

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**AMENDMENT NO. 2 TO REGISTRATION STATEMENT
ON FORM S-1
UNDER
THE SECURITIES ACT OF 1933**

OPTEX SYSTEMS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

33-143215
(I.R.S. Identification Number)

3795
(Primary Standard Industrial
Classification Code Number)

1420 Presidential Drive
Richardson, TX 75081-2439
Telephone (972) 644-0472

(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)

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(Name, address, including zip code, and telephone number,
including area code, of agent for service)

Copies to:
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New York, NY 10006
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Approximate Date of Commencement of Proposed Sale to the Public: At such time or times after the effective date of this registration statement as the selling stockholders shall determine.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "small reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated filer
Smaller reporting company

CALCULATION OF REGISTRATION FEE

<u>Title of Each Class of Securities to be Registered</u>	<u>Amount to be Registered</u>	<u>Proposed Maximum Offering Price per unit(1)</u>	<u>Proposed Maximum Aggregate Offering Price</u>	<u>Amount of Registration Fee</u>
common stock, par value \$0.001 per share	11,784,177	\$ 0.375	\$ 4,419,066	\$ 246.58

- (1) Estimated for the purpose of determining the registration fee pursuant to Rule 457(c), based on the average of the high and low price as of May 11, 2009.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in the prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated November 12, 2009

PROSPECTUS

OPTEX SYSTEMS HOLDINGS, INC.

11,784,177 Shares of common stock

This prospectus relates to the offer and sale of up 11,784,177 shares of common stock of Optex Systems Holdings, Inc., a Delaware corporation, issued to certain selling stockholders identified on p. 3 of this prospectus pursuant to subscription agreements between the selling stockholders and Optex Systems, Inc., a subsidiary of Optex Systems Holdings, Inc. and that may be offered and sold from time to time by the selling stockholders.

Unless otherwise noted, the terms “Optex Systems Holdings,” “our Company,” “we,” “us” and “our” refer to Optex Systems Holdings, Inc. and its subsidiaries.

The selling stockholders may offer their shares from time to time directly or through one or more underwriters, broker-dealers or agents, in the over-the-counter market at market prices prevailing at the time of sale, in one or more negotiated transactions at prices acceptable to the selling stockholders, or otherwise.

We will not receive any proceeds from the sale of shares by the selling stockholders. In connection with any sales of the common stock offered hereunder, the selling stockholders, any underwriters, agents, brokers or dealers participating in such sales may be deemed to be “underwriters” within the meaning of the Securities Act of 1933, as amended.

We will pay the expenses related to the registration of the shares covered by this prospectus. The selling stockholders will pay any commissions and selling expenses they may incur.

On May 1, 2009, our common stock received a symbol change from FINRA and now trades on the Over the Counter Bulletin Board under the symbol “OPXS.OB”. The closing sale price on the OTC Bulletin Board on August 31, 2009, was \$0.30 per share.

Investing in the common stock offered by this prospectus is speculative and involves a high degree of risk. See “Risk Factors” beginning on page 3.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 12, 2009

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission using the Commission's registration rules for a delayed or continuous offering and sale of securities. Under the registration rules, using this prospectus and, if required, one or more prospectus supplements, the selling stockholders named herein may distribute the shares of common stock covered by this prospectus. This prospectus also covers any shares of common stock that may become issuable as a result of stock splits, stock dividends or similar transactions.

A prospectus supplement may add, update or change information contained in this prospectus. We recommend that you read carefully this entire prospectus, especially the section entitled "Risk Factors" beginning on page 3, and any supplements before making a decision to invest in our common stock.

PROSPECTUS SUMMARY

This summary highlights important information about this offering and our business. It does not include all information you should consider before investing in our common stock. Please review this prospectus in its entirety, including the risk factors and our financial statements and the related notes, before you decide to invest.

