(BOA): A written instrument between the contractor and the government, which sets forth negotiated provisions which will apply to all orders issued under the BOA.

b. Order: A contractual instrument used for the acquisition of supplies or services which incorporates the provisions of the BOA. Each order is a separate contract between the Government and contractor and must be accept by the contractor before the provisions of the order and this BOA becomes binding. The contractor agrees to accept orders issued pursuant to "orders and ordering procedures" and further agrees to commence performance under such order immediately upon receipt and acceptance of said order. The types of orders which may be issued hereunder are:

1. Priced Orders for supplies or services where prices, delivery schedule, and any special terms have been negotiated prior to issuance.

2. Unpriced Orders for supplies or services shall have a ceiling price and firm delivery established.

c. Order Modification: Any written alteration or definitization of the specifications, delivery point, rate of delivery, price, quantity or the provision of any existing order, whether accomplished by unilateral action in accordance with a provision of the order or BOA or by mutual action of the parties. Order modification includes:

a. Bilateral actions such as supplemental agreements, and

b. Unilateral actions such as change orders, administrative changes and notices of termination.

d. BOA Modification: Any change in the terms of this basic ordering agreement.

e. This BOA referenced to herein as "this agreement" shall be modified, amended or supplemented, or superseded, only by a revision of this BOA itself. Any such revision shall be in the form of a supplemental agreement signed by the parties hereto. This BOA shall not be modified, amended or supplemented, or superseded by individual orders issued hereunder.

*** END OF NARRATIVE B 003 ***

ORDERS AND ORDERING PROCEDURES

a. Only contracting officers of Tacom @ Rock Island are authorized to issue orders under this agreement.

b. The contractor is not authorized to commence work, or to procure or manufacture material until a written order is issued by the contracting officer, as hereinafter provided.

c. Priced Order: On request of the contracting officer, the contractor shall furnish a proposal, within a maximum of 45 days, for the required supplies or services, enter into negotiations as soon thereafter as practicable, establish firm prices and delivery terms applicable to the requirement, when price(s) and delivery schedule(s) pertinent to the requirement have been agreed upon, the contracting officer will issue a priced order and the parties will enter into a signed bilateral agreement. If the contracting officer and contractor are unable to reach an agreement on price in a timely manner or the urgency of the procurement necessitates ordering the supplies prior to receipt of the proposal or negotiating a definitive price, then an unpriced order may be issued under the procedures specified in paragraph (d) 4 below.

d. Unpriced Orders:

1. Unpriced orders issued pursuant to this agreement will authorize the contractor to proceed with performance and will set forth the required delivery schedules, other special terms and conditions, and a ceiling price.

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MOD/AMD

Name of Offeror or Contractor: PEI ELECTRONICS INC

2. Upon receipt and acceptance of an unpriced order, the contractor shall immediately commence performance of the work specified therein, subject to negotiation of price and special terms and conditions, to the end that the supplies or services specified may be delivered at the earliest date practicable. The contractor is required to acknowledge the receipt and acceptance of each order by a written notice to the contracting officer within ten (10) days after the date of the receipt of each order by returning a signed copy of the delivery order.

3. The definitization schedule applicable to ceiling priced orders issued against this basic ordering agreement will be contained in each delivery order and will contain a target date for definitization.

4. If agreement on definitive price is not reached by the target date set forth in the delivery order or any extension thereof by the contracting officer, the contracting officer may determine a reasonable price or fee in accordance with FAR Subpart 15.8 and part 31 of the FAR subject to appeal by the contractor as provided in the "Disputes" clause of this Basic Order Agreement.

*** END OF NARRATIVE B 004 ***

GENERAL

a. All orders and order modifications issued or executed under this agreement shall refer to this agreement and shall be subject to the terms and conditions thereof.

b. The contractor shall not accept any contractual instruction issued by any person other than the contracting officer or the contracting officer's representatives acting within the limits of their authority. Contracting Officer's Representatives will be so designated in writing to the contractor and the scope of their authority will be set forth in such written authorization.

c. In the performance of orders and order modifications for items bearing issue priority designators (IPD's) 1 thru 6, the contractor is authorized, with prior approval of the contracting officer, to withdraw and utilize work in process or inventories for other TACOM contracts with the contractor for concurrent or replenishment spare parts. The Government agrees that it will equitably adjust the delivery schedule and price as a result of a delay in any such contract. The task order will specifically state in the schedule that the order carries an IPD of 1 thru 6.

d. The contractor shall complete performance of an order or order modification even though the time for performance extends beyond the terms of the agreement.

e. The contractor shall not make delivery of any supplies and/or services on an unpriced contractual agreement prior to the execution of a definitizing bilateral order modification unless the contractor has the express written approval of the contracting officer. Failure of the parties to agree on any provision applicable to any unpriced order or order modification shall constitute a dispute concerning a question of fact within the meaning of the clause entitled "Disputes" of the general provisions of this agreement, and shall be subject to the procedures of said clause. Pending settlement of such dispute, the contracting officer shall establish prices that are fair reasonable and shall set forth same in a priced modification to the order indicating thereon that such prices are based on the final decision of the contracting officer, which decision is subject to appeal in accordance with the disputes clause.

f. The parties will negotiate a firm delivery schedule prior to issuance of an unpriced order. The order will reflect that the scheduled delivery is firm and the parties have agreed thereto. The contractor's acceptance of the offer shall constitute acknowledgement of such agreement. In the event that critically needed items (so identified by the PCO) are available for shipment prior to completion of negotiations and receipt of a definitized modification, the PCO may authorize shipment using interim billing prices.

g. Each unpriced order shall identify the type of contract (cost type, fixed price or time and material).

1. Should the Government desire to establish a ceiling price on an unpriced order, the PCO will notify the contractor of the items to be procured and a ceiling price will be negotiated.

2. Prior to definitization the parties may agree to change the type of contract applicable to the issued unpriced order within the constraints stated above.

3. When the price proposal for an individual part on a multi-line item proposal exceeds \$50,000, that line item must be negotiated separately, i.e. in contrast to lines below the threshold which may be negotiated bottom line.

h. The contractor is not authorized to make expenditures or incur obligations, in the performance of any order issued hereunder, which exceeds the total amount for the specific order, as stated in the order or modification thereof.

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*** END OF NARRATIVE B 005 ***

OBLIGATIONS OF CONTRACTOR UNDER UNPRICED ORDERS: On acceptance of an Unpriced Order, the Contractor shall proceed to comply therewith to the extent he has the capability and facilities to do so. However, the contractor shall (i) promptly notify the PCO, through the ACO, of any reason why he cannot furnish the supplies and/or services in accordance with the desired delivery schedule, (2) identify any obsolete item ordered and withhold production of same, (3) recommend superseding or interchangeable parts (4) report any errors in stock number or other discrepancies in the order. Upon receipt of the foregoing information, the parties shall negotiate to amend the order as deemed necessary by the PCO.

