



U.S. Department of Justice

United States Marshals Service

Arlington, VA 22202-4210

July 3, 2002

Chris Hoofnagle
1718 Connecticut Avenue, NW
Suite 200
Washington, D.C. 20009

Re: Freedom of Information Act Request No. 2001USMS2763

Dear Mr. Hoofnagle:

The United States Marshals Service (USMS) is responding to your request for records pertaining to contracts with businesses that sell personal information on individuals.

Pursuant to your request, the USMS conducted a search and located 911 pages of material which are responsive. Four (4) pages of documents originated with or contain information which originated with another agency and have been referred for disclosure determination and direct response to you pursuant to 28 C.F.R. § 16.4(c). Four hundred and thirty-four (434) pages of material are being released to you; however, internal administrative matters, privileged and confidential commercial and financial information, predecisional information, and names and signatures of government personnel and third party individuals have been withheld pursuant to exemptions 2, 4, 5, and 6 of the Freedom of Information Act, 5 U.S.C. § 552(b)(2), (b)(4), (b)(5), (b)(6). Three hundred and fifty-two (352) pages are being withheld in their entirety pursuant to exemptions 2, 4, 5, and 6 of the Act.

Exemption 2 allows an agency to withhold matter related solely to internal personnel rules and practices. Certain material withheld under this provision meets the test of "predominant internality" set forth in Crooker v. BATE, 670 F.2d 1051 (D.C. Cir. 1981). Disclosure of this information would reveal investigative techniques and procedures utilized by the USMS in locating fugitives and, thus, would allow such persons to circumvent investigative procedures and evade detection and apprehension efforts. As such, disclosure would significantly impede the effective operation of USMS law enforcement efforts.

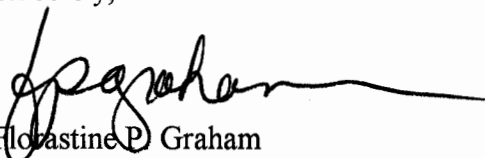
Exemption 4 protects trade secrets and commercial or financial information obtained from a person that is privileged or confidential. Exemption 5 allows an agency to withhold predecisional information reflective of the deliberative process contained in interagency or intra-agency correspondence which is not routinely available by law to a private party in litigation with the agency. Exemption 6 allows an agency to withhold matter contained in personnel, medical

and similar files to the extent that disclosure would constitute a clearly unwarranted invasion of personal privacy. Please find the above-mentioned 434 pages of material enclosed.

Before making a determination on the accessibility of the remaining documents, we must notify the business submitters and provide an opportunity to object to disclosure of this information. See 28 C.F.R. § 16.8(d) and (f). We will correspond with you again upon completion of our review and analysis of any objections to disclosure which we receive.

Administrative appeal procedures are not included in this letter inasmuch as this matter is currently in litigation.

Sincerely,



Hloastine P. Graham
FOI/PA Officer
Office of General Counsel

Enclosures

October 5, 1998

[REDACTED]
US Department of Justice Marshals Service
Investigative Services Division, Suite 600
600 Army Navy Drive, Crystal Square 3
Arlington, VA 22202

Dear [REDACTED],

As we approach the end of FY '98, I want to review the process for converting from Fedlink hourly pricing to a Volume Bonus Plan for the next fiscal year. You may also add the exclusion menu option for premium materials such as Dun & Bradstreet, which are billed at standard hourly rates. If your division elects to convert to a Volume Bonus Plan for FY '99, you would need to notify Justice Management Division of the change. In addition, I would need your approval in order to begin the implementation process for the appropriate menu and billing changes effective November 1, 1998. If you are in agreement with the terms set forth below, kindly send a fax reply including your signature.

VOLUME BONUS PLAN - FY '99

FY'99

FY'99 Annual: \$11,000 Prorated for November 1, 1998

FY'99 Monthly: \$1,000

FY'99 Total Use Zone: 300 %

Exclusion Menu for Premium Materials

ACCEPT: DECLINE:

Should you have any questions regarding the Volume Bonus Plan, please call me at (202)857-9109.

Sincerely,

[REDACTED]
Account Manager
LEXIS-NEXIS

The US Department of Justice Marshals Service elects the Volume Bonus Plan for FY '99. Our FY'99 annual prorated fixed commitment will be \$11,000. Our allocation for the premium materials is \$ _____.

Signature: [REDACTED]

Title: CHIEF, ANALYTICAL SUPPORT UNIT

Date: 10-6-98

FAX TO: [REDACTED] @ (202)857-8233

**LEXIS-NEXIS SELECT
LIMITED DISTRIBUTION MENU
ADDENDUM**

LEXIS-NEXIS, a division of Reed Elsevier Inc. ("LN") and the United States Marshals Service ("Subscriber") hereby agree to revise the Subscription Agreement ("the Agreement") between LN and Subscriber by adding to the Agreement the terms and conditions set forth below.

1. TERM; TERMINATION

1.1 The term of this addendum (the "Addendum") shall begin on the date last written below ("Effective Date") and continue until the Agreement terminates, unless sooner terminated by either party in accordance with Section 1.2 below (the "Term").

1.2 Either party may terminate this Addendum on the first day of any calendar month by giving the other party at least 10 days prior written notice.

2. SELECT LIMITED DISTRIBUTION MATERIALS

During the Term, LN shall provide Subscriber with access to and use of Selected Limited Distribution materials (the "Materials") in accordance with the terms and conditions set forth below.

3. AUTHORIZED USERS

Authorized users ("Authorized Users") who may access and use the Materials shall include, but not be limited to, the organization's agencies, entities and individuals set forth on Exhibit A attached hereto and incorporated herein as it may be amended by LN from time to time. Subscriber shall check the appropriate line item(s) on Exhibit A which best describes it as an Authorized User.

4. AUTHORIZED USE

Authorized use ("Authorized Use") of the Materials shall include, but not be limited to, the authorized uses set forth in Exhibit B, attached hereto and incorporated herein as it may be amended by LN from time to time. Subscriber shall check the appropriate line item(s) on Exhibit B that best describes its Authorized Use of the Materials.

5. CERTIFICATION

5.1 Subscriber hereby certifies that on the Effective Date it is an Authorized User for purposes of accessing and using the Materials. Subscriber further certifies that all access to and use of the Materials shall be an Authorized Use in accordance with Section 4 above and Exhibit B.

5.2 Subscriber hereby certifies that under no circumstances, without the written consent of LN, shall it disseminate or redistribute the Materials to any other department, organization, agency, entity or individual (inside or outside of Subscriber's organization) that is not an Authorized User or to any Authorized User who may use the Materials in any manner outside the scope of Authorized Use. Subscriber further certifies that no identification number for access to or use of the Materials will be

**EXHIBIT A
LEXIS-NEXIS SELECT LIMITED DISTRIBUTION
AUTHORIZED USER LIST**

Authorized Users shall include, but not be limited to, the following as this Exhibit may be amended by LN from time to time (please check the item which best describes the Subscriber):

- federal law enforcement agencies such as the Federal Bureau of Investigation, the Secret Service, the Drug Enforcement Administration, and the Bureau of Alcohol, Tobacco and Firearms;
- state, county, and local law enforcement agencies such as the state police, state highway patrol, county sheriff, city police departments, and township police departments;
- federal, state, county, and local courts (bankruptcy, juvenile, domestic relations, etc.);
- federal government agencies with law enforcement responsibilities such as the Internal Revenue Service, Health and Human Services, Federal Trade Commission, Securities and Exchange Commission, and the Social Security Administration;
- state, county, and local government agencies with law enforcement responsibilities such as state, county and local welfare offices, state, county and local employment offices, and state, county, and local social services offices;
- established public or private corporations under contract to one or more government agencies to support or function as a welfare, employment, or social service agency on behalf of a government agency;
- established public or private corporations who investigate claims of fraud, theft, or other crimes;
- established public or private corporations who verify the identities of individuals in an effort to prevent/reduce incidents of fraud, theft, or other crimes;
- licensed professionals, including attorneys, paralegals working for licensed attorneys, and investigators, who investigate or prosecute crimes or civil offenses; or
- licensed professionals, including attorneys, paralegals working for licensed attorneys, and investigators, who are involved in the administration of estates, or the liquidation of assets, including pension funds, or trustees in bankruptcies.
- other* (describe) _____

U.S. MARSHALS SERVICE

Subscriber

Name: 

By: 

Date: 9-18-98

* If Subscriber does not fall under one of the descriptions set forth above, then Subscriber may, by describing its organization and executing this Addendum, request that LN determine its eligibility for access to the Materials. If determined by LN to be eligible for access to Materials, this determination shall be evidenced by LN's execution of this Addendum containing Subscriber's description of its organization.