Our Company

On March 30, 2009, Optex Systems Holdings, Inc. (formerly known as Sustut Exploration, Inc.), a Delaware corporation, along with Optex Systems, Inc., which was a privately held Delaware corporation and has since become Optex Systems Holdings' wholly-owned subsidiary, entered into a reorganization agreement and plan of reorganization, pursuant to which Optex Delaware was acquired by Optex Systems Holdings in a share exchange transaction. Optex Systems Holdings became the surviving corporation in the reorganization. At the closing, Optex Systems Holdings changed its name from Sustut Exploration Inc. to Optex Systems Holdings, Inc. and its year end from December 31 to a fiscal year ending on the Sunday nearest September 30. Optex Delaware has remained a wholly-owned subsidiary of Optex Systems Holdings, and Optex Delaware's shareholders are now shareholders of Optex Systems Holdings.

Immediately prior to the closing under the Agreement as of March 30, 2009, Optex Delaware accepted subscriptions from accredited investors for a total of \$1,219,750 in gross proceeds and \$874,529 in net proceeds.

Our Business

Optex Systems Holdings manufactures optical sighting systems and assemblies primarily for Department of Defense applications. Optical sighting systems are used to enable a soldier to have improved vision and in some cases, protected vision. One type of system would be a binocular which would have a special optical filter applied to the external lens which would block long wave length light (from a laser) from reaching the soldier's eyes. Another type of system would be a periscope where the soldier inside an armored vehicle needs to view the external environment outside of the tank. In this case, the visual path is reflected at two 90 degree angles enabling the soldier to be at a different plane than that of the external lens.

The following table describes the approximate percentage of revenue represented by the types of systems mentioned in the third and fourth sentences of the above paragraph. The table below reflects approximate product revenues and is a balanced overview of our business based on the percentages.

	% of Revenue
Howitzer Programs	11.0%
Periscope Programs	50.0%
Sighting Systems	20.0%
All Other	19.0%
Total	100.0%

Optex Systems Holdings's products consist primarily of build-to-customer print products that are delivered both directly to the armed services and to other defense prime contractors. Build-to-customer print products are those devices where the customer completes the design of the product and then brings these drawings to the supplier for production. In this case, the supplier would procure the piece parts from suppliers, build the final assembly, and then supply this product back to the original customer who designed it.

Our products are installed on a majority of types of U.S. military land vehicles, such as the Abrams and Bradley fighting vehicles, light armored and armored security vehicles and have been selected for installation on the Stryker family of vehicles. Optex Systems Holdings also manufactures and delivers numerous periscope configurations, rifle and surveillance

sights and night vision optical assemblies. Approximately 30% of our current revenue is in support of Abrams vehicles, 5% in support of Stryker vehicles, and 25% in support of Bradley vehicles. The products that we produce can be used on other vehicles; however, they were originally designed for the Abrams, the Bradley, and the Stryker vehicles. In addition, some of the periscopes that we produce can be used on both the Bradley and the Stryker vehicle. Finally, some customers combine their volumes for new vehicles with those requirements for replacement parts for vehicles coming back from the field. At this time, no vehicle generates more revenues than the Stryker vehicle other than the Abrams and Bradley vehicles.-

Optex Delaware, and its Predecessor Optex Texas, have been in business since 1987. Optex Systems Holdings is located in Richardson, TX and is ISO 9001:2008 certified.

The Offering

Common stock offered by the selling stockholders:	11,784,177 shares of common stock, par value \$0.001 per share.
Offering prices:	The shares offered by this prospectus may be offered and sold at prevailing market prices or such other prices as the selling stockholders may determine.
Common stock outstanding:	141,464,940 shares as of August 31, 2009.
Dividend policy:	Dividends on our common stock may be declared and paid when and as determined by our board of directors. We have not paid and do not expect to pay dividends on our common stock.
OTCBB symbol:	OPXS.OB
Use of proceeds:	We are not selling any of the shares of common stock being offered by this prospectus and will receive no proceeds from the sale of the shares by the selling stockholders. All of the proceeds from the sale of common stock offered by this prospectus will go to the selling stockholders at the time they sell their shares.

Risk Factors

See “Risk Factors” beginning on page 3 for a discussion of factors you should carefully consider before deciding to invest in our common stock.

Our Address

Our principal executive offices are located at 1420 Presidential Drive, Richardson, TX 75081-2439.