*** END OF NARRATIVE B 006 ***

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Name of Offeror or Contractor: PEI ELECTRONICS INC

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

Items provided for in section B, scope of agreement, hereof, shall conform in all respects with specifications, drawings, and requirements provided with each individual order placed against this BOA.

*** END OF NARRATIVE C 001 ***

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Name of Offeror or Contractor: PEI ELECTRONICS INC

SECTION D - PACKAGING AND MARKING

SECTION D - PACKAGING REQUIREMENTS: Preservation, packaging,, packing and marking for specified levels of protection shall be in accordance with the packaging requirements set forth in each individual order placed under this agreement.

*** END OF NARRATIVE D 001 ***

Name of Offeror or Contractor: PEI ELECTRONICS INC

SECTION E - INSPECTION AND ACCEPTANCE

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
E-1	52.246-16	RESPONSIBILITY FOR SUPPLIES	APR/1984

SECTION E - SUPPLEMENTATION E - SUPPLEMENTAL INFORMATION

NOTE: ITEMS 1-6 ARE APPLICABLE TO ALL DELIVERY ORDERS UNLESS OTHERWISE STATED.

1. DATA INSPECTION

Data shall be inspected and accepted at destination for conformity to the requirements of the contract as set forth in the applicable Data Item Description, the M1 Tank Production or related contracts. Such engineering documentation shall be available to the PCO upon request.

2. NON-CONFORMING MATERIAL

a. The use of non-conforming material is allowed, subject to prior approval by PEI's internal processes. These internal processes are an integral part of PEI's (CP)2/ISO-9001 procedures. PEI will, however make this data available to the Government when requested.

b. PEI's procedure relative to non-conforming material identification control and disposition will be made available to the Government when requested.

c. ISO-9001 shall be implemented concurrently with implementation in the current prime production contract.

d. Soldering shall be in accordance with ANSI/J-Std-001 Class 3. Repair, rework and modification shall be in accordance with IPC-7711 and IPC-7721 class 3. Acceptability of solder joint shall be per IPC-A-610 Class 3 and ANSI/J-Std-001 the ANSI/J-Std-001 Class 3. In the event of a conflict between IPC-A-610 and ANSI/J-Std-001, the ANSI/J-Std-001 shall prevail.

3. INSPECTION RECORDS

Inspection records of the examinations and tests performed by the contractor shall be kept complete and available to the Government for a period of four (4) years following completion of the contract.

4. INTERCHANGEABILITY OF COMPONENTS

Substitution of component parts is allowed, subject to prior approval by PEI internal processes. These internal processes are an integral part of PEI's CP2/ISO procedures. PEI will, however, notify the Government whenever this situation occurs.

5. GOVERNMENT FURNISHED PROPERTY (GFP)

If certain items of Government Furnished Property (GFP) are provided under this contract, the Contractor shall report any deficiencies discovered on this GFP to the Government. Such deficiencies shall be reported by the Contractor utilizing his standard Defective Government Material (DGM) format or the Quality Deficiency Report SF368, at his discretion. The Contractor shall furnish this report to the Government after the discovery of defect.

6. CONTROL TESTS

a. Control Testing as specified in the Technical Data Package (TDP) will be conducted on all assemblies except that if that assembly has subassemblies, components, or parts which also have a requirement for Control Testing, then Control Testing will be considered to have been met by successful performance of the higher assembly testing. The frequency of testing shall consider the combined production of prime and spares requirements.

b. Failure of a Control Test sample will be cause for rejection of the lot represented. Failure analysis will be conducted at the unit/subassemblies, components level in the event the failed sample is attributable to a down assembly which contains the requirement for Control Testing. Acceptance of material will be withheld until failure analysis/corrective action has been completed. However, PEI may move material from suppliers and through the production cycle, at contractor's risk, pending completion of failure analysis/corrective action.

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SECTION F - DELIVERIES OR PERFORMANCE

This document 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 these addresses:

<http://www.arnet.gov/far/> or www.acq.osd.mil/dp/dars

If the clause requires additional or unique information, then that information is provided immediately after the clause title.

(FA7001)

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
F-1	52.242-15	STOP-WORK ORDER - ALTERNATE I	AUG/1989
F-2	52.242-17	GOVERNMENT DELAY OF WORK	APR/1984
F-3	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:

Zero percent (0%) increase

Zero percent (0%) decrease.

This increase or decrease shall apply to the total contract quantity.

(FF7020)

F-4	52.247-33	F.O.B. ORIGIN, WITH DIFFERENTIALS	JUN/1988
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(a) The term "f.o.b. origin, with differentials", as used in this clause, means -

(1) Free of expense to the Government delivered -

(i) On board the indicated type of conveyance of the carrier (or of the Government, if specified) at a designated point in the city, county, and State from which shipments will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;

(ii) To, and placed on, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's freight station;

(iii) To a U.S. Postal Service facility; or

(iv) If stated in the solicitation, to any Government-designated point located within the same city or commercial zone as the f.o.b. origin point specified in the contract (commercial zones are prescribed by the Interstate Commerce Commission at 49 CFR 1048); and

(2) Differentials for mode of transportation, type of vehicle, or place of delivery as indicated in Contractor's offer may be added to the contract price.

(b) The Contractor shall -

(1) (i) Pack and mark the shipment to comply with contract specification; or

(ii) In the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(2) (i) Order specified carrier equipment when requested by the Government; or