EXHIBIT B
LEXIS-NEXIS SELECT LIMITED DISTRIBUTION
AUTHORIZED USE LIST

Authorized Use shall be limited to the activities described below and indicated on this Exhibit, as may be amended by LN from time to time (please check only those items which apply to Subscriber):

- location of witnesses, suspects, informants, criminals, parolees in criminal investigations;
 - location of witnesses, parties in civil actions;
 - location of non-custodial spouses allegedly owing child support or ex-spouses allegedly owing spousal support;
 - location of individuals alleged to have failed to pay taxes or other lawful debts;
 - location of witnesses, suspects, or victims of fraud, theft, or identity theft;
 - location of witnesses, suspects, informants in investigations involving national security matters;
 - verification of identity in criminal and civil investigations;
 - verification of identity in credit, financial, employment, securities or insurance transactions;
 - verification of identity in national security matters; or
 - transactions similar to those described above, subject to prior review and approval by LEXIS-NEXIS* (describe) _____
-
-

U.S. MARSHALS SERVICE

Subscriber

By:

Name:

Date:

9-18-98

* Subscriber may propose uses not listed above. Such proposed uses must be accepted by LN, as evidenced by LN's execution of this Addendum including a description of the proposed uses, for such proposed uses to constitute Authorized Uses under this Addendum.

UNITED STATES MARSHALS SERVICE

Headquarters Contracts
600 Army Navy Drive, CS III
Arlington, VA 22202-4210
Phone: 202-
FAX: 202- 307-9695



FROM to: [REDACTED]

ATTN: _____

pages: 3 (NOT INCLUDING COVER SHEET)

TO: from: [REDACTED]

re: CONTRACTOR PERFORMANCE REVIEW

date: 30 OCT 00

message:

PLEASE RESPOND TO THE ATTACHED CONTRACTOR PAST
PERFORMANCE REVIEW FOR CHOICE POINT BY COB 30 NOV 00.

IF THERE'S QUESTIONS PLEASE CONTACT
ME @ [REDACTED]

THANKS
[REDACTED]

fax #: _____
Phone: _____

Past Performance Work Sheet

RATING GUIDELINES

Summarize contractor performance in each of the rating areas. Assign each rating area a rating of 0 (unsatisfactory), 1 (poor), 2 (fair), 3 (good), 4 (excellent), or ++ (Plus). Use the following instructions as guidance in making these evaluations. Ensure that this assessment is consistent with any other agency assessments made (i.e. payment for fee purposes).

A. Quality of Product/Service - 5 points maximum

- Compliance with contract requirements
- Accuracy of Reports
- Appropriateness of personnel
- Technical excellence

0. Unsatisfactory

Nonconformance compromised the achievement of contract requirements

1. Poor

Nonconformances required major agency resources to ensure achievement of contract requirements

2. Fair

Nonconformances required minor agency resources to ensure achievement of contract requirements.

3. Good

Nonconformances did not impact achievement of contract requirements

4. Excellent

There were no quality problems

5 pt3.

B. Cost Control - 5 points maximum

- Within budget (over/under target costs)
- Current, accurate, and complete billings
- Relationship of negotiated costs to actual
- Cost efficiencies
- Change orders issue

0. Unsatisfactory

Cost issues compromised performance of contract requirements

1. Marginal

Cost issues required major agency resources to ensure achievement of contract requirements

2. Poor

Cost issues required minor agency resources to ensure achievement of contract requirements

3. Good

Cost Issues did not impact achievement of contract requirements

4. Excellent

5 pt3.

There were no cost issues

C. Timeliness of Performance - 5 points maximum

- Met interim milestones
- Reliable
- Responsive to technical direction
- Completed on time, including wrap-up and contract administration
- No liquidated damages assessed

0. Unsatisfactory

Delays compromised the achievement of contract requirements, despite use of agency resources.

1. Marginal

Delays require major agency resources to ensure achievement of contract requirements

2. Poor

Delays required minor agency resources to ensure achievement of contract requirements

3. Good

Delays did not impact achievement of contract requirements

5 pts. (4.) Excellent

There were no delays

D. Business Relations - 5 points maximum

- Efficient management
- Businesslike correspondence
- Responsive to contract requirements
- Prompt notification of problems
- Reasonable/cooperative
- Flexible
- Pro-Active
- Effective contractor-recommended solutions
- Effective small/small disadvantaged business subcontracting program

0. Unsatisfactory

Response to inquiries, technical/service/administrative issues were not effective and responsive

1. Marginal

Response to inquiries, technical/service/administrative issues were marginally effective and responsive.

2. Poor

Response to inquiries, technical/service/administrative issues were somewhat effective and responsive.

3. Good

Response to inquiries, technical/service/administrative issues were usually effective and responsive

5 pts. (4.) Response to inquiries, technical administrative issues were effective and responsive

E. Customer Satisfaction - 5 points maximum

5 points - Excellent

same as above

For all categories a "+" - The contractor has demonstrated an exceptional performance level in any of the above four categories that justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances when contractor performance clearly exceeds the performance levels described as "excellent."

Key Personnel (only evaluate those key personnel identified in Key Personnel Clause - if none or no Key personnel identified, do not answer this.)

Project Manager _____ Name and Employment dates _____

Comments

same information for other key personnel plus titles.

Overall - Would you select this firm again? Please explain

Maximum Possible Score = 25 points

Yes - ChoicePoint is very responsive to the Marshals Service and has made enhancements to their public information database (CDB Infotek) to meet our needs.



b6

11/20/00

2001 APR 12 PM 1:01

ChoicePoint
Public Sector

~~Doug Wagoner - Vice President~~
April 9, 2001

Robert Finan
United States Marshal Service
1200 Crystal Square Building 3
1735 Jefferson-Davis Hwy
Arlington VA 22202

Dear Bob:

I'm writing today to give you advanced notice of a potential publication of a *Wall Street Journal* article regarding ChoicePoint's work on behalf of a variety of government agencies. The reporter, Glenn Simpson who approached us several weeks ago, has described the story as a look at how government agencies use private data providers to access information on citizens.

During an interview with our CEO, Derek Smith, Mr. Simpson did not challenge the value of information in helping law enforcement agencies, but he did question what policies, procedures or oversight groups were in place to ensure government agencies did not abuse the information accessed by agencies. It is our understanding that this is the central focus of the story.

Mr. Smith used several key themes throughout the interview that you may find helpful.

- ChoicePoint is leading our industry in terms of privacy protection.
- ChoicePoint's core philosophy is built around the responsible use of information, especially to benefit society by reducing fraud, waste and abuse.
- The relationship we have with all of our customers is they abide by the same standards of conduct we do in protecting privacy and for using information in permissible ways.

To reinforce these points, we provided Mr. Simpson with examples of our partnership with the National Center for Missing and Exploited Children and the number of missing children recovered as a result, our sponsorship of a study on how Americans view the use of public information and generic examples of how customers use our information. We also provided a copy of our standard subscriber agreement that includes a number of privacy protection provisions.

You might also find it helpful to know that the privacy research we sponsored indicates more than 90 percent of Americans believe it is acceptable for law enforcement officials to use commercial firms to provide information that indicates fraud or past criminal convictions.

Although we do not know if and when the *Wall Street Journal* will publish the story, we have been told the "reporting" phase of the story is complete and the editing process is underway. It's reasonable to expect a published article within the next week or two.

Until that time, or after the article is published, if you have any questions or concerns, please give me a call at your convenience.

Sincerely,



Doug Wagoner
Vice President
ChoicePoint Public Sector

b6



Database Technologies, Inc.