RISK FACTORS

Investing in our common stock involves a high degree of risk. Prospective investors should carefully consider the risks described below, together with all of the other information included or referred to in this prospectus, before purchasing shares of our common stock. There are numerous and varied risks, known and unknown, that may prevent us from achieving our goals. The risks described below are not the only risks we will face. If any of these risks actually occurs, our business, financial condition or results of operations may be materially adversely affected. In such case, the trading price of our common stock could decline and investors in our common stock could lose all or part of their investment. The risks and uncertainties described below are not exclusive and are intended to reflect the material risks that are specific to us, material risks related to our industry and material risks related to companies that undertake a public offering or seek to maintain a class of securities that is registered or traded on any exchange or over-the-counter market.

Risks Related to our Business

We expect that we will need to raise additional capital in the future; additional funds may not be available on terms that are acceptable to us, or at all.

We anticipate we will have to raise additional capital in the future to service our debt and to finance our future working capital needs. We cannot assure you that any additional capital will be available on a timely basis, on acceptable terms, or at all. Future equity or debt financings may be difficult to obtain. If we are not able to obtain additional capital as may be required, our business, financial condition and results of operations could be materially and adversely affected.

We anticipate that our capital requirements will depend on many factors, including:

- our ability to fulfill backlog;
- our ability to procure additional production contracts;
- our ability to control costs;
- the timing of payments and reimbursements from government and other contracts, including but not limited to changes in federal government military spending and the federal government procurement process;
- increased sales and marketing expenses;
- technological advancements and competitors' response to our products;
- capital improvements to new and existing facilities;
- our relationships with customers and suppliers; and
- general economic conditions including the effects of future economic slowdowns, acts of war or terrorism and the current international conflicts.

Even if available, financings can involve significant costs and expenses, such as legal and accounting fees, diversion of management's time and efforts, and substantial transaction costs. If adequate funds are not available on acceptable terms, or at all, we may be unable to finance our operations, develop or enhance our products, expand our sales and marketing programs, take advantage of future opportunities or respond to competitive pressures.

Current economic conditions may adversely affect our ability to continue operations.

Current economic conditions may cause a decline in business and consumer spending and capital market performance, which could adversely affect our business and financial performance. Our ability to raise funds, upon which we are fully dependent to continue to expand our operations, may be adversely affected by current and future economic conditions, such as a reduction in the availability of credit, financial market volatility and recession.

Our ability to fulfill our backlog may have an effect on our long term ability to procure contracts and fulfill current contracts.

Our ability to fulfill our backlog may be limited by our ability to devote sufficient financial and human capital resources and limited by available material supplies. If we do not fulfill backlog in a timely manner, we may experience delays in product delivery which would postpone receipt of revenue from those delayed deliveries. Additionally, if we are consistently unable to fulfill our backlog, this may be a disincentive to customers to award large contracts to us in the future until they are comfortable that we can effectively manage our backlog.

Our historical operations depend on government contracts and subcontracts. We face risks related to contracting with the federal government, including federal budget issues and fixed price contracts.

General political and economic conditions, which cannot be accurately predicted, may directly and indirectly affect the quantity and allocation of expenditures by federal agencies. Even the timing of incremental funding commitments to existing, but partially funded, contracts can be affected by these factors. Therefore, cutbacks or re-allocations in the federal budget could have a material adverse impact on our results of operations. Obtaining government contracts may also involve long purchase and payment cycles, competitive bidding, qualification requirements, delays or changes in funding, budgetary constraints, political agendas, extensive specification development, price negotiations and milestone requirements. In addition, our government contracts are primarily fixed price contracts, which may prevent us from recovering costs incurred in excess of budgeted costs. Fixed price contracts require us to estimate the total project cost based on preliminary projections of the project's requirements. The financial viability of any given project depends in large part on our ability to estimate such costs accurately and complete the project on a timely basis. Some of those contracts are for products that are new to our business and are thus subject to unanticipated impacts to manufacturing costs. Given the current economic conditions, it is also possible that even if our estimates are reasonable at the time made, that prices of materials are subject to unanticipated adverse fluctuation. In the event our actual costs exceed fixed contractual costs of our product contracts, we will not be able to recover the excess costs which could have a material adverse effect on our business and results of operations. As of June 28, 2009 we had approximately \$0.7 million of loss provision accrued for these fixed price contracts.