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- (ii) If not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;
- (3) Deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Contractor) on or in the carrier's conveyance as required by carrier rules and regulations;
- (4) Be responsible for any loss of and/or damage to the goods -
- (i) Occurring before delivery to the carrier;
- (ii) Resulting from improper packing and marking; or
- (iii) Resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Contractor on or in the carrier's conveyance;
- (5) Complete the Government bill of lading supplied by the ordering agency or, when a Government bill of lading is not supplied, prepare a commercial bill of lading or other transportation receipt. The bill of lading shall show -
- (i) A description of the shipment in terms of the governing freight classification or tariff (or Government rate tender) under which lowest freight rates are applicable;
- (ii) The seals affixed to the conveyance with their serial numbers or other identification;
- (iii) Lengths and capacities of cars or trucks ordered and furnished;
- (iv) Other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address, and ZIP code of consignee, routing, etc.;
- (v) Special instructions or annotations requested by the ordering agency for commercial bills of lading; e.g., (A) "to be converted to a Government bill of lading," or (B) "this shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, the Government"; and
- (vi) The signature of the carrier's agent and the date the shipment is received by carrier; and
- (6) Distribute the copies of the bill of lading, or other transportation receipts, as directed by the ordering agency.
- (c) (1) It may be advantageous to the offeror to submit f.o.b. origin prices that include only the lowest cost to the Contractor for loading of shipment at the Contractor's plant or most favorable shipping point. The cost beyond that plant or point of bringing the supplies to the place of delivery and the cost of loading, blocking, and bracing on the type vehicle specified by the Government at the time of shipment may exceed the offeror's lowest cost when the offeror ships for the offeror's account. Accordingly, the offeror may indicate differentials that may be added to the offered price. These differentials shall be expressed as a rate in cents for each 100 pounds (CWT) of the supplies for one or more of the options under this clause that the Government may specify at the time of shipment.
- (2) These differential(s) will be considered in the evaluation of offers to determine the lowest overall cost to the Government. If, at the time of shipment, the Government specifies (normally on a Government bill of lading) a mode of transportation, type of vehicle, or place of delivery for which the offeror has set forth a differential, the Contractor shall include the total of such differential costs (the applicable differential multiplied by the actual weight on the Government bill of lading) as a separate reimbursable item on the Contractor's invoice for the supplies.
- (3) The Government shall have the option of performing or arranging at its own expense any transportation from Contractor's shipping plant or point to carrier's facility at the time of shipment and, whenever this option is exercised, the Government shall make no reimbursement based on a quoted differential.
- (4) Offeror's differentials in cents for each 100 pounds for optional mode of transportation, types of vehicle, transportation within a mode, or place of delivery, specified by the Government at the time of shipment and not included in the f.o.b. origin price indicated in the Schedule by the offeror, are as follows:
- _____ (carload, truckload, less-load,
_____ wharf, flatcar, driveaway, etc.)

(End of clause)

(FF7005)

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NOTE: In accordance with paragraph c(2) above, failure to indicate a differential for a particular mode, type of vehicle, etc., will preclude the bidder or offeror from collecting reimbursement for any particular mode of transportation or type of vehicle specified by the Government during the performance of this contract.

F-5 52.247-38 F.O.B. INLAND CARRIER, POINT OF EXPORTATION APR/1984

(a) The term 'f.o.b. inland carrier, point of exportation,' as used in this clause, means free of expense to the Government, on board the conveyance of the inland carrier, delivered to the specified point of exportation.

(b) The Contractor shall--

(1)(i) Pack and mark the shipment to comply with contract specifications; or

(ii) In the absence of specifications, prepare the shipment for ocean transportation in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;

(2) Prepare and distribute commercial bills of lading;

(3)(i) Deliver the shipment in good order and condition in or on the conveyance of the carrier on the date or within the period specified; and

(ii) Pay and bear all applicable charges, including transportation costs, to the point of delivery specified in the contract;

(4) Be responsible for any loss of and/or damage to the goods occurring before delivery of the shipment to the point of delivery in the contract; and

(5) At the Government's request and expense, assist in obtaining the documents required for (i) exportation or (ii) importation at destination.

(End of clause)

(FF7050)

F-6 52.247-4531 COGNIZANT TRANSPORTATION OFFICER MAY/1993
TACOM-RI

(a) The contract administration office designated at the time of contract award, or the office servicing the point of shipment if subsequently designated by the original office, will be the contact point to which the contractor will:

(1) Submit, as necessary, DD Form 1659, Application for U.S. Government Bill(s) of Lading/Export Traffic Release, in triplicate at least ten days prior to date supplies will be available for shipment;

(2) Obtain shipping instructions as necessary for F.O.B. Destination delivery; and

(3) Furnish necessary information for MILSTRIP/MILSTAMP or other shipment documentation and movement control, including air and water terminal clearances.

(4) For FMS, at least 10 days in advance of actual shipping date the contractor should request verification of 'Ship to' and 'Notification' address from the appropriate DCMAO.

(b) The contract administration office will provide to the contractor data necessary for shipment marking and freight routing.

(c) The contractor shall not ship directly to a Military air or water port terminal without authorization by the designated point of contact.

(End of Clause)

(FS7240)

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DELIVERY SCHEDULE

Delivery schedules will be included in each delivery order. FOB Origin clauses apply only to orders issued FOB Origin. FOB Destination clauses apply only to orders issued FOB Destination.

*** END OF NARRATIVE F 001 ***

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SECTION G - CONTRACT ADMINISTRATION DATA

A. Funds are not and shall not be obligated by this agreement. Upon execution by both parties of delivery orders or modifications issued thereunder, funds will be obligated in the amounts set forth therein.

B. Payment will be made by:

DFAS - COLUMBUS CENTER
ATTN: SOUTHEAST DIVISION
PO BOX 182225
COLUMBUS, OH 43218-2225

C. ADMINISTERED BY:

DCMC BIRMINGHAM
ATTN: DCMDE-GLNA
1910 THIRD AVENUE NORTH, SUITE 201
BIRMINGHAM, AL 35203-3502

D. REMITTANCE ADDRESS:

FIRST UNION/WACHOVIA
ABA ROUTING NUMBER: 0530 00219
FOR CREDIT: PEI ELECTRONICS, INC.
ACCOUNT: 2000010102381
PAYMENT FOR INVOICE NUMBER _____

*** END OF NARRATIVE G 001 ***

Name of Offeror or Contractor: PEI ELECTRONICS INC

SECTION H - SPECIAL CONTRACT REQUIREMENTS

This document 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 these addresses:

<http://www.arnet.gov/far/> or www.acq.osd.mil/dp/dars

If the clause requires additional or unique information, then that information is provided immediately after the clause title.

(HA7001)

Regulatory Cite	Title	Date
H-1 252.217-7026 DFARS	IDENTIFICATION OF SOURCES OF SUPPLY	NOV/1995

(a) The Government is required under 10 U.S.C. 2384 to obtain certain information on the actual manufacturer of sources of supplies it acquires.

(b) The apparently successful Offeror agrees to complete and submit the following table before award:

TABLE

Line Items	National Stock Number	Commercial Item (Y or N)	Source of Supply			Actual Mfg
	(1)	(2)	Company (4)	Address (4)	Part No. (5)	(6)
_____	_____	_____	_____	_____	_____	_____

(1) List each deliverable item of supply and item of technical data.

(2) If there is no national stock number, list 'none.'

(3) Use 'Y' if the item is a commercial item; otherwise, use 'N'. If 'Y' is listed, the Offeror need not complete the remaining columns in the table.

(4) For items of supply, list all sources. For technical data, list the source.

(5) For items of supply, list each source's part number for the item.

(6) Use 'Y' if the source of supply is the actual manufacturer; 'N' if it is not; and 'U' if unknown.

(End of clause)

NOTE:

a. An original and one copy of the information required above, shall be provided to the Contracting Officer at the address set forth in Section G, or block 7 of the SF33 (or in block 6 of the DD Form 1155).

b. In the event that additional sources of supply are identified and utilized after the submittal required by paragraph (b) above, the Contractor will provide the required information for each additional source of supply not later than the date of final delivery of the applicable Contract Line Item.