October 9, 1997

[REDACTED]
Intelligence Analyst
U. S. Marshals Service
600 Army Navy Drive, Suite 1100
Arlington, VA 22202

Dear [REDACTED]

Reference is made to our telephone conversation today. You requested additional information on what makes our online information service unique. Allow me to review some additional important points I believe will clarify the advantages of using DBT and AutoTrack Plus:

AutoTrack Plus was designed with law enforcement in mind.

DBT created its service with the help of law enforcement and continues to maintain sworn law enforcement officers on site. To secure the integrity of law enforcement's usage, DBT maintains [REDACTED]

DBT has over 1,500 local, state and federal law enforcement agency subscribers, and is currently in use by all of the major federal law enforcement agencies and FinCEN.

DBT offers search capabilities unique to the investigative industry.

DBT systems use artificial intelligence algorithms to link [REDACTED] properties, assets, phone numbers, addresses, [REDACTED] individuals and companies in a far more comprehensive manner than any other data provider.

As a result, AutoTrack Plus allows users to quickly locate and identify the target of an inquiry by displaying age, address, social security number, and city/state of residence for each name or partial name entered. AutoTrack Plus' wild card feature can narrow an investigation further by limiting the search criteria to a range of [REDACTED]
[REDACTED]

DBT provides all the information needed in one report.

In a single report, DBT provides not only comprehensive data on the target of an inquiry [REDACTED] This is completely unique to the investigative industry.

DBT has one of the broadest databases in the industry.

DBT has a broader database of current and historic data on individuals, assets and companies than any other provider, and continues to build its databases and system features faster than anyone else in the industry.

AutoTrack Plus is user-friendly.

No computer training is necessary as AutoTrack Plus is menu driven—users simply press the arrow keys to move around the screen, the “Enter” key to select the options and the “Escape” key to return to the previous screen or as far back as the main menu. On screen commands/instructions are always present.

I hope this provides the additional information you wanted. Incidentally, I will be in Washington DC Tuesday through Friday of next week meeting with other law enforcement agencies. If for any reason you or members of the staff would like to meet with me for any reason I could arrange a mutually agreeable time to do that. You can reach me through my office at [REDACTED].

Sincerely,
[REDACTED]

G.3 PROJECT MANAGER

The Contractor's designated Project Manager for this contract is:

Name: Steve Rubley

Address: 8330 Boone Boulevard - Suite 850
Vienna, Virginia 22183

Telephone: 703-734-6200 (voice) 703-734-6218 (Fax)

The Contractor shall provide a Project Manager for this contract who shall have the authority to make any no-cost contract technical, decisions, or special arrangement regarding this contract. The Project Manager shall be responsible for the overall management and coordination of this contract and shall act as the central point of contact with the Government. The Project Manager shall have full authority to act for the Contractor in the performance of the required services. The Project Manager, or a designated representative, shall meet with the COTR to discuss problem areas as they occur. The Project Manager, or designated representative shall respond within four hours after notification of the existence of a problem. The Project Manager shall be able to fluently read, write, and speak the English language.

SECTION II

CONTRACT TERMS AND CONDITIONS

H - SPECIAL CONTRACT REQUIREMENTS

H.1 INCORPORATION OF REPRESENTATIONS AND CERTIFICATIONS

The Contractor's representation and certifications dated April 14, 2000 are hereby incorporated in this contract by reference.

H.2 OBSERVANCE OF LEGAL HOLIDAYS AND ADMINISTRATIVE LEAVE

For the purposes of scheduling training for IRS users, the Contractor shall take into account that IRS employees usually do not work on a 24-hour schedule, on weekends, nor on holidays. They may be in different time-zones from the Contractor site.

Government personnel observe the following listed days as a holiday:

New Year's Day,	Martin Luther King, JR's Birthday
President's Day	Memorial Day
Independence Day	Labor Day
Columbus Day	Veteran's Day
Thanksgiving Day	Christmas Day

Any other day designated by Federal Statute
 Any other day designated by Executive Order
 Any other day designated by Presidential Proclamation

The Contractor shall observe above holidays and other non-working days on the date observed by the Government. It is understood and agreed between the Government and the Contractor that observance of such days by Government personnel shall not 'on-its-face' be the cause for an additional period of performance, or entitlement of compensation except as set forth within the contract. If Contractor employees are performing duties at a Government site, the Contractor's employees are automatically relieved from duty by virtue of the fact that Government employees are dismissed early or given the day off, and it will be without loss to the contractor in accordance with the payment method set forth in the paragraph below. No form of holiday or other premium compensation will be reimbursed.

Further, if contractor employees are performing work at a Government site when the Government grants administrative leave to its employees, contractor personnel shall also be dismissed. When administrative leave is granted to contractor personnel as a result of inclement weather, potentially hazardous contractor conditions, and other special circumstances, etc., it will be without loss to the Contractor. In this instance, the

salaries and wages to the Contractor for the period of such excused absence shall be a reimbursed item of direct cost hereunder for employees whose regular time is normally direct charged, and a reimbursable item of indirect cost for employees whose regular time is normally charged indirect (in accordance with the Contractor's accounting policy).

All Contractor personnel assigned to this contract shall limit their observation of holidays to those set forth above.

H.3 KEY PERSONNEL

The Contractor shall notify the Contracting Officer prior to making any changes in key personnel. Key personnel are defined as follows:

- a. any person identified in the proposal as a key individual to be assigned for participation in the performance of the contract;
- b. any personnel whose resumes were submitted with the proposal; or
- c. individuals that are designated as key personnel by agreement of the Government and the Contractor during negotiations.
- d. the following individuals are defined as key personnel for this requirement.

POSITION	NAME
IRS Program Manager	Steve Rubley
Training Director	Gwenn McLaughlin
IRS Operations Director	Bob Snow
Technology Director	Tony Mears
Director of Batch Solutions	Shannon Harris

H.3.1 SUBSTITUTION OF KEY PERSONNEL

- (a) The Contractor shall assign to the contract those persons whose resumes were submitted with its' proposal who are necessary to fill the requirements of the contract. No substitutions shall be made except in accordance with this clause.
- (b) The Contractor shall not allow personnel substitutions during the contract performance period unless the Contractor promptly notifies the Contracting Officer, with a copy to the COTR, and provides the information required by

paragraph (c) below. All proposed substitutions must be submitted, in writing, at least fifteen (15) working days in advance of the proposed substitutions to the Contracting Officer, and provide the information required by paragraph (c) below.

- (c) All requests for substitutions must provide a detailed explanation of the circumstances necessitating the proposed substitutions, a complete resume for the proposed substitute, and any other information requested by the Contracting Officer needed to approve or disapprove the proposed substitution. All proposed substitutions must have qualifications that are equal to or higher than the qualifications of the person(s) to be replaced. The Contracting Officer or an authorized representative, will evaluate such request and promptly notify the Contractor of approval or disapproval thereof within TEN BUSINESS DAYS of receipt of the substitution request.

H.3.2 REMOVAL AND REPLACEMENT OF CONTRACTOR PERSONNEL

The Government reserves the right to request that the Contractor remove any Contractor employees whose continued use under this contract is deemed contrary to the best interests of the Government. Notice of such removal will be given in writing by the Contracting Officer.

H.4 NONPAYMENT FOR UNAUTHORIZED WORK

No payments will be made for any unauthorized supplies or services, or for any unauthorized changes to the work specified herein. This includes any service performed by the Contractor of his own volition or at the request of an individual other than a duly appointed Contracting Officer. Only a duly appointed Contracting Officer is authorized to change the specifications, terms, and conditions in this contract.

H.5 ADVERTISING OF AWARD

The Contractor agrees not to refer to this award in any commercial advertising in any manner as to state or imply that the services being provided to the IRS are endorsed or preferred by the Federal Government or are considered by the Government to be superior to other services of a similar nature.

H.6 NEWS RELEASES

Under no circumstances shall the Contractor, or anyone acting on behalf of the Contractor, refer to the services furnished pursuant to the provisions of this contract in any news release or commercial advertising, or in connection with any news release or commercial advertising, without first obtaining explicit written consent to do so from the Contracting Officer.

Should any reference to such service appear in any news release or commercial advertising issued by or on behalf of the Contractor without such consent first being obtained, the Government shall consider institution of all remedies available under the provisions of this contract.

I - CONTRACT CLAUSES

I.1 52.212-4 CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS (MAY 1999)

(a) Inspection/Acceptance. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights--

(1) Within a reasonable time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) Assignment. The Contractor or its assignee's rights to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).