Approximately 95% of our contracts contain contract termination clauses for convenience. In the event these clauses should be invoked by our customer, future revenues against these contracts could be affected, however these clauses allow for a full recovery of any incurred contract cost plus a reasonable fee up through and as a result of the contract termination. We are currently unaware of any pending terminations on our existing contracts. In some cases, contract awards may be issued that are subject to renegotiation at a date (up to 180 days) subsequent to the initial award date. Generally, these subsequent negotiations have had an immaterial impact (zero to 5%) on the contract price of the effected contracts. Currently, none of our awarded contracts are subject to renegotiation.

If we fail to scale our operations appropriately in response to growth and changes in demand, we may be unable to meet competitive challenges or exploit potential market opportunities, and our business could be materially and adversely affected.

Our past growth has placed, and any future growth in our historical business is expected to continue to place, a significant strain on our management personnel, infrastructure and resources. To implement our current business and product plans, we will need to continue to expand, train, manage and motivate our workforce, and expand our operational and financial systems, as well as our manufacturing and service capabilities. All of these endeavors will require substantial management effort and additional capital. If we are unable to effectively manage our expanding operations, we may be unable to scale our business quickly enough to meet competitive challenges or exploit potential market opportunities, and our current or future business could be materially and adversely affected.

We do not have long-term employment agreements with our key personnel, other than our Chief Operating Officer. If we are not able to retain our key personnel or attract additional key personnel as required, we may not be able to implement our business plan and our results of operations could be materially and adversely affected.

We depend to a large extent on the abilities and continued participation of our executive officers and other key employees. The loss of any key employee could have a material adverse effect on our business. We currently have only one employment agreement, with our Chief Operating Officer, and do not presently maintain "key man" insurance on any key employees. We believe that, as our activities increase and change in character, additional, experienced personnel will be required to implement our business plan. Competition for such personnel is intense and we cannot assure you that they will be available when required, or that we will have the ability to attract and retain them. In addition, we do not presently have depth of staffing in our executive, operational and financial management. Until additional key personnel can be successfully integrated with its operations, the timing or success of which we cannot currently predict, our results of operations and ultimate success will be vulnerable to difficulties in recruiting a new executive management team and losses of key personnel.

Our intangible assets or goodwill may suffer impairment in the future.

Goodwill represents the cost of acquired businesses in excess of fair value of the related net assets at acquisition. Valuation of intangible assets, such as goodwill, requires us to make significant estimates and assumptions including, but not limited to, estimating future cash flows from product sales, developing appropriate discount rates, maintaining customer relationships and renewing customer contracts, and approximating the useful lives of the intangible assets acquired. To the extent actual results differ from these estimates, our intangible assets or goodwill may suffer impairment in the future that will impact our results of operations. We reviewed the fair market value of our goodwill and intangible assets as September 28, 2008, based on the fair market values established in connection with the acquisition by Optex Delaware of the assets of Optex Texas as of October 14, 2008, and as a result, determined that the current carrying value of goodwill had been impaired by \$1.6 million. Subsequent to the review, there have been no material changes to our assumptions or estimates that would suggest any further impairment is currently warranted. However, we intend to continue to monitor the value of our intangible assets and goodwill in order to identify any impairment that may occur in the future.

Certain of our products are dependent on specialized sources of supply that are potentially subject to disruption which could have a material, adverse impact on our business.

Optex Systems Holdings has selectively single sourced some of our material components in order to mitigate excess procurement costs associated with significant tooling and startup costs. Furthermore, because of the nature of government contracts, we are often required to purchase selected items from Government approved suppliers, which may further limit our ability to utilize multiple supply sources for these key components.

To the extent any of these single sourced or government approved suppliers should have disruptions in deliveries due to production, quality, or other issues, Optex Systems Holdings may also experience related production delays or unfavorable cost increases associated with retooling and qualifying alternate suppliers. The impact of delays resulting from disruptions in supply for these items could negatively impact our revenue, our customer reputation, and our results of operations. In addition, significant price increases from single-source suppliers could have a negative impact on our profitability to the extent that we are unable to recover these cost increases on our fixed price contracts.