(End of Clause)

(HA7705)

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Rail Freight Station Name and Address: NORFOLK SOUTHERN CORPORATION, 330 CHURCH STREET, HUNTSVILLE, AL 35801_____

Serving Carrier: _____

(End of Clause)

(HS7600)

ALTERNATE RELEASE AUTHORIZATION

IAW DFARS 246.471, Authorizing shipment of supplies, and DCMC letter dated August 28, 2002, Ref DCMLE-GLOA, PEI is approved under the Alternate Release Authorization to sign DD250's and DD1149's.

*** END OF NARRATIVE H 001 ***

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SECTION I - CONTRACT CLAUSES

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
I-1	52.211-5	MATERIAL REQUIREMENTS	AUG/2000
I-2	52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS	SEP/1990
I-3	52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	OCT/1997
I-4	52.215-12	SUBCONTRACTOR COST OR PRICING DATA	OCT/1997
I-5	52.215-14	INTEGRITY OF UNIT PRICES - ALTERNATE I	OCT/1997
I-6	52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS	DEC/1998
I-7	52.215-16	FACILITIES CAPITOL COST OF MONEY	OCT/1997
I-8	52.215-19	NOTIFICATION OF OWNERSHIP CHANGES	OCT/1997
I-9	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT/2000
I-10	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN	JAN/2002
I-11	52.232-18	AVAILABILITY OF FUNDS	APR/1984
I-12	52.242-4	CERTIFICATION OF INDIRECT COSTS	JAN/1997
I-13	52.245-5	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIALS, OR LABOR-HOUR CONTRACTS) (DEVIATION)	JAN/1986
I-14	52.249-14	EXCUSABLE DELAYS	APR/1984
I-15	252.201-7000 DFARS	CONTRACTING OFFICER'S REPRESENTATIVE	DEC/1991
I-16	252.215-7000 DFARS	PRICING ADJUSTMENTS	DEC/1991
I-17	252.215-7002 DFARS	COST ESTIMATING SYSTEM REQUIREMENTS	OCT/1998
I-18	252.225-7001 DFARS	BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM	MAR/1998
I-19	252.225-7002 DFARS	QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS	DEC/1991
I-20	252.225-7014 DFARS	PREFERENCE FOR DOMESTIC SPECIALTY METALS - ALTERNATE I	MAR/1998
I-21	252.225-7041 DFARS	CORRESPONDENCE IN ENGLISH	JUN/1997
I-22	252.232-7002 DFARS	PROGRESS PAYMENTS FOR FOREIGN MILITARY SALES ACQUISITIONS	DEC/1991
I-23	252.233-7001 DFARS	CHOICE OF LAWS (OVERSEAS)	JUN/1997
I-24	252.242-7004 DFARS	MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM	DEC/2000
I-25	52.232-16	PROGRESS PAYMENTS	DEC/2002

The Government will make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly in amount of \$2500 or more approved by the Contracting Officer, under the following conditions:

(a) Computation of amounts.

(1) Unless the Contractor requests a smaller amount, the Government will compute each progress payment as 80 percent of the Contractor's total costs incurred under this contract whether or not actually paid, plus financing payments to subcontractors (see paragraph (j) of this clause), less the sum of all previous progress payments made by the Government under this contract. The Contracting Officer will consider cost of money that would be allowable under FAR 31.205-10 as an incurred cost for progress payment purposes.

(2) The amount of financing and other payments for supplies and services purchased directly for the contract are limited to the amounts that have been paid by cash, check, or other forms of payment, or that are determined due and will be paid to subcontractors -

(i) In accordance with the terms and conditions of a subcontract of invoice; and

(ii) Ordinarily within 30 days of the submission of the Contractor's next payment request to the Government.

(3) The Government will exclude accrued costs of Contractor contributions under employee pension plans until actually paid unless -

(i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractor's total costs for progress payments until paid).

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(4) The Contractor shall not include the following in total costs for progress payment purposes in paragraph (a)(1) of this clause:

(i) Costs that are not reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices.

(ii) Costs incurred by subcontractors or suppliers.

(iii) Costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.

(iv) Payments made or amounts payable to subcontractors or suppliers, except for--

(A) Completed work, including partial deliveries, to which the Contractor has acquired title; and

(B) Work under cost-reimbursement or time-and-material subcontracts to which the Contractor has acquired title.

(5) The amount of unliquidated progress payments may exceed neither (i) the progress payments made against incomplete work (including allowable unliquidated progress payments to subcontractors) nor (ii) the value, for progress payment purposes, of the incomplete work. Incomplete work shall be considered to be the supplies and services required by this contract, for which delivery and invoicing by the Contractor and acceptance by the Government are incomplete.

(6) The total amount of progress payments shall not exceed eighty percent (80%) of the total contract price.

(7) If a progress payment or the unliquidated progress payment exceed the amounts permitted by subparagraphs (a)(4) or (a)(5) above, the Contractor shall repay the amount of such excess to the Government on demand.

(8) Notwithstanding any other terms of the contract, the Contractor agrees not to request progress payments in dollar amounts of less than \$2500. The Contracting Officer may make exceptions.

(b) Liquidation. Except as provided in the Termination for Convenience of the Government clause, all progress payments shall be liquidated by deducting from any payment under this contract, other than advance or progress payments, the unliquidated progress payments, or eighty percent (80%) of the amount invoiced, whichever is less. The Contractor shall repay to the Government any amounts required by a retroactive price reduction, after computing liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly. The Government reserves the right to unilaterally change from the ordinary liquidation rate to an alternate rate when deemed appropriate for proper contract financing.

(c) Reduction or suspension. The Contracting Officer may reduce or suspend progress payments, increase the rate of liquidation, or take a combination of these actions, after finding on substantial evidence any of the following conditions:

(1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (f) and (g) below).

(2) Performance of this contract is endangered by the Contractor's (i) failure to make progress or (ii) unsatisfactory financial condition.

(3) Inventory allocated to this contract substantially exceeds reasonable requirements.

(4) The Contractor is delinquent in payment of the costs of performing this contract in the ordinary course of business.

(5) The unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract.

(6) The Contractor is realizing less profit than that reflected in the establishment of any alternate liquidation rate in paragraph (b) above, and that rate is less than the progress payment rate stated in subparagraph (a)(1) above.

(d) Title.

(1) Title to the property described in this paragraph (d) shall vest in the Government. Vestiture shall be immediately upon the date of this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

(2) "Property," as used in this clause, includes all of the below-described items acquired or produced by the Contractor that are or should be allocable or properly chargeable to this contract under sound and generally accepted accounting principles and practices.

(i) Parts, materials, inventories, and work in process;

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(ii) Special tooling and special test equipment to which the Government is to acquire title under any other clause of this contract;

(iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids, title to which would not be obtained as special tooling under subparagraph (ii) above; and

(iv) Drawings and technical data, to the extent the Contractor or subcontractors are required to deliver them to the Government by other clauses of this contract.