(c) Changes. Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) Disputes. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) Definitions. The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.

(f) Excusable delays. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the

Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) Invoice. The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized,) to the address designated in the contract to receive invoices. An invoice must include--

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price and extended price of the items delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and
- (8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.

(h) Patent indemnity. The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) Payment. Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. If the Government makes payment by Electronic Funds Transfer (EFT), see 52.212-5(b) for the appropriate EFT clause. In connection with any discount offered for early payment,

time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(j) Risk of loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

- (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or
- (2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) Taxes. The contract price includes all applicable Federal, State, and local taxes and duties.

(l) Termination for the Government's convenience. The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) Termination for cause. The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) Title. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) Warranty. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) Limitation of liability. Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) Other compliances. The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) Compliance with laws unique to Government contracts. The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327, et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistle blower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(s) Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services.
- (2) The Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws Unique to Government Contracts paragraphs of this clause.
- (3) The clause at 52.212-5.
- (4) Addenda to this solicitation or contract, including any license agreements for computer software.
- (5) Solicitation provisions if this is a solicitation.
- (6) Other paragraphs of this clause.
- (7) The Standard Form 1449.
- (8) Other documents, exhibits, and attachments.
- (9) The specification.

I.1.1 ADDENDUM TO FAR 52.212-4

(a) INVOICE (paragraph (g) above):

1) in addition to the requirements contained at contract clause I.1, paragraph (g), (1) - (8), for an invoice to be considered proper it shall contain the contractor's taxpayer identification number (TIN) and/or employer identification number (EIN).

2) RESPONSIBLE OFFICIAL(S) WHO CAN RECEIVE NOTIFICATION OF AN IMPROPER INVOICE AND ANSWER QUESTIONS REGARDING THE INVOICE

Indicate below the responsible official(s) who can receive notification of an improper invoice and answer question regarding the invoice.

PRINTED/TYPED NAME: Steve Rubley

TITLE: Federal Agency Manager

ADDRESS: 8330 Boone Boulevard - Suite 850

Vienna, VA 22182

TELEPHONE NUMBER: 703-734-6209

3) CONTRACTOR'S REMITTANCE OR CHECK MAILING ADDRESS

Indicate your firm's remittance or check mailing address below.

P. O. Box 26699

Santa Ana, CA 92799-6699

(b) WARRANTY (paragraph (o) above): In addition to the requirements of paragraph (o), the Contracting Officer shall give written notice of any defect or nonconformance to the Contractor within ten (10) business days following the discovery of any defective or nonconforming service by the Contractor.

(c) TAXES (paragraph (k) above): In addition to the requirements of paragraph (k), the following information is provided:

STATE AND LOCAL TAXES: In accordance with FAR 29.303 and FAR 31.205-41, the Contractor or any subcontractor under this contract shall not be reimbursed for payment of any State and local taxes for which an exemption is available. The Contractor is responsible for determining the availability of State and local tax exemptions and obtaining such exemptions, if available. The Contractor shall include this clause, suitably modified to identify the parties, in all subcontracts at any tier. The Contractor shall notify the Contracting Officer if problems arise in obtaining a State or local tax exemption. The Contractor may request a waiver, by the Contracting Officer, from this requirement if the administrative burden of seeking an exemption appears to outweigh the potential savings to the Government.

I.2 52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS -- COMMERCIAL ITEMS (MAY 1999)

(a) The Contractor agrees to comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisitions of commercial items:

- (1) 52.222-3, Convict Labor (E.O.11755); and
- (2) 52.233-3, Protest after Award (31 U.S.C 3553).

(b) The Contractor agrees to comply with the FAR clauses in this paragraph (b) which the contracting officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

(Contracting Officer shall check as appropriate.)

(1) 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41U.S.C.253g and 10 U.S.C.2402).

(2) [Reserved]

(3) 52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637 (d)(2) and (3)).

(4) 52.219-9, Small Business Subcontracting Plan (15 U.S.C. 637 (d)(4)).

(5) 52.219-14, Limitations on Subcontracting (15 U.S.C.637 (a)(14)).

___ (6) (i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

(ii) Alternate I of 52.219-23.

___ (7) 52.219-25, Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

___ (8) 52.219-26, Small Disadvantaged Business Participation Program-Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

___ (9) 52.219-3, Notice of HUBZone Small Business Set-Aside (Jan 1999).

___ (10) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).

(11) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).

(12) 52.222-26, Equal Opportunity (E.O.11246).

(13) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C.4212).

(14) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C.793).

(15) 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C.4212).

___ (16) 52.225-3, Buy American Act -- Supplies (41 U.S.C.10).

___ (17) 52.225-9, Buy American Act -- Trade Agreements Act --Balance of Payments Program (41 U.S.C.10, 19 U.S.C.2501-2582).

___ (18) [Reserved]

___ (19) 52.225-18, European Union Sanction for End Products (E.O.12849).

___ (20) 52.225-19, European Union Sanction for Services (E.O.12849).

(21)

___ (i) 52.225-21, Buy American Act -- North American Free Trade Agreement Implementation Act --Balance of Payments Program (41 U.S.C 10, Pub.L.103-187).

___ (ii) Alternate I of 52.225-21.

(22) 52.239-1, Privacy or Security Safeguards (5 U.S.C.552a).

___ (23) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C.1241).

(c) The Contractor agrees to comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

___ (1) 52.222-41, Service Contract Act of 1965, As Amended (41 U.S.C.351, et seq.).

___ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C.206 and 41 U.S.C.351, et seq.).

___ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act -- Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C.206 and 41 U.S.C. 351, et seq.).

___ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act -- Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351, et seq.).

(d) Comptroller General Examination of Record. The Contractor agrees to comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records -- Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times, the records, materials, and other evidence for examination, audit, or reproduction, until 3

years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components --

(1) 52.222-26, Equal Opportunity (E.O.11246);

(2) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C.4212);

(3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C.793); and

(4) 52.247-64, Preference for Privately-Owned U.S.- Flag Commercial Vessels (46 U.S.C.1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

I.3 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

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

NUMBER	TITLE	DATE
52.224-1	PRIVACY ACT NOTIFICATION	APR 1984
52.224-2	PRIVACY ACT	APR 1984
52.232-18	AVAILABILITY OF FUNDS	APR 1984
52.244-2	SUBCONTRACTS	AUG 1998
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996

I.4 52.216-18 ORDERING (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from August 15, 2000 through August 14, 2001.

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

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

I.4.1 Delivery Order Procedures

During the contract base period of performance, there will be a minimum of two (2) delivery orders issued. The first task will be for Contractor-provided training of the IRS's cadre of 'Train-the-Trainers' in accordance with the Contractor's approved training plan. As training is completed, subsequent orders will be issued to provide the electronic asset/locator services to those offices on a site/office/district/regional basis.

Orders in the option periods will be to provide the electronic asset/locator services and may also include site specific refresher/update training of the 'Train-the-Trainer' cadre.

(a) Electronic asset/locator services and other associated services to be furnished under this contract shall be ordered by the issuance of Delivery Orders in accordance with contract clause I.4 52.216-18 ORDERING. Any order(s) issued under this contract shall be by the Contracting Officer (see contract clause G.1.1).

(b) The Government reserves the right to issue delivery orders from various field locations.

(c) Any order(s) will be placed, in writing, and will incorporate, at a minimum, the following elements:

- (1) The contract number, order number and any other control number(s) established by the ordering activity;
- (2) Contractor identification, including the Contractor's name, address and any other applicable information;
- (3) Supplies/Service to be acquired;

- (4) Delivery/Period of performance requirements; and,
- (5) Accounting and Appropriation data.

(d) Any order(s) issued under this contract shall be FIXED-RATE using the rates set forth at Section B of this contract.

(e) Upon execution by the Contracting Officer, the order(s) will be considered a fully executed document ready for implementation, and forwarded to the Contractor.

THE CONTRACTOR IS HEREBY NOTIFIED TO HONOR ONLY WRITTEN ORDERS SIGNED BY THE CONTRACTING OFFICER.

I.4.2 Termination of Delivery Orders

The Government may terminate any Delivery Order upon written notification to the Contractor from the Contracting Officer. Upon termination, the Contractor shall deliver to the Government all documents, specifications, plans and materials produced or provided to the Contractor as of the date of the termination, as well as documentation for all products designed or developed by the Contractor for the specific order(s).