Each contract has a specific quantity of material which needs to be purchased, assembled, and finally shipped. Prior to bidding a contract, Optex contacts potential sources of material and receives qualified quotations for this material. In some cases, the entire volume is given to a single supplier and in other cases, the volume might be split between several suppliers. If a contract has a single source supplier and that supplier fails to meet their obligations (quality, delivery, etc.), then Optex would find an alternative supplier and bring this information back to the final customer. Contractual deliverables would then be re-negotiated (Specifications, Delivery, Price, etc.). Currently, approximately 28% of our total material requirements are single sourced across 21 suppliers representing approximately 20% of our active supplier base. Single sourced component requirements span across all of our major product lines. The vast majority of these single sourced components could be provided by another supplier with minimal interruption in schedule (supply delay of 3 months or less) or increased costs. We do not believe these single sourced materials to pose any significant risk to Optex as other suppliers are capable of satisfying the purchase requirements in a reasonable time period with minimal increases in cost. Of these single sourced components, we have contracts (purchase orders) with firm pricing and delivery schedules in place with each of the suppliers to supply parts in satisfaction of our current contractual needs.

We consider only those specialized single source suppliers where a disruption in the supply chain would result in a period of three months or longer for Optex to identify and qualify a suitable replacement to present a material financial or schedule risk. In the table below we identify only those specialized single source suppliers and the product lines supported by those materials.

<u>Product Line</u>	<u>Supplier</u>	<u>Supply Item</u>	<u>Risk</u>	<u>Purchase Orders</u>
Periscopes	TSP Inc	Window used on all glass & plastic periscopes	Proprietary coatings would take in excess of 6 months to identify and qualify an alternative source	Current Firm Fixed Price & Quantity Purchase orders are in place with the supplier to meet all contractual requirements. Supplier is on schedule.
Periscopes	Spartec Polycast	Acrylic raw material used on plastic periscope assemblies	This material has quality characteristics which would take in excess of 6 months to identify and qualify an alternative source.	Current Firm Fixed Price & Quantity Purchase orders are in place with the supplier to meet all contractual requirements. Supplier is on schedule.

Howitzers	Danaher Controls	Counter Assembly for M137 & M187 Howitzer programs	Critical assembly would take in excess of 6 months to identify and qualify an alternative source. Currently, the only US Government approved supplier.	Current Firm Fixed Price & Quantity Purchase orders are in place with the supplier to meet all contractual requirements. Supplier is on schedule.
Other	SWS Trimac	Subcontracted Electron Beam Welding	Subcontracted welder that is the only qualified supplier for General Dynamics Land Systems muzzle reference system collimator assemblies. This operation would take in excess of 6 months to identify and qualify an alternative supplier.	Current Firm Fixed Price & Quantity Purchase orders are in place with the supplier to meet all contractual requirements. Supplier is on schedule.

The defense technology supply industry is subject to technological change and if we are not able to keep up with our competitors and/or they develop advanced technology as response to our products, we may be at a competitive disadvantage.

The market for our products is generally characterized by rapid technological developments, evolving industry standards, changes in customer requirements, frequent new product introductions and enhancements, short product life cycles and severe price competition. Our competitors could also develop new, more advanced technologies in reaction to our products. Currently accepted industry standards may change. Our success depends substantially on our ability, on a cost-effective and timely basis, to continue to enhance our existing products and to develop and introduce new products that take advantage of technological advances and adhere to evolving industry standards. An unexpected change in one or more of the technologies related to our products, in market demand for products based on a particular technology or of accepted industry standards could materially and adversely affect our business. We may or may not be able to develop new products in a timely and satisfactory manner to address new industry standards and technological changes, or to respond to new product announcements by others. In addition, new products may or may not achieve market acceptance.

Unexpected warranty and product liability claims could adversely affect our business and results of operations.

The possibility of future product failures could cause us to incur substantial expense to repair or replace defective products. Some of our customers require that we warrant the quality of our products to meet customer requirements and be free of defects for up to fifteen months subsequent to delivery. Approximately 50% of our current contract deliveries are covered by these warranty clauses. We establish reserves for warranty claims based on our historical rate of less than one percent of returned shipments against these contracts. There can be no assurance that this reserve will be sufficient if we were to experience an unexpectedly high incidence of problems with our products. Significant increases in the incidence of such claims may adversely affect our sales and our reputation with consumers. Costs associated with warranty and product liability claims could materially affect our financial condition and results of operations.