(3) Although title to property is in the Government under this clause, other applicable clauses of this contract, e.g., the termination or special tooling clauses, shall determine the handling and disposition of the property.

(4) The Contractor may sell any scrap resulting from production under this contract without requesting the Contracting Officer's approval, but the proceeds shall be credited against the costs of performance.

(5) To acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Contractor must obtain the Contracting Officer's advance approval of the action and the terms. The Contractor shall (i) exclude the allocable cost of the property from the costs of contract performance, and (ii) repay to the Government any amount of unliquidated progress payments allocable to the property. Repayment may be by cash or credit memorandum.

(6) When the Contractor completes all of the obligations under this contract, including liquidation of all progress payments, title shall vest in the Contractor for all property (or the proceeds thereof) not--

(i) Delivered to, and accepted by, the Government under this contract; or

(ii) Incorporated in supplies delivered to, and accepted by, the Government under this contract and to which title is vested in the Government under this clause.

(7) The terms of this contract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this clause.

(e) Risk of loss. Before delivery to and acceptance by the Government, the Contractor shall bear the risk of loss for property, the title to which vests in the Government under this clause, except to the extent the Government expressly assumes the risk. The Contractor shall repay the Government an amount equal to the unliquidated progress payments that are based on costs allocable to property that is damaged, lost, stolen, or destroyed.

(f) Control of costs and property. The Contractor shall maintain an accounting system and controls adequate for the proper administration of this clause.

(g) Reports and access to records. The Contractor shall promptly furnish reports, certificates, financial statements, and other pertinent information reasonably requested by the Contracting Officer for the administration of this clause. Also, the Contractor shall give the Government reasonable opportunity to examine and verify the Contractor's books, records, and accounts.

(h) Special terms regarding default. If this contract is terminated under the Default clause, (i) the Contractor shall, on demand, repay to the Government the amount of unliquidated progress payments and (ii) title shall vest in the Contractor, on full liquidation of progress payments, for all property for which the Government elects not to require delivery under the Default clause. The Government shall be liable for no payment except as provided by the Default clause.

(i) Reservations of rights.

(1) No payment or vesting of title under this clause shall (i) excuse the Contractor from performance of obligations under this contract or (ii) constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause (i) shall not be exclusive but rather shall be in addition to any other rights and remedies provided by law or this contract and (ii) shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(j) Financing payments to subcontractors. The financing payments to subcontractors mentioned in paragraphs (a)(1) and (a)(2) of this clause shall be all financing payments to subcontractors or division, if the following conditions are met:

(1) The amounts included are limited to -

(i) The unliquidated remainder of financing payments made; plus

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(ii) any unpaid subcontractor requests for financing payments.

(2) The subcontract or interdivisional order is expected to involve a minimum of approximately 6 months between the beginning of work and the first delivery, or, if the subcontractor is a small business concern, 4 months.

(3) If the financing payments are in the form of progress payments, the terms of the subcontract or interdivisional order concerning progress payments -

(i) Are substantially similar to the terms of the clause for any subcontractor that is a large business concern, or that clause with its Alternate I for any subcontractor that is a small business concern;

(ii) Are at least as favorable to the Government as the terms of this clause;

(iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;

(iv) Are in conformance with the requirements of FAR 32.504(e); and

(v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if (A) the Contractor defaults or (B) the subcontractor becomes bankrupt or insolvent.

(4) If the financing payments are in the form of performance-based payments, the terms of the subcontract or interdivisional order concerning payments -

(i) Are substantially similar to the Performance-Based Payments clause at FAR 52.232-32 and meet the criteria for, and definition of, performance-based payments in FAR Part 32;

(ii) Are in conformance with the requirements of FAR 32.504(f); and

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if - (A) The Contractor defaults; or (B) The subcontractor becomes bankrupt or insolvent.

(5) If the financing payments are in the form of commercial item financing payments, the terms of the subcontract or interdivisional order concerning payments -

(i) Are constructed in accordance with FAR 32.206(c) and included in a subcontract for a commercial item purchase that meets the definition and standards for acquisition of commercial items in FAR Part 2 and 12;

(ii) Are in conformance with the requirements of FAR 32.504(g); and

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if - (A) The Contractor defaults; or (B) The subcontractor becomes bankrupt or insolvent.

(6) If financing is in the form of progress payments, the progress payment rate in the subcontract is the customary rate used by the contracting agency, depending on whether the subcontractor is or is not a small business concern.

(7) Concerning any proceeds received by the Government for property to which title has vested in the Government under the subcontract terms, the parties agree that the proceeds shall be applied to reducing any unliquidated financing payments by the Government to the Contractor under this contract.

(8) If no unliquidated financing payments to the Contractor remain, but there are unliquidated financing payments that the Contractor's has made to any subcontractor, the Contractor shall be subrogated to all the rights the Government obtained through the terms required by this clause to be in any subcontract, as if all such rights had been assigned and transferred to the Contractor.

(9) To facilitate small business participation in subcontracting under this contract, the Contractor shall provide financing payments to small business concerns, in conformity with the standards for customary contract financing payments stated in Subpart 32.113. The Contractor shall not consider the need for such financing payments as a handicap or adverse factor in the award of subcontracts.

(k) Limitations on Undefined Contract Actions. Notwithstanding any other progress payment provision in this contract, progress payments may not exceed eighty percent (80%) of costs incurred on work accomplished under undefined contract actions. A "contract action" is any action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or

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(2) To the extent consistent with paragraph (c)(1) of this clause, all clauses, terms, and conditions included in this undefinitized contract action shall continue in effect, except those that by their nature apply only to an undefinitized contract action.

(d) The definitive contract resulting from this undefinitized contract action will include a negotiated

-8-_____ in no event to exceed -9-_____

**ALL FILL-INS SHALL APPLY TO EACH INDIVIDUAL DELIVERY ORDER.

End of clause

(IA6715)

I-27 252.232-7007 LIMITATION OF GOVERNMENT'S OBLIGATION - ALTERNATE I
DFARS

AUG/1993

(a) Contract line item * is incrementally funded. The sum of \$___** is presently available for payment and allotted to this contract. An allotment schedule is contained in paragraph (i) of this clause.

(b) For item(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor will not be obligated to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled 'Termination for Convenience of the Government.' As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit, and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (i) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgement the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (i) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (i) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled 'Termination for Convenience of the Government.'

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled 'Disputes.'

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled 'Default.' The provisions of this clause are limited to the work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) or (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled 'Termination for Convenience of the Government.'