I.4.3 GUARANTEED MINIMUM

Of the services provided by the Contractor for this effort, the IRS will order a guaranteed minimum totaling \$25,000 for credit bureau services and/or \$250,000 for locator services during the base and any exercised option period of the contract.

I.5 52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than \$250,000 for Package 2 - Locator Services, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

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

- (1) Any order for a single item in excess of \$500,000
- (2) Any order for a combination of items in excess of \$1,000,000; or

(3) A series of orders from the same ordering office within ten days that together call for quantities exceeding the limitation in subparagraph (b)(1) or (2) of this section.

- (c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.
- (d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within five (5) days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

I.6 52.216-22 INDEFINITE QUANTITY (OCT 1995)

- (a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.
- (b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."
- (c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- (d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 24 hours of the last day of the contract period of performance.

I.7 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within thirty (30) days prior to contract expiration.

I.8 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (NOV 1999)

(a) The Government may extend the term of this contract by written notice to the Contractor within 30 days of contract expiration; provided, that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

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

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 60 months.

I.9 52.227-14 RIGHTS IN DATA--GENERAL (JUN 1987)

(a) *Definitions.* "Computer software," as used in this clause, means computer programs, computer data bases, and documentation thereof.

"Data," as used in this clause, means recorded information, regardless of form or the media on which it may be recorded. The term includes technical data and computer software. The term does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.

"Form, fit, and function data," as used in this clause, means data relating to items, components, or processes that are sufficient to enable physical and functional interchangeability, as well as data identifying source, size, configuration, mating, and attachment characteristics, functional characteristics, and performance requirements; except that for computer software it means data identifying source, functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulae, and flow charts of the software.

"Limited rights," as used in this clause, means the rights of the Government in limited rights data as set forth in the Limited Rights Notice of subparagraph (g)(2) if included in this clause.

"Limited rights data," as used in this clause, means data (other than computer software) that embody trade secrets or are commercial or financial and confidential or privileged, to the extent that such data pertain to items, components, or processes developed at private expense, including minor modifications thereof.

"Restricted computer software," as used in this clause, means computer software developed at private expense and that is a trade secret; is commercial or financial and is confidential or privileged; or is published copyrighted computer software, including minor modifications of such computer software.

"Restricted rights," as used in this clause, means the rights of the Government in restricted computer software, as set forth in a Restricted Rights Notice of subparagraph (g)(3) if included in this clause, or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract, including minor modifications of such computer software.

"Technical data," as used in this clause, means data (other than computer software) which are of a scientific or technical nature.

"Unlimited rights," as used in this clause, means the right of the Government to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.

(b) *Allocation of rights.* (1) Except as provided in paragraph (c) of this clause regarding copyright, the Government shall have unlimited rights in--

(i) Data first produced in the performance of this contract;

(ii) Form, fit, and function data delivered under this contract;

(iii) Data delivered under this contract (except for restricted computer software) that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this contract; and

(iv) All other data delivered under this contract unless provided otherwise for limited rights data or restricted computer software in accordance with paragraph (g) of this clause.

(2) The Contractor shall have the right to--

(i) Use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Contractor in the performance of this contract, unless provided otherwise in paragraph (d) of this clause;

(ii) Protect from unauthorized disclosure and use those data which are limited rights data or restricted computer software to the extent provided in paragraph (g) of this clause;

(iii) Substantiate use of, add or correct limited rights, restricted rights, or copyright notices and to take other appropriate action, in accordance with paragraphs (e) and (f) of this clause; and

(iv) Establish claim to copyright subsisting in data first produced in the performance of this contract to the extent provided in subparagraph (c)(1) of this clause.

(c) *Copyright--(1) Data first produced in the performance of this contract.* Unless provided otherwise in paragraph (d) of this clause, the Contractor may establish, without prior approval of the Contracting Officer, claim to copyright subsisting in scientific and technical articles based on or containing data first produced in the performance of this contract and published in academic, technical or professional journals, symposia proceedings or similar works. The prior, express written permission of the Contracting Officer is required to establish claim to copyright subsisting in all other data first produced in the performance of this contract. When claim to copyright is made, the Contractor shall affix the applicable copyright notices of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship (including contract number) to the data when such data are delivered to the Government, as well as when the data are published or deposited for registration as a published work in the U.S. Copyright Office. For data other than computer software the Contractor grants to the Government, and others acting on its behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government. For computer software, the Contractor grants to the Government and others acting in its behalf, a paid-up nonexclusive, irrevocable worldwide license in such copyrighted computer software to reproduce, prepare derivative works, and perform publicly and display publicly by or on behalf of the Government.

(2) *Data not first produced in the performance of this contract.* The Contractor shall not, without prior written permission of the Contracting Officer, incorporate in data delivered under this contract any data not first produced in the performance of this contract and which contains the copyright notice of 17 U.S.C. 401 or 402, unless the Contractor identifies such data and grants to the Government, or acquires on its behalf, a license of the same scope as set forth in subparagraph (c)(1) of this clause; *provided*, however, that if such data are computer software the Government shall acquire a copyright license as set forth in subparagraph (g)(3) of this clause if included in this

contract or as otherwise may be provided in a collateral agreement incorporated in or made part of this contract.

(3) *Removal of copyright notices.* The Government agrees not to remove any copyright notices placed on data pursuant to this paragraph (c), and to include such notices on all reproductions of the data.

(d) *Release, publication and use of data.* (1) The Contractor shall have the right to use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the Contractor in the performance of this contract, except to the extent such data may be subject to the Federal export control or national security laws or regulations, or unless otherwise provided in this paragraph of this clause or expressly set forth in this contract.

(2) The Contractor agrees that to the extent it receives or is given access to data necessary for the performance of this contract which contain restrictive markings, the Contractor shall treat the data in accordance with such markings unless otherwise specifically authorized in writing by the Contracting Officer.

(e) *Unauthorized marking of data.* (1) Notwithstanding any other provisions of this contract concerning inspection or acceptance, if any data delivered under this contract are marked with the notices specified in subparagraph (g)(2) or (g)(3) of this clause and use of such is not authorized by this clause, or if such data bears any other restrictive or limiting markings not authorized by this contract, the Contracting Officer may at any time either return the data to the Contractor, or cancel or ignore the markings. However, the following procedures shall apply prior to canceling or ignoring the markings.

(i) The Contracting Officer shall make written inquiry to the Contractor affording the Contractor 30 days from receipt of the inquiry to provide written justification to substantiate the propriety of the markings;

(ii) If the Contractor fails to respond or fails to provide written justification to substantiate the propriety of the markings within the 30-day period (or a longer time not exceeding 90 days approved in writing by the Contracting Officer for good cause shown), the Government shall have the right to cancel or ignore the markings at any time after said period and the data will no longer be made subject to any disclosure prohibitions.

(iii) If the Contractor provides written justification to substantiate the propriety of the markings within the period set in subdivision (e)(1)(i) of this clause, the Contracting Officer shall consider such written justification and determine whether or not the markings are to be cancelled or ignored. If the Contracting Officer determines that the markings are authorized, the Contractor shall be so notified in writing. If the Contracting Officer determines, with concurrence of the head of the contracting activity, that the markings are not authorized, the Contracting Officer shall furnish the Contractor a written determination, which determination shall become the final agency decision

regarding the appropriateness of the markings unless the Contractor files suit in a court of competent jurisdiction within 90 days of receipt of the Contracting Officer's decision. The Government shall continue to abide by the markings under this subdivision (e)(1)(iii) until final resolution of the matter either by the Contracting Officer's determination becoming final (in which instance the Government shall thereafter have the right to cancel or ignore the markings at any time and the data will no longer be made subject to any disclosure prohibitions), or by final disposition of the matter by court decision if suit is filed.

(2) The time limits in the procedures set forth in subparagraph (e)(1) of this clause may be modified in accordance with agency regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request thereunder.

(3) This paragraph (e) does not apply if this contract is for a major system or for support of a major system by a civilian agency other than NASA and the U.S. Coast Guard agency subject to the provisions of Title III of the Federal Property and Administrative Services Act of 1949.