We derive almost all of our revenue from two customers and the loss of either customer or both customers could have a material adverse effect on our revenues.

At present, we derive approximately 90% of the gross revenue from our business from two customers, General Dynamics Land System Division (“GDLS”) and Tank-automotive and Armaments Command (“TACOM”). Procuring new customers and contracts may partially mitigate this risk. A decision by either GDLS or TACOM to cease issuing contracts could have a significant material impact on our business and results of operations. There can be no assurance that we could replace these customers on a timely basis or at all.

Our two primary customers do not have contractual obligations to continue purchasing our products; however, if there is a contract in place and they choose to cancel this contract, they are liable for the incurred costs and respective compensation. In the event of termination pursuant to the contract clauses, Optex Systems Holdings is entitled to fully recover all contractual costs and reasonable profits up to and incurred as a result of the terminated contract.

We do not possess any patents and rely solely on trade secrets to protect our intellectual property.

We utilize several highly specialized and unique processes in the manufacture of our products, for which we rely solely on trade secrets to protect our innovations. We cannot assure you that we will be able to maintain the confidentiality of our trade secrets or that our non-disclosure agreements will provide meaningful protection of our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or other disclosure. The confidentiality agreements that are designed to protect our trade secrets could be breached, and we might not have adequate remedies for the breach.

It is also possible that our trade secrets will otherwise become known or independently developed by our competitors, many of which have substantially greater resources, and may have applied for or obtained, or may in the future apply for and obtain, patents that will prevent, limit or interfere with our ability to make and sell some of our products. Although based upon our general knowledge (and we have not conducted exhaustive patent searches), we believe that our products do not infringe on the patents or other proprietary rights of third parties; however, we cannot assure you that third parties will not assert infringement claims against us or that such claims will not be successful.

In the future, we may look to acquire other businesses in our industry and the acquisitions will require us to use substantial resources, among other things.

At some time in the future, we may decide to pursue a consolidation strategy with other businesses in our industry. In order to successfully acquire other businesses, we would be forced to spend significant resources in both acquisition and transactional costs, which could divert substantial resources in terms of both financial and personnel capital from our current operations. Additionally, we might assume liabilities of the acquired business, and the repayment of those liabilities could have a material adverse impact on our cash flow. Furthermore, when a new business is integrated into our ongoing business, it is possible that there would be a period of integration and adjustment required which could divert resources from ongoing business operations.

Conversion of our Series A preferred stock could cause substantial dilution to our existing common stock holders, and certain other rights of the preferred stock holders present other risks to our existing common stock holders.

As of August 31, 2009, we had 141,994,940 shares of our common stock issued and outstanding, as well as 1,027 shares of our Series A preferred stock issued and outstanding. The Series A preferred stock is convertible into 41,080,000 shares of our common stock, and upon conversion, the Series A preferred stock would own 22.5% of our common stock. This would greatly dilute the holdings of our existing common stockholders, as would voting by the preferred shareholders which vote one to one basis with our common shareholders on an as converted basis.

Furthermore, in the event of a liquidation, the holders of our Series A preferred stock would receive priority liquidation payments before payments to common shareholders equal to the amount of the stated value of the preferred stock before any distributions would be made to our common shareholders. The total stated value of our preferred stock is \$6,162,000, so the preferred shareholders would need to receive that amount before any distributions could be made to common shareholders. Our assets with liquidation value are exceeded by our liabilities on our balance sheet; therefore, upon a liquidation, there would be no assets remaining with which to make a distribution to common shareholders.

Lastly, the preferred shareholders have the right, by majority vote of the shares of preferred stock, to generally approve any issuances by us of equity and/or indebtedness, which is not ordinary course trade indebtedness. Therefore, the preferred shareholders can effectively bar us from entering into a transaction which they feel is not in their best interests even if the transaction would otherwise be in the best interests of Optex Systems Holdings and its common shareholders.