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(i) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

*On execution of contract	\$
*(month) (day), 199x	\$
*(month) (day), 199y	\$
*(month) (day), 199z	\$

* SUBSEQUENT TO EACH DELIVERY ORDER

** TO BE INSERTED AFTER NEGOTIATION

(End of clause)

(IA6712)

I-2 MANDATORY FOR ALL FIRM FIXED PRICE SUPPLY

The following clauses are required for all firm fixed priced supply contracts:

1. Federal, State and Local Taxes Noncompetitive Contract	52.229-4	Jan91
2. Payments	52.232-1	Apr84
3. Extras	52.232-11	Apr84
4. Protest After Award	52.233-3	Oct95
5. Changes-Fixed Price	52.243-1	Aug87
6. Default (fixed price supply/service)	52.249-8	Apr84
7. Subcontracts (Fixed supply)	52.244-2	Aug98
8. Pricing of Contract Modifications	252.243-7001	Dec91
9. Material Inspection and Receiving Reports	252.246-7000	Dec91
10. New Material	52.211-5	Oct97
11. Taxes-Contract Performed in US Possessions or P.Rico	52.229-5	Apr84
12. Restrictions on Subcontractors Sales to Govt	52.203-6	Jul95
13. Competition in Subcontracting	52.244-5	Dec96
14. Subcontracts for Commercial Items and Com Comp	52.244-6	Dec96
15. Direct Vendor Delivery	52.211-4505	

I-3 MANDATORY FOR ALL FIRM FIXED PRICE SERVICE

The following clauses are required for firm fixed price service contracts:

1. Federal, State and Local Taxes (non-comp contracts)	52.229-4	Jan91
2. Payments	52.232-1	Apr84
3. Extras	52.232-11	Apr84
4. Protest After Award	52.233-3	Oct95
5. Default (fixed price supply and service)	52.249-8	Apr84
6. Subcontracts (fixed price)	52.244-2	Aug98
7. Pricing of Contract Modifications	252.243-7001	Dec91
8. Taxes-contracts performed in US Possessions	52.229-5	Apr84
9. Restrictions on Subcontractor Sales to Govt	52.203-6	Jul95
10. Competition in sub-contracting	52.244-5	Jan96
11. subcontracts for Commercial Items and com components	52.244-6	Oct95
12. Authorization and Consent	52.227-1	Jul95

I-4 MANDATORY FOR ALL COST PLUS FIXED FEE SUPPLY

The following clauses are required for cost plus fixed fee supply contracts:

1. Allowable cost and payment	52.216-7	Apr98
2. Fixed fee	52.216-8	Feb97
3. Insurance-Liability to Third Persons	52.228-7	Mar96
4. Protest after award (alt 1)	52.233-3	Aug89
5. Notice of intent to disallow costs	52.242-1	Aug84
6. changes-cost reimbursement	52.243-2	Aug87
7. Subcontracts (cost reimbursement and letter)	52.244-2	Aug98

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8.	Termination (cost reimbursement)	52.249-6	Sep96
9.	Excusable Delays	52.249-14	Apr84
10.	New Material	52.211-5	Oct97
11.	Restrictions on subcontractor sales to govt	52.203-6	Jul95
12.	Competition in subcontracting	52.244-5	Jan96
13.	Subcontracts for commercial items and com components	52.244-6	Oct95
14.	Material inspection and receiving report	252.246-7000	Dec91
15.	Authorization and consent	52.227-1	Jul95
16.	Penalties for Unallowable Costs	52.242-3	Oct95
17.	Certification of final ind costs	52.242-4	Jan97
18.	Payments	52.232-1	Apr84

I-5 MANDATORY FOR ALL COST PLUS FIXED FEE SERVICE

The following clauses are required for cost plus fixed fee contracts:

1.	Allowable cost and payment	52.216-7	Apr98
2.	Fixed fee	52.216-8	Feb97
3.	Insurance-liability to third persons	52.228-7	Mar96
4.	Protest after award-alt 1	52.233-3	Sep90
5.	Notice of intent to disallow costs	52.242-1	Apr84
6.	Certification of final ind. costs	52.242-4	Jan97
7.	Payments	52.232-1	Apr84
8.	Changes-cost reimburse-alt I	52.243-2	Apr84
9.	Subcontracts (cost reimbursement and letter contracts)	52.244-2	Aug98
10.	Termination (cost reimbursement)	52.249-6	Sep96
11.	Excusable delays	52.249-14	Apr84
12.	Competition in subcontracting	52.244-5	Jan96
13.	Subcontracts for commercial items and comm. components	52.244-6	Oct95
14.	Authorization and Consent	52.227-1	Jul95
15.	Penalties for unallowable costs	52.242-3	Oct95

I-6 MANDATORY FOR ALL TIME AND MATERIAL

The following clauses are required for Time and Material Contracts:

1.	Allowable cost and payment	52.216-7	Apr98
2.	Payments under time and material and labor hr K.	52.232-7	Feb97
3.	Protest after award-alt 1	52.233-3	Aug89
4.	Changes-time and material or labor hours	52.243-3	Aug87
5.	Subcontracts time and material and labor hr k.	52.244-3	Oct97
6.	Termination (cost reimbursement) Alt IV	52.249-6	Apr86
7.	Excusable delays	52.249-14	Apr84
8.	Fixed fee	52.216-8	Feb97
9.	Statement of Equivalent Rates for Federal Hires	52.222-42	May89
10.	Fair labor standards act and service contract act - price adjustment	52.222-44	May89
11.	Federal, state and local taxes (noncompetitive)	52.229-4	Jan91
12.	Taxes-contracts performed in Us poss and Puerto Rico	52.229-5	Apr84
13.	Discounts for prompt payment	52.232-8	May97
14.	Penalties for unallowable costs	52.242-3	Oct95

I-7 OPTIONAL FOR ALL FIRM FIXED PRICE, COST PLUS FIXED FEE, TIME AND MATERIAL

The following clauses are required when applicable for all firm fixed price supply, firm fixed price service, cost plus fixed fee supply, cost plus fixed fee service and time and material contracts:

1.	Limitation of government liability	52.216-24	Apr84
2.	Duty free entry	52.225-10	Apr84
3.	Limitation on withholding of payments	52.232-9	Apr84
4.	Availability of funds	52.232-18	Apr84
5.	Production progress reports	52.242-2	Jul95
6.	Report of shipment/reship	52.245-12	Apr84
7.	Government property as is	52.245-19	Apr84
8.	Government supply sources	52.251-1	Apr84