(4) Except to the extent the Government's action occurs as the result of final disposition of the matter by a court of competent jurisdiction, the Contractor is not precluded by this paragraph (e) from bringing a claim under the Contract Disputes Act, including pursuant to the Disputes clause of this contract, as applicable, that may arise as the result of the Government removing or ignoring authorized markings on data delivered under this contract.

(f) *Omitted or incorrect markings.* (1) Data delivered to the Government without either the limited rights or restricted rights notice as authorized by paragraph (g) of this clause, or the copyright notice required by paragraph (c) of this clause, shall be deemed to have been furnished with unlimited rights, and the Government assumes no liability for the disclosure, use, or reproduction of such data. However, to the extent the data has not been disclosed without restriction outside the Government, the Contractor may request, within 6 months (or a longer time approved by the Contracting Officer for good cause shown) after delivery of such data, permission to have notices placed on qualifying data at the Contractor's expense, and the Contracting Officer may agree to do so if the Contractor--

(i) Identifies the data to which the omitted notice is to be applied;

(ii) Demonstrates that the omission of the notice was inadvertent;

(iii) Establishes that the use of the proposed notice is authorized; and

(iv) Acknowledges that the Government has no liability with respect to the disclosure, use, or reproduction of any such data made prior to the addition of the notice or resulting from the omission of the notice.

(2) The Contracting Officer may also (i) permit correction at the Contractor's expense of incorrect notices if the Contractor identifies the data on which correction of the notice is to be made, and demonstrates that the correct notice is authorized, or (ii) correct any incorrect notices.

(g) *Protection of limited rights data and restricted computer software.* (1) When data other than that listed in subdivisions (b)(1)(i), (ii), and (iii) of this clause are specified to be delivered under this contract and qualify as either limited rights data or restricted computer software, if the Contractor desires to continue protection of such data, the Contractor shall withhold such data and not furnish them to the Government under this contract. As a condition to this withholding, the Contractor shall identify the data being withheld and furnish form, fit, and function data in lieu thereof. Limited rights data that are formatted as a computer data base for delivery to the Government are to be treated as limited rights data and not restricted computer software.

(2)--(3) [Reserved]

(h) *Subcontracting.* The Contractor has the responsibility to obtain from its subcontractors all data and rights therein necessary to fulfill the Contractor's obligations to the Government under this contract. If a subcontractor refuses to accept terms affording the Government such rights, the Contractor shall promptly bring such refusal to the attention of the Contracting Officer and not proceed with subcontract award without further authorization.

(i) *Relationship to patents.* Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government.

Alternate II (Jun 1987). As prescribed in 27.409(c), insert the following subparagraph (g)(2) in the clause:

(g)(2) Notwithstanding subparagraph (g)(1) of this clause, the contract may identify and specify the delivery of limited rights data, or the Contracting Officer may require by written request the delivery of limited rights data that has been withheld or would otherwise be withholdable. If delivery of such data is so required, the Contractor may affix the following "Limited Rights Notice" to the data and the Government will thereafter treat the data, subject to the provisions of paragraphs (e) and (f) of this clause, in accordance with such Notice:

Limited Rights Notice (Jun 1987)

(a) These data are submitted with limited rights under Government Contract No. _____ (and subcontract _____, if appropriate). These data may be reproduced and used by the Government with the express limitation that they will not, without written permission of the Contractor, be used for purposes of manufacture nor disclosed outside the Government; except that the Government may disclose these data outside the Government for the following purposes, if any; provided that the Government makes such disclosure subject to prohibition against further use and disclosure: [*Agencies may list additional purposes as set forth in 27.404(d)(1) or if none, so state.*]

(b) This Notice shall be marked on any reproduction of these data, in whole or in part.

Alternate III (Jun 1987). As prescribed in 27.409(d), insert the following subparagraph (g)(3)(i) in the clause:

(g)(3)(i) Notwithstanding subparagraph (g)(1) of this clause, the contract may identify and specify the delivery of restricted computer software, or the Contracting Officer may require by written request the delivery of restricted computer software that has been withheld or would otherwise be withholdable. If delivery of such computer software is so required, the Contractor may affix the following "Restricted Rights Notice" to the computer software and the Government will thereafter treat the computer software, subject to paragraphs (e) and (f) of this clause, in accordance with the Notice:

Restricted Rights Notice (Jun 1987)

(a) This computer software is submitted with restricted rights under Government Contract No. _____ (and subcontract _____, if appropriate). It may not be used, reproduced, or disclosed by the Government except as provided in paragraph (b) of this Notice or as otherwise expressly stated in the contract.

(b) This computer software may be--

(1) Used or copied for use in or with the computer or computers for which it was acquired, including use at any Government installation to which such computer or computers may be transferred;

(2) Used or copied for use in a backup computer if any computer for which it was acquired is inoperative;

(3) Reproduced for safekeeping (archives) or backup purposes;

(4) Modified, adapted, or combined with other computer software, *provided* that the modified, combined, or adapted portions of the derivative software incorporating restricted computer software are made subject to the same restricted rights;

(5) Disclosed to and reproduced for use by support service Contractors in accordance with subparagraphs (b)(1) through (4) of this clause, provided the Government makes such disclosure or reproduction subject to these restricted rights; and

(6) Used or copied for use in or transferred to a replacement computer.

(c) Notwithstanding the foregoing, if this computer software is published copyrighted computer software, it is licensed to the Government, without disclosure prohibitions, with the minimum rights set forth in paragraph (b) of this clause.

(d) Any other rights or limitations regarding the use, duplication, or disclosure of this computer software are to be expressly stated in, or incorporated in, the contract.

(e) This Notice shall be marked on any reproduction of this computer software, in whole or in part.

(ii) Where it is impractical to include the Restricted Rights Notice on restricted computer software, the following short-form Notice may be used in lieu thereof:

Restricted Rights Notice Short Form (Jun 1987)

Use, reproduction, or disclosure is subject to restrictions set forth in Contract No. _____ (and subcontract, if appropriate) with _____ (name of Contractor and subcontractor).

(iii) If restricted computer software is delivered with the copyright notice of 17 U.S.C. 401, it will be presumed to be published copyrighted computer software licensed to the Government without disclosure prohibitions, with the minimum rights set forth in paragraph (b) of this clause, unless the Contractor includes the following statement with such copyright notice: "Unpublished--rights reserved under the Copyright Laws of the United States."

Alternate IV (Jun 1987). As prescribed in 27.409(e), substitute the following subparagraph (c)(1) in the clause:

(c) *Copyright--(1) Data first produced in the performance of the contract.* Except as otherwise specifically provided in this contract, the Contractor may establish claim to copyright subsisting in any data first produced in the performance of this contract. When claim to copyright is made, the Contractor shall affix the applicable copyright notice of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship (including contract number) to the data when such data are delivered to the Government, as well as when the data are published or deposited for registration as a published work in the U.S. Copyright Office. For data other than computer software, the Contractor grants to

the Government, and others acting on its behalf, a paid-up, nonexclusive, irrevocable, worldwide license for all such data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, by or on behalf of the Government. For computer software, the Contractor grants to the Government and others acting on its behalf, a paid up, nonexclusive, irrevocable worldwide license for all such computer software to reproduce, prepare derivative works, and perform publicly and display publicly, by or on behalf of the Government.

I.9.1 LIMITED RIGHTS NOTICE FOR ELECTRONIC ASSET/LOCATOR REPORTS

All reports (credit bureau and/or locator services) provided as a result of inquiries from the IRS shall be deemed to have the LIMITED RIGHT NOTICE as set forth in contract clause I.9 52.227-14 RIGHTS IN DATA -- GENERAL Alternate II (June 1987), incorporated by reference, with the full force and effect as if it were affixed to each report provided under this contract.

I.10 1052.224-9000 (c) DISCLOSURE OF INFORMATION--SAFEGUARDS (JAN 1998)

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his/her employees with the following requirements:

(1) All work shall be performed under the supervision of the contractor or the contractor's responsible employees.

(2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone other than an officer or employee of the contractor shall require prior written approval of the Internal Revenue Service. Requests to make such inspections or disclosures should be addressed to the IRS Contracting Officer.

(3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output shall be given the same level of protection as required for the source material.