Risks Relating to the reorganization

A Company director who is also an executive officer beneficially owns a substantial percentage of Optex Systems Holdings' outstanding common stock, which gives him control over certain major decisions on which Optex Systems Holdings' stockholders may vote, which may discourage an acquisition of Optex Systems Holdings .

As a result of the reorganization, Sileas Corp. which is owned by Optex Systems Holdings' three officers (one of whom is also one of Optex Systems Holdings' three directors), beneficially owns, in the aggregate, approximately 73% of Optex Systems Holdings' outstanding common stock. One director who is also an executive officer, Stanley Hirschman, also owns the majority equity interest in Sileas. The interests of Optex Systems Holdings' management may differ from the interests of other stockholders. As a result, Optex Systems Holdings' executive management will have the right and ability to control virtually all corporate actions requiring stockholder approval, irrespective of how Optex Systems Holdings' other stockholders may vote, including the following actions:

- confirming or defeating the election of directors;
- amending or preventing amendment of Optex Systems Holdings' certificate of incorporation or bylaws;
- effecting or preventing a reorganization, sale of assets or other corporate transaction; and controlling the outcome of any other matter submitted to the stockholders for vote.

The Company's management's beneficial stock ownership may discourage a potential acquirer from seeking to acquire shares of Optex Systems Holdings' common stock or otherwise attempting to obtain control of Optex Systems Holdings, which in turn could reduce Optex Systems Holdings' stock price or prevent Optex Systems Holdings' stockholders from realizing a premium over Optex Systems Holdings' stock price.

If Sileas is unable to meet its obligations under the purchase money note to the party from which it purchased its stock holdings in Optex Systems Holdings, there could be a change in control in Optex Systems Holdings.

On February 20, 2009, Sileas purchased 100% of the equity and debt interest held by Longview, representing 90% of Optex Delaware, in a private transaction (the "Acquisition"). The purchase price for the Acquisition was \$13,524,405, and the consideration was paid in the form of a Note. The obligations of Sileas under the Note are secured by a security interest in Optex Systems Holdings' common and preferred stock owned by Sileas. As Sileas has no operations or business activities other than holding the purchased assets, Sileas is depending upon the value of its common stock and preferred stock holdings in Optex Systems Holdings to increase over time in order to pay its obligations under the Note. If the value of the holdings does not sufficiently increase, and Sileas is unable to meet its payment obligations, Longview could exercise its remedies with respect to its security interest and take control of the pledged stock, and thus there would be a change in control of Optex Systems Holdings, as Sileas is the majority owner of Optex Systems Holdings.

Public company compliance may make it more difficult to attract and retain officers and directors ..

The Sarbanes-Oxley Act of 2002 and new rules subsequently implemented by the SEC have required changes in corporate governance practices of public companies. As a public entity, Optex Systems Holdings expects these new rules and regulations to increase compliance costs in 2010 and beyond and to make certain activities more time consuming and costly. As a public entity, Optex Systems Holdings also expects that these new rules and regulations may make it more difficult and expensive for Optex Systems Holdings to obtain director and officer liability insurance in the future and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for Optex Systems Holdings to attract and retain qualified persons to serve as directors or as executive officers.

Risks Relating to the common stock

Optex Systems Holdings's stock price may be volatile.

The market price of Optex Systems Holdings' common stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond Optex Systems Holdings' control, including the following:

- additions or departures of key personnel;
- limited "public float" following the reorganization, in the hands of a small number of persons whose sales or lack of sales could result in positive or negative pricing pressure on the market price for the common stock;

- operating results that fall below expectations;

- economic and other external factors, including but not limited to changes in federal government military spending and the federal government procurement process; and
- period-to-period fluctuations in Optex Systems Holdings' financial results.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of Optex Systems Holdings' common stock.

There is currently no liquid trading market for Optex Systems Holdings' common stock and Optex Systems Holdings cannot ensure that one will ever develop or be sustained ..

The Company's common stock is currently approved for quotation on the OTC Bulletin Board trading under the symbol OPXS.OB. However, there is limited trading activity and not currently a liquid trading market. There is no assurance as to when or whether a liquid trading market will develop, and if such a market does develop, there is no assurance that it will be maintained. Furthermore, for companies whose securities are quoted on the Over-The-Counter Bulletin Board maintained by the National Association of Securities Dealers, Inc., it is more difficult (1) to obtain accurate quotations, (2) to obtain coverage for significant news events because major wire services generally do not publish press releases about such companies, and (3) to raise needed capital. As a result, purchasers of Optex Systems Holdings' common stock may have difficulty selling their shares in the public market, and the market price may be subject to significant volatility.