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9.	Disclosure of information	252.204-7000	Dec91
10.	Preference for domestic specialty metals	252.225-7014	Feb97
11.	Preference for domestic specialties metals-alt 1	252.225-7014	Feb97
12.	Duty free additional provisions	252.225-7010	Jan97
13.	Exclusionary policies and practices of foreign govt	252.225-7028	Dec91
14.	Rights in technical data non commercial items	252.227-7013	Nov95
15.	Deferred delivery of technical data or computer soft.	252.227-7026	Apr88
16.	Deferred ordering of technical data or computer soft.	252.227-7027	Apr88
17.	Technical withholding of payment	252.227-7030	Oct88
18.	Ordering from Government Sources of supply	252.251-7000	May95
19.	Privacy act notification	52.224-1	Apr84
20.	Notification of changes	52.243-7	Mar89
21.	Value engineering-alt I	52.248-1	Mar89
22.	Value engineering-alt II	52.248-1	Mar89
23.	Drug free workforce	252.223-7004	Sep88
24.	Restrictions on acquisition of ball and roller bear.	252.225-7016	Sep96
25.	Warranty of data	252.246-7001	Dec91
26.	Pricing adjustments	252.215-7000	Dec95
27.	Cost estimating system requirements	252.215-7002	Dec91
28.	Notice to the government of labor disputes	52.222-1	Dec95
29.	Inventive subcontracting program	52.219-10	Oct95
30.	Convict labor	52.222-3	Aug96
31.	Ozone-depleting substance	52.223-11	Jun96
32.	Disclosure and consistency of cost actg practices	52.230-3	Apr96
33.	Disputes-alt 1	52.233-1	Mar94
34.	Report of shipment	52.242-12	Jul95
35.	Commercial bill of lading	52.247-1	Apr84
36.	Payment for subline items not separately priced	252.204-7000	Dec91
37.	Exercise of option t0o fulfill foreign military sales commitments	252.217-7000	Dec91
38.	Exercise of option to fulfill foreign military sales commitments-alt1	252.217-7000	Dec91
39.	Contract definitization	252.217-7027	Feb96
40.	Small, small disadvantaged and woman owned small business subcontracting plan (DOD)	252.219-7003	Nov95
41.	Inventive for subcontracting with small business small disadvantaged business, historically black colleges and Univ. and Minority Inst.	252.219-7005	Nov95
42.	Inventive for subcontracting with small business small disad. bus., historically blk colleges and univ and minority inst-alt 1	252.219-7005	Nov95
43.	Restriction on acquisition of night vision image	252.225-7024	Dec91
44.	Limitation on sales commissions and fees	252.115-7027	Dec91
45.	Rights in bid or proposal information	252.227-7016	Jun95
46.	Validation of asserted restrictions-computer software	252.227-7019	Jun95
47.	Rights in special works	252.227-7022	Jun95
48.	Progress payments for foreign military sales acq.	252.232-7002	Dec91
49.	Progress payment rates	52.232-16	Dec02
50.	Cost/schedule control	252.234-7001	Dec91
51.	Application for US govt shipping doc and instruc.	252.242-7003	Dec91
52.	Cost/Schedule	252.242-7005	Dec91
53.	Report of govt property	252.245-7001	Mar94
54.	Certification of technical data conformity	252.227-7036	Jan97
55.	Validation of restrictive markings/technical data	252.227-7037	Nov95
56.	Liquidation Rates-Alternate Method	32.503-9	

I-8 OPTIONAL FOR ALL FIRM FIXED PRICE

The following clauses are optional for firm fixed priced supply:

1.	First Article Approval - contractor testing	52.209-3	Sep89
2.	First Article Approval - Contractor testing-alt 1	52.209-3	Sep89
3.	First Article Approval - Contractor testing-alt II	52.209-3	Sep89
4.	First Article Approval - Government testing	52.209-4	Sep89
5.	First Article Approval - Govt testing-alt I	52.209-4	Sep89

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6.	First Article Approval - Govt testing-alt II	52.209-4	Jul95
7.	Report of shipment/reship	52.242-12	Apr84
8.	Special tooling	52.245-17	Feb93
9.	Special test equipment	52.246-18	Feb97
10.	Limitation of liability	52.246-23	Feb97
11.	Limitation of liability-high value items	52.246-24	Feb97
12.	Limitation of liability-high value items-alt I	52.246-24	Feb97
13.	Termination for convenience of the govt/FFP short	52.249-1	Apr84
14.	Progress payments	52.232-16	Dec02
15.	Changes or additions to make or buy program	52.215-21	Apr84
16.	Evaluated option for increased quantity	52.217-6	Aug96
17.	Unevaluated option for increased qty	52.217-6	Mar90
18.	Evaluated/unevaluated option for increased qty	52.217-6	Aug96
19.	Option for increased qty-separately priced line item	52.217-7	Aug96
20.	Waiver of indemnity	52.227-5	Apr84
21.	Refund of royalty	52.227-9	Apr84
22.	Filing of patent appl.-classified sub. matter	52.227-10	Apr84
23.	Insurance-work on govt install.	52.228-5	Jan97
24.	Irrevocable Letter of credit	52.228-14	Jun96
25.	Subcontracts-fixed price	52.244-2	Aug98
26.	Use and charges	52.245-9	Apr84
27.	Termination for Convenience of govt-fixed price	52.249-2	Sep96
28.	Engineering change proposals	252.243-7001	May94
29.	Warranty of data-alt I	252.246-7001	Dec91
30.	Availability of funds	52.232-18	Apr84
31.	Govt property-fixed price	52.245-2	Dec89
32.	Change order accounting	52.243-6	Apr84
33.	Production lead-time reduction-value eng-alt I	52.248-4501	
34.	Liquidation Rates Alternate Method	32.503-9	

I-9 OPTIONAL FOR ALL FIRM FIXED PRICE SERVICE

The following clauses are optional for firm fixed price service contracts:

1.	Govt delay of work	52.242-17	Apr84
2.	Govt furnished property-short form	52.245-4	Apr84
3.	Special tooling	52.245-17	Apr84
4.	Termination for convenience of the govt/FFP/short fm	52.249-1	Apr84
5.	Progress payments	52.232-16	Dec02
6.	Patent indemnity	52.227-3	Apr84
7.	Patent indemnity-alt I	52.227-3	Apr84
8.	Waiver of indemnity	52.227-5	Apr84
9.	Insurance-work on govt installation	52.228-5	Sep89
10.	Notice of progress payments	52.232-13	Apr84
11.	Govt supply sources	52.251-2	Apr84
12.	Changes or additions to make or buy program	52.215-21	Apr84
13.	Economic price adjustment-labor & material	52.216-4	Jan97
14.	Price re-determination prospective	52.216-5	Apr84
15.	Price re-determination retroactive	52.216-6	Jan97
16.	Evaluated option for increased qty	52.217-6	Apr84
17.	Unevaluated option for increased qty	52.217-6	Oct95
18.	Evaluated/unevaluated option for incr qty	52.217-6	Mar90
19.	Option to extend services	52.217-8	Aug89
20.	Option to extend the term of the contract	52.217-9	Mar89
21.	Refund on royalties	52.227-9	Apr84
22.	Filing of patent application-classified sub matter	52.227-10	Apr84
23.	Irrevocable letter of credit	52.228-14	Jun96
24.	Availability of funds for the next fiscal year	52.232-19	Apr84
25.	Availability of funds	52.232-18	Apr84
26.	Protection of government bldgs, equipment and Veg	52.237-2	Apr84
27.	Continuity of services	52.237-3	Jan91
28.	Changes-fixed price-alt I	52.243-1	Apr84
29.	changes-fixed price-alt II	52.243-1	Apr84
30.	Subcontract, fixed price-alt I	52.244-2	Aug98
31.	Government property-fixed price	52.245-2	Dec89

