

ORDER FOR SUPPLIES OR SERVICES

1. Contract/Purch Order/Agreement No. DAAE20-02-G-0002	2. Delivery Order/Call No. 0002	3. Date Of Order/Call (YYYYMMDD) 2002MAR19	4. Requisition/Purch Request No. SEE SCHEDULE	5. Priority DOA5
--	---	--	---	----------------------------

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CAC-B MARGARET I EMMERT (309)782-7149 ROCK ISLAND IL 61299-7630 EMAIL: EMMERTM@RIA.ARMY.MIL	Code	W52H09	7. Administered By (If other than 6) DCMA AMERICAS (CANADA) 275 BANK ST SUITE 200 OTTAWA ONT CN K2P 2L6	Code	SCN01A	8. Delivery FOB <input type="checkbox"/> Destination <input checked="" type="checkbox"/> Other (See Schedule if other)
			SCD B	PAS NONE	ADP PT SC1012	

9. Contractor CANADIAN COMMERCIAL CORP 50 O'CONNOR STREET 11TH FLOOR OTTAWA ONTARIO CANADA K1A 0S6 CA TYPE BUSINESS: Foreign Concern/Entity	Code	98247	Facility		10. Deliver To FOB Point By (Date) (YYYYMMDD) SEE SCHEDULE	11. X If Business Is <input type="checkbox"/> Small <input type="checkbox"/> Small Disadvantaged <input type="checkbox"/> Woman-Owned
				12. Discount Terms	Net 30 Days	
				13. Mail Invoices To the Address in Block See Block 15		

14. Ship To SEE SCHEDULE	Code		15. Payment Will Be Made By DFAS-COLUMBUS CENTER DFAS-CO-JNF/NEW DOMINION P O BOX 182041 COLUMBUS OH 43218-2041	Code	SC1018	Mark all Packages and Papers with Identification Numbers in Blocks 1 and 2
------------------------------------	-------------	--	--	-------------	--------	---

16. Type of Order	Delivery/Call	<input checked="" type="checkbox"/>	This delivery order is issued on another Government agency or in accordance with and subject to terms and conditions of above numbered contract.
	Purchase		Reference your <input type="checkbox"/> Oral; <input type="checkbox"/> Written Quotation, Dated _____, furnish the following on terms specified herein.
Acceptance. The Contractor Hereby Accepts The Offer Represented By The Numbered Purchase Order As It May Previously Have Been Or Is Now Modified, Subject To All Of The Terms And Conditions Set Forth, And Agrees To Perform The Same.			

Name Of Contractor	Signature	Typed Name And Title	Date Signed (YYYYMMDD)
--------------------	-----------	----------------------	------------------------

If this box is marked, supplier must sign Acceptance and return the following number of copies:

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE SEE SCHEDULE					
18. Item No.	19. Schedule Of Supplies/Service	20. Quantity Ordered/ Accepted*	21. Unit	22. Unit Price	23. Amount
	SEE SCHEDULE CONTRACT TYPE: No Cost				
	Cost-Plus-Fixed-Fee KIND OF CONTRACT: Supply Contracts and Priced Orders Service Contracts				

* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.	24. United States Of America By: SUZANNE C. YACKLEY /SIGNED/ YACKLEYS@RIA.ARMY.MIL (309)782-1466	25. Total	\$0.00
		29. Differences	

26. Quantity In Column 20 Has Been <input type="checkbox"/> Inspected <input type="checkbox"/> Received <input type="checkbox"/> Accepted And Conforms To Contract Except As Noted Date _____ Signature Of Authorized Govt Representative _____	27. Ship. No.	28. D.O. Voucher No.	30. Initials	33. Amount Verified Correct For
36. I certify this account is correct and proper for payment Date _____ Signature And Title Of Certifying Officer _____		<input type="checkbox"/> Partial <input type="checkbox"/> Final	32. Paid By	34. Check Number
		<input type="checkbox"/> Complete <input type="checkbox"/> Partial <input type="checkbox"/> Final		35. Bill Of Lading No.

37. Received At	38. Received By	39. Date Received	40. Total Containers	41. S/R Account Number	42. S/R Voucher No.
-----------------	-----------------	-------------------	----------------------	------------------------	---------------------

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE20-02-G-0002/0002 MOD/AMD	Page 2 of 9
Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP		

SUPPLEMENTAL INFORMATION

This Delivery Order is issued, 100% to Subcontractor-General Dynamics Canada LTD/Computing Devices of Canada LTD, to establish Firm Fixed Price range pricing and delivery for a 3 year period, 01 OCT 2001 through 30 SEP 2004, to purchase the following A3 Bradley Unique Spares.

These spares will be the same as those currently being produced, at the time of the order, for the A3 Bradley Production Contract.

Any obsolescence of components will be the responsibility of the contractor.

All applicable Mandatory FFP clauses are incorporated into this delivery order, to include Duty Free Entry and Progress Payments.

All items will be delivered 6 months after receipt of order. Accelerated delivery will be acceptable provided there are no additional charges involved.

Inspection/Acceptance and FOB will be at SOURCE.