(4) The contractor certifies that the data processed during the performance of this contract shall be completely purged from all data storage components of his/her computer facility and no output will be retained by the contractor at the time the IRS work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized inspection or disclosure.

(5) Any spoilage or any intermediate hard copy printout which may result during the processing of IRS data shall be given to the IRS Contracting Officer or his/her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts and shall provide the IRS Contracting Officer or his/her designee with a statement containing the date of destruction, description of material destroyed, and the method used.

(6) No work involving information furnished under this contract will be subcontracted without the specific approval of the IRS Contracting Officer.

(7) All computer systems processing, storing and transmitting tax data must meet or exceed computer access protection controls -(C2). To meet C2 requirements, the operating security features of the system must have the following minimum requirements: a security policy, accountability, assurance and documentation. All security features must be available (object reuse, audit trails, identification/authentication, and discretionary access control) and activated to protect against unauthorized use of and access to tax information.

(8) Should a person (contractor or subcontractor) or one of his/her employees make any unauthorized inspection(s) or disclosure(s) of confidential tax information, the terms of the Default clause (FAR 52.249-8), incorporated herein by reference, may be invoked, and the person (contractor or subcontractor) will be considered to be in breach of this contract.

(9) (Include any additional safeguards that may be appropriate.) - N/A.

I.10.1 SENSITIVE BUT UNCLASSIFIED DATA

The Contractor is advised that all IRS queries to the Contractor's databases and/or systems shall be deemed sensitive but unclassified data, and as such, are covered and protected by the provisions of Internal Revenue Code 6103.

I.11 1052.224-9001(b) DISCLOSURE OF INFORMATION--OFFICIAL USE ONLY (DEC 1988)

Each officer or employee of the contractor to whom "Official Use Only" information may be made available or disclosed shall be notified in writing by the contractor that "Official Use Only" information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such "Official Use Only" information, by any means, for a purpose or to an extent unauthorized herein, may subject the offender to criminal sanctions imposed by 18 U.S.C. Sections 641 and 3571. Section 641 of 18 U.S.C. provides, in pertinent part, that whoever knowingly converts to his use or the use of another, or

without authority sells, conveys, or disposes of any record of the United States or whoever receives the same with the intent to convert it to his use or gain, knowing it has been converted, shall be guilty of a crime punishable by a fine or imprisoned up to ten years or both.

I.12 1052.224-9000(d) DISCLOSURE OF 'OFFICIAL USE ONLY' INFORMATION SAFEGUARDS (DEC 1988)

Any Treasury Department information made available or to which access is provided, and which is marked or should be marked "Official Use Only", shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Disclosure to anyone other than an officer or employee of the contractor shall require prior written approval of the IRS. Requests to make such disclosure should be addressed to the IRS Contracting Officer.

I.13 1052.224-9001(a) DISCLOSURE OF INFORMATION--CRIMINAL/CIVIL SANCTIONS (JAN 1998)

(1) Each officer or employee of any person (contractor or subcontractor) at any tier to whom returns or return information is or may be disclosed shall be notified in writing by the person (contractor or subcontractor) that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five years, or both, together with the costs of prosecution. Such person (contractor or subcontractor) shall also notify each such officer and employee that any such unauthorized future disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure plus in the case of willful disclosure or a disclosure which is the result of gross negligence, punitive damages, plus the cost of the action. These penalties are prescribed by IRC Sections 7213 and 7431 and set forth at 26 CFR 301.6103(n).

(2) Each officer or employee of any person (contractor or subcontractor) to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract and that inspection of any such returns or return information for a purpose or to an extent not authorized herein constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000.00 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person (contractor or subcontractor) shall also notify each such officer and employee that any such unauthorized inspection of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000.00 for each act of unauthorized inspection with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection plus in

the case of a willful inspection or an inspection which is the result of gross negligence, punitive damages, plus the costs of the action. The penalties are prescribed by IRC Sections 7213A and 7431.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(l)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

I.14 1052.224-9002 DISCLOSURE OF INFORMATION--INSPECTION (DEC 1988)

The Internal Revenue Service shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, the Contracting Officer may require specific measures in cases where the contractor is found to be non-compliant with contract safeguards.

I.15 RESTRICTION AGAINST DISCLOSURE

The Contractor agrees, in the performance of this contract, to keep the information contained in source documents or other media furnished by the Government in the strictest confidence, said information being the sole property of the Government. The Contractor also agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form, nor to authorize or permit others to do so, taking such reasonable measures as are necessary to restrict access to such information while in the possession of the Contractor, to those employees needing such information to perform the Statement of Work, i.e., on a "need to know" basis, and agrees to immediately notify, in writing, the Contracting Officer's Technical Representative in the event that it is determined or there is reason to suspect a breach of this requirement.

SECTION III

CONTRACT DOCUMENTS, EXHIBITS OR ATTACHMENTS

ITEM	DESCRIPTION	NUMBER OF PAGES
Contract Attachments		
Exhibit A	Electronic Research Capabilities – 2003 Vision	1
Exhibit B	Physical Security Requirements	3
Exhibit C	Computer Security Requirements	2
Exhibit C1	Physical and Computer Reporting and Review Requirements	4
Exhibit D	Y2K Date Standards and Date Usage Guidelines	2
Attachment 1	Projected Employee Profile Data for Locator Services Packages	1
Attachment 2	District Office & Service Center Addresses	4
Attachment 3	Additional Location Addresses	1
Attachment 4	Glossary	5
Attachment 5	Department of the Treasury, Small, Small Disadvantaged and Woman-Owned Small Business Subcontracting Plan Outline	13
Attachment 6	Government Subscriber Application and Service Agreement and Software License	3

is authorized to take actions on behalf of the Government to: amend, modify, or deviate from the contract terms, conditions, requirements specifications, details and/or delivery schedules; make final decisions involving deductions from contract payments or other consideration due to the Government, for nonperformance or unsatisfactory performance, whether or not in dispute; terminate the contract for convenience or default; issue final decisions regarding contract questions or matters under dispute. However, the CO may delegate certain other responsibilities to their authorized representatives.

b. The Contracting Officer's Technical Representative (COTR)

- (1) The COTR will be named at award.
- (2) COTR is responsible for: receiving all deliverables; inspecting and accepting the supplies or services provided hereunder in accordance with the terms and conditions of this contract; providing direction to the Contractor which clarifies the contract effort, fills in details or otherwise serves to accomplish the contractual work statement; evaluating performance; and certifying all invoices/vouchers for acceptance of supplies or services furnished for payment prior to forwarding the original invoice to the payment office and a conformed copy to the CO.
- (3) COTR does not have the authority to alter the Contractor's obligations under the contract, direct changes that fall within the purview of the General Provisions clause entitled "Changes" and/or modify any of the expressed terms, conditions, specifications, or cost of the agreement. If as result of technical discussions it is desirable to alter/change contractual obligations or the Work Statement, the Contracting Officer shall issue such changes in writing through a signed modification to the contract.

A6. CLAUSES

FAR 52.215-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders--Commercial Items (Oct 1998)

(a) The Contractor agrees to comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisitions of commercial items:

- (1) 52.222-3, Convict Labor (E.O. 11755); and
- (2) 52.233-3, Protest after Award (31 U.S.C 3553).

(b) The Contractor agrees to comply with the FAR clauses in this paragraph (b) which the

contracting officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

X (1) 52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

___ (2) [Reserved]

X (3) 52.219-8, Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (15 U.S.C. 637 (d)(2) and (3)).

X (4) 52.219-9, Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (15 U.S.C. 637 (d)(4)).

___ (5) 52.219-14, Limitation on Subcontracting (15 U.S.C. 637(a)(14)).

___ (6)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

(ii) ___ Alternate I of 52.219-23.

X (7) 52.222-26, Equal Opportunity (E.O. 11246).

X (8) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).

X (9) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).

X (10) 52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).

X (11) 52.225-3, Buy American Act--Supplies (41 U.S.C. 10).

X (12) 52.225-9, Buy American Act--Trade Agreements Act--Balance of Payments Program (41 U.S.C. 10, 19 U.S.C. 2501-2582).