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32.	government property-fixed price-alt I	52.245-2	Apr84
33.	Use and charges	52.245-9	Apr84
34.	Limitation of liability (services)	52.246-25	Feb97
35.	Termination for convenience of the govt (ffp)	52.249-2	Sep96
36.	Engineering change proposals	252.243-7000	May94
37.	Engineering change proposals-alt I	252.243-7000	May94
38.	Contract work hours and safety standards act-overtime compensation	52.222-4	Sep90
39.	Report of shipment-reship	52.242-12	Jul95
40.	Liquidation Rates Alternate Method	32.503-9	

I-10 OPTIONAL FOR ALL COST PLUS FIXED FEE SUPPLY

The following clauses are optional for Cost Plus Fixed Fee Supply contracts:

1.	Payments of allowable costs before definitization	52.216-26	Sep84
2.	Payments for overtime premiums	52.222-2	Apr84
3.	Special test equipment	52.245-18	Apr84
4.	Limitation of liability	52.246-23	Apr84
5.	Limitation of liability high value items	52.246-24	Apr84
6.	Limitation of liability high value items-alt I	52.246-24	Apr84
7.	Insurance-liability to third persons	52.228-7	Apr84
8.	changes or additions to make or buy program	52.215-21	Apr84
9.	Waiver of indemnity	52.227-5	Apr84
10.	Penalties for unallowable	52.242-3	Oct95
11.	Filing of patent application-classified sub. matter	52.227-10	Apr84
12.	Irrevocable letter of credit	52.228-14	Jun96
13.	Advance payments-alt II	52.232-12	Apr84
14.	Limitation of costs	52.232-20	Apr84
15.	Change order accounting	52.243-6	Apr84
16.	Government property (Cost reim, t&m, or labor hr)	52.245-5	Jan86
17.	Engineering change proposals	252.243-7000	May94
18.	Engineering change proposals	252.243-7000	May94
19.	Option for increased quantity quantity- priced line item	52.217-7	
20.	Report of shipment/reship	52.242-12	Jul95

I-11 OPTIONAL FOR ALL COST PLUS FIXED FEE SERVICE

The following clauses are optional for cost plus fixed fee service contracts:

1.	Payments of allowable costs before definitization	52.216-26	Apr84
2.	Option to extend the term of the contract	52.217-9	Mar89
3.	Exercise of option to fulfill foreign military sales commitments	252.217-7000	Dec91
4.	Used or recoditioned material, residual inventory and former govt surplus property	52.211-7	May95
5.	Limitation of liability-services	52.246-25	Apr84
6.	Payment for overtime premiums	52.222-2	Jul90
7.	Filing of patent applications-classified sub. matter	52.227-10	Apr84
8.	Irrevocable letter of credit	52.228-14	Jun96
9.	Advance payments-Alt II	52.232-12	Apr84
10.	Limitation of costs	52.232-20	Apr84
11.	Limitation of funds	52.232-22	Apr84
12.	Govt property (cost reim., T&M and labor hours)	52.245-5	Jan86
13.	Engineering change proposals	252.243-7000	May94
14.	Engineering change proposals-alt II	252.243-7000	May94
15.	Changes or additions to the make or buy program	52.215-21	Apr84
16.	Option to extend services	52.217-8	Aug89
17.	Waiver of indemnity	52.227-5	Apr84
18.	Availability of funds for next fiscal yr.	52.232-19	Apr84
19.	Protection of govt bldg, eq and vegetation	52.237-2	Apr84
20.	continuity of services	52.237-3	Jan91
21.	changes-cost reimbursement-alt I	52.243-2	Apr84
22.	Changes-cost reimbursement-alt II	52.243-2	Apr84

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- | | | |
|--|-----------|-------|
| 23. Contract work hours and safety standards act - overtime compensation | 52.222-4 | Sep90 |
| 24. Report of shipment/reship | 52.242-12 | Jul95 |

I-12 OPTIONAL FOR ALL TIME AND MATERIAL

The following clauses are optional for time and material contracts:

- | | | |
|---|-----------|-------|
| 1. Option to extend term of contract | 52.217-9 | Mar89 |
| 2. Govt furnished property (short form) | 52.245-4 | Apr84 |
| 3. Limitation of liability-services | 52.246-25 | Apr84 |
| 4. Govt property (cost reim., T&M, or labor hours) | 52.245-5 | Jan86 |
| 5. Limitation of liability-high value items-alt I | 52-246-24 | Apr84 |
| 6. Economic price adjustment labor and material | 52.216-4 | Apr84 |
| 7. Price redetermination prospective | 52.216-5 | Oct95 |
| 8. Price redetermination-retroactive | 52.216-6 | Oct95 |
| 9. Allowable cost and payment | 52.216-7 | Aug96 |
| 10. Option to extend services | 52.217-8 | Aug89 |
| 11. Payments under T&M and labor hour contracts | 52.232-7 | Apr84 |
| 12. Protection of gov bldgs, equip and veg | 52.237-2 | Apr84 |
| 13. Notice of intent to disallow costs | 52.242-1 | Apr84 |
| 14. Termination for convenience of the govt, ffp, sh form | 52.249-1 | Apr84 |
| 15. Termination for convenience of the govt, ffp | 52.249-2 | Sep96 |
| 16. Payments under T&M and labor hr contracts | 52.232-7 | Jan86 |
| 17. Report of shipment/reship | 52.242-12 | Jul95 |

I-13 OPTIONAL FOR ALL COST PLUS FIXED FEE SERVICE & TIME AND MATERIAL

the following clauses are optional for Cost Plus Fixed Fee Service & Time and Material contracts that require deployment of contractors during contingency operations to the Theatre of Operations:

- | | | |
|--|--------------|-------|
| 1. Workers compensation insurance (defense base act) | 52.228-3 | Apr84 |
| 2. workers compensation and war hazard insurance over-seas | 52.228-4 | Apr84 |
| 3. Reimbursement for war hazard losses | 252.228-7000 | Dec91 |
| 4. Capture and detention | 252.228-7003 | Dec91 |
| 5. Antiterrorism/force protection policy for defense contractors outside the United States | 252.225-7043 | Jun98 |
| 6. Disclosure of ownership or control by the government of a terrorist country | 252.209-7000 | Mar98 |

*** END OF NARRATIVE I 001 ***