Packing/Packaging will be "Best Commercial".

Duty Free Entry applies to all deliveries.

Electronic Funds Transfer Payments will be made to:

Bank of Nova Scotia, New York Agency
One Liberty Plaza
New York, NY 10006
ABA # 026002532 ACCT # 00001526-17

Non-Electronic FundsTransfer payments will be mailed to Block # 9 of the DD-1155 Cover Sheet.

The subcontractors proposal and Canadian Commercials endorsement are incorporated into this Delivery Order as ATTACHEMNT A.

*** END OF NARRATIVE A 001 ***

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE20-02-G-0002/0002 MOD/AMD	Page 3 of 9
---------------------------	---	---------------------------

Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP

SUPPLIES OR SERVICES AND PRICES/COSTS

For Local Clauses See: <https://aais.ria.army.mil>

<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
1 252.225-7008 DFARS	SUPPLIES TO BE ACCORDED DUTY-FREE ENTRY	MAR/1998

In accordance with paragraph (b) of the Duty-Free Entry clause of this contract, in addition to duty-free entry for all qualifying country supplies (end products and components) and all eligible end products subject to applicable trade agreements (if this contract contains the Buy American Act-Trade Agreements-Balance of Payments Program clause or the Buy American Act-North American Free Trade Agreement Implementation Act-Balance of Payments Program clause), the following foreign end products that are neither qualifying country end products nor eligible end products under a trade agreement, and the following nonqualifying country components, are accorded duty-free entry:

NONE

(BA6701)

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE20-02-G-0002/0002 MOD/AMD	Page 4 of 9
Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP		

CONTRACT CLAUSES

For Local Clauses See: <https://aais.ria.army.mil>

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
1	52.225-8	DUTY-FREE ENTRY	FEB/2000
2	252.232-7004 DFARS	DOD PROGRESS PAYMENT RATES	OCT/2001
3	52.232-16	PROGRESS PAYMENTS - ALTERNATE II	FEB/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 will be paid to subcontractors -

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

(ii) Ordinarily prior to 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).

(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.

CONTINUATION SHEET**Reference No. of Document Being Continued**

Page 5 of 9

PIIN/SIIN DAAE20-02-G-0002/0002

MOD/AMD

Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP

(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;

(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

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 6 of 9
	PIIN/SIIN DAAE20-02-G-0002/0002 MOD/AMD	
Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP		

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

(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

CONTINUATION SHEET**Reference No. of Document Being Continued**

Page 7 of 9

PIIN/SIIN DAAE20-02-G-0002/0002

MOD/AMD

Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP

(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 services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is definitized. Costs incurred which are subject to this limitation shall be segregated on contractor progress payment requests and invoices from those costs eligible for higher progress payment rates. For purposes of progress payment liquidation, as described in paragraph (b) of this clause, progress payments for undefined contract actions shall be liquidated at eighty percent (80%) of the amount invoiced for work performed under the undefined contract action as long as the contract action remains undefined. The amount of unliquidated progress payments for undefined contract actions shall not exceed eighty percent (80%) of the maximum liability of the Government under the undefined contract action or such lower limit specified elsewhere in the contract. Separate limits may be specified for separate actions.

(l) Due date. The designated payment office will make progress payments on the 30th day after the designated billing office receives a proper progress payment request. In the event that the Government requires an audit or other review of a specific progress payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date. Progress payments are considered contract financing and are not subject to the interest penalty provision of the Prompt Payment Act.

(m) Progress payments made under this letter contract shall, unless previously liquidated under paragraph (b) of this clause, be liquidated under the following procedures:

(1) If this letter contract is superseded by a definitive contract, unliquidated progress payments made under this letter contract shall be liquidated by deducting the amount from the first progress or other payments made under the definitive contract.

(2) If this letter contract is not superseded by a definitive contract calling for the furnishing of all or part of the article3s or services covered under the letter contract, unliquidated progress payments made under the letter contract shall be liquidated by deduction from the amount payable under the Termination clause.

(3) If this letter contract is partly terminated and partly superseded by a contract, the Government will allocate the unliquidated progress payments to the terminated and unterminated portions as the Government deems equitable, and will liquidate each portion under the relevant procedure is paragraphs (m)(1) and (m)(2) of this clause.

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN DAAE20-02-G-0002/0002 MOD/AMD	Page 8 of 9
Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP		

(4) If the method of liquidating progress payments provided in this clause does not result in full liquidation, the Contractor shall immediately pay the unliquidated balance to the Government on demand.

(n) The amount of unliquidated progress payments shall not exceed 20%.

(End of Clause)

(IP6184)

CONTINUATION SHEET**Reference No. of Document Being Continued****Page 9 of 9**

PIIN/SIIN DAAE20-02-G-0002/0002

MOD/AMD

Name of Offeror or Contractor: CANADIAN COMMERCIAL CORP

LIST OF ATTACHMENTS

<u>List of</u> <u>Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number</u> <u>of Pages</u>	<u>Transmitted By</u>
Attachment 001	A-COMPUTING DEVICES OF CANADA, LTD/GD OF CANADA	05-NOV-2001	006	MAIL