___ (13) [Reserved]

___ (14) 52.225-18, European Union Sanction for End Products (E.O. 12849).

___ (15) 52.225-19, European Union Sanction for Services (E.O. 12849).

___ (16)(i) 52.225-21, Buy American Act--North American Free Trade Agreement Implementation Act--Balance of Payments Program (41 U.S.C 10, Pub. L. 103-187).

___ (ii) Alternate I of 52.225-21.

X (17) 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).

___ (18) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).

(c) The Contractor agrees to comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

___ (1) 52.222-41, Service Contract Act of 1965, As Amended (41 U.S.C. 351, et seq.).

___ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act--Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act--Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

___ (5) 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351, et seq.).

(d) Comptroller General Examination of Record. The Contractor agrees to comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records--Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially

terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components--

(1) 52.222-26, Equal Opportunity (E.O. 11246);

(2) 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212);

(3) 52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793); and

(4) 52.247-64, Preference for Privately-Owned U.S.- Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

FAR 52.212-4 Contract Terms and Conditions--Commercial Items (Apr 1998)

(a) Inspection/Acceptance. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights--

(1) Within a reasonable time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) Assignment. The Contractor or its assignee's rights to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency

in accordance with the Assignment of Claims Act (31 U.S.C. 3727).

(c) Changes. Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) Disputes. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) Definitions. The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.

(f) Excusable delays. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) Invoice. The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized,) to the address designated in the contract to receive invoices. An invoice must include--

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price and extended price of the items delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and

(8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.

(h) Patent indemnity. The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) Payment. Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Unless otherwise provided by an addendum to this contract, the Government shall make payment in accordance with the clause at FAR 52.232-33, Mandatory Information for Electronic Funds Transfer Payment, which is incorporated herein by reference. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(j) Risk of loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) Taxes. The contract price includes all applicable Federal, State, and local taxes and duties.

(l) Termination for the Government's convenience. The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give

the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) Termination for cause. The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) Title. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) Warranty. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) Limitation of liability. Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) Other compliances. The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) Compliance with laws unique to Government contracts. The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327, et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.G. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(s) Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services.
- (2) The Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws Unique to Government Contracts paragraphs of this clause.
- (3) The clause at 52.212-5.

- (4) Addenda to this solicitation or contract, including any license agreements for computer software.
- (5) Solicitation provisions if this is a solicitation.
- (6) Other paragraphs of this clause.
- (7) The Standard Form 1449.
- (8) Other documents, exhibits, and attachments.
- (9) The specification.

A7. Contract Start-Up

The contractor shall have 60 days from the date of award to have all USMS offices, to be identified at the contract start date, on-line. For any new USMS offices (i.e. those offices that the COTR directs be put on-line after the contract start date) the Contractor shall have 15 days to get that office on-line.

ADDENDUM B

STATEMENT OF WORK

REQUIREMENT:

The U. S. Marshals Service (USMS) requires unlimited on-line access to publicly available commercial, national, state and county records for use as an investigative tool in locating individuals. The service must provide unlimited access 24 hours a day, 7 days a week for personnel in 94 field offices, sub-offices and in the Investigative Services Division at U. S. Marshals Service headquarters. The on-line service should provide access to records that can be searched, accessed, and cross-referenced to other available databases within the same on-line service in order to expand the available information.

BACKGROUND:

The primary users of this system will include Deputy Marshals and other USMS personnel actively involved in locating individuals. The vast majority of the users will be located at USMS Headquarters, district offices and a small number of the largest sub-offices. However, the potential users include almost all USMS personnel, currently approximately 4,000 personnel. These personnel are spread over approximately 350 sites, which include USMS headquarters, 94 district offices and approximately 250 sub-offices.

OBJECTIVES:

The U. S. Marshals Service requires an on-line service that allows a person conducting the research, using very limited information such as a name, to identify a person (date of birth and/or social security number), [REDACTED] possible residences, property, vehicles, and any connection to a corporation or business.

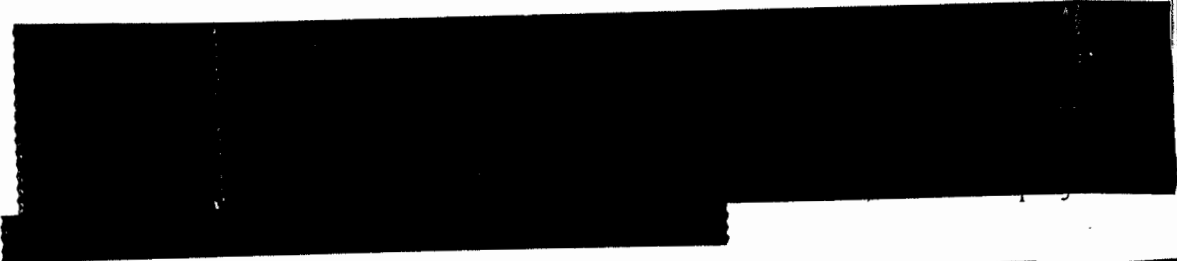
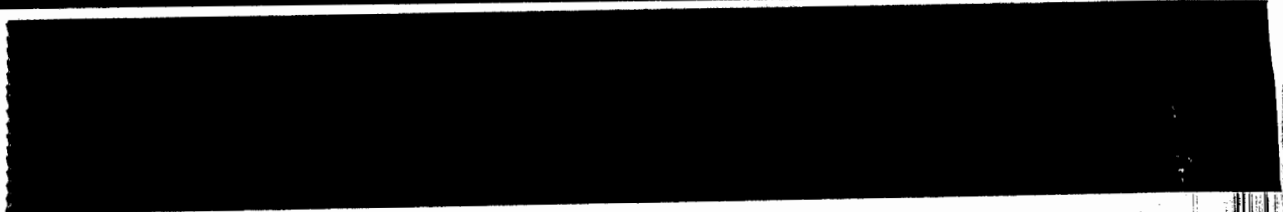
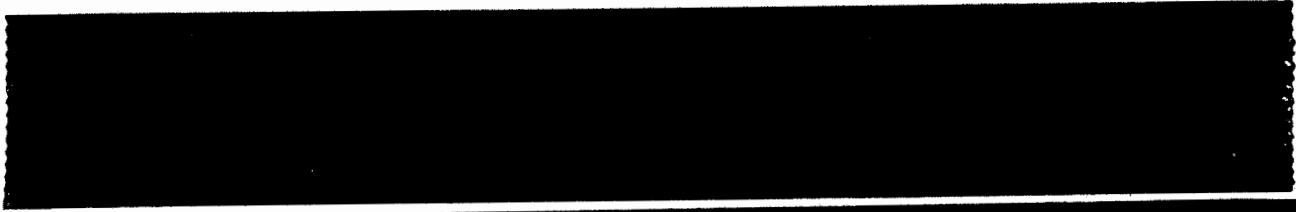
WORK REQUIREMENTS:

Provide unlimited on-line access to integrated publicly available records through an on-line service. This service must be available to all USMS current offices. In addition, the contractor will provide this service, at no additional charge to any new office brought into service during the life of this contract.

Provide users with an unlimited on-line service that will enable them to produce comprehensive reports as outlined in "Objectives" above using limited input data.

Included as part of the total cost but not separately priced is training, installation, and maintenance of on-line access service.

Recommended enhancements are to be made to the Program Manager and Project Manager where the inclusion of such enhancements to the on-line service will create a more efficient service. This includes ensuring that the service is Year 2000 compliant. As this is to be a commercial system, the system provided to the USMS will be upgraded periodically so that it will have any future enhancements that the vendor makes available to other customers. Prior to these enhancements being made the contractor will notify the COTR as to the impact and the COTR will then either give the contractor authorization to install the enhancement or will direct the contractor to not install the enhancement. These enhancements will be provided by the vendor at no additional charge.





DELIVERABLES:

Software for access to the on-line service must be provided to each of the U. S. Marshals Service offices that is to have access to the on-line service. The vendor must either have a technician on-site, or have a 24 hour, 7 days a week help desk, that is trained to assist in installing the software over the telephone and assist with troubleshooting problems. The software must work on any 386 personal computer with a 14.4 modem or higher.

A user's manual for the use of the on-line service must be provided to each office.

Technical support for access to the on-line service must be provided 24 hours a day, 7 days a week for the duration of the contract.

TRAINING

The Contractor is obligated to provide training in the use of the on-line service. The training can