Offers or availability for sale of a substantial number of shares of Optex Systems Holdings' common stock may cause the price of Optex Systems Holdings' common stock to decline or could affect Optex Systems Holdings' ability to raise additional working capital.

Under Rule 144(i)(2), Optex Systems Holdings' stockholders can avail themselves of Rule 144 and commence selling significant amounts of shares into the market one year after the filing of "Form 10" information with the SEC as long as the other requirements of Rule 144(i)(2) are met. While affiliates would be subject to volume limitations under Rule 144(e), which is one percent of the shares outstanding as shown by our then most recent report or statement published, nonaffiliates would then be able to sell their stock without volume limitations. If Optex Systems Holdings' current stockholders seek to sell substantial amounts of common stock in the public market either upon expiration of any required holding period under Rule 144 or pursuant to an effective registration statement, it could create a circumstance commonly referred to as "overhang," in anticipation of which the market price of Optex Systems Holdings' common stock could decrease substantially. The existence of an overhang, whether or not sales have occurred or are occurring, could also make it more difficult for Optex Systems Holdings to raise additional financing in the future through sale of securities at a time and price that Optex Systems Holdings deems acceptable.

The date on which current shareholders can sell a substantial amount of shares into the public market would be the earlier of the date on which the registration statement is effective and one year anniversary of the date on which all Form 10 information is deemed by the SEC to be filed, which would then allow sales under Rule 144. The amount of shares then available would be 11,784,177 shares (all of those being registered for resale under the prospectus) and 8,131,667 shares (the shares of common stock purchased in the private placement which took place just prior to the reorganization) respectively.

The elimination of monetary liability against Optex Systems Holdings' directors, officers and employees under Delaware law and the existence of indemnification rights to Optex Systems Holdings' directors, officers and employees may result in substantial expenditures by Optex Systems Holdings and may discourage lawsuits against Optex Systems Holdings' directors, officers and employees.

The Company's certificate of incorporation does not contain any specific provisions that eliminate the liability of directors for monetary damages to Optex Systems Holdings and Optex Systems Holdings' stockholders; however, Optex Systems Holdings provides such indemnification to its directors and officers to the extent provided by Delaware law. Optex Systems Holdings may also have contractual indemnification obligations under its employment agreements with its executive officers. The foregoing indemnification obligations could result in Optex Systems Holdings incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which Optex Systems Holdings may be unable to recoup. These provisions and resultant costs may also discourage Optex Systems Holdings from bringing a lawsuit against directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by Optex Systems Holdings' stockholders against Optex Systems Holdings' directors and officers even though such actions, if successful, might otherwise benefit Optex Systems Holdings and its stockholders.

USE OF PROCEEDS

We are not selling any of the shares of common stock being offered by this prospectus and will receive no proceeds from the sale of the shares by the selling stockholders. All of the proceeds from the sale of common stock offered by this prospectus will go to the selling stockholders at the time each offers and sells such shares.

MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

Effective with the start of trading on May 1, 2009, our stock received a ticker symbol change from "SSTX" to "OPXS" from FINRA and commenced trading under the new symbol on the OTC Bulletin Board. Trading in our stock has historically been sporadic, trading volumes have been low, and the market price has been volatile.

The following table shows the range of high and low prices for our common stock as reported by the OTC Bulletin Board, as the case may be, for each quarter since the fourth quarter of 2007, as adjusted. All prices through the date of the reorganization are as reported on Sustut's periodic filings as adjusted for the 2.5:1 forward split of Sustut's common stock authorized on February 27, 2009. All prices since the reorganization are derived from market information as to OTCBB prices as reported through the AOL Finance look up system. The quotations reflect inter-dealer prices, without retail markup, markdown or commission and may not represent actual transactions.

Period	High	Low
Commencement of Trading through Fourth Quarter 2007	\$ 0.50	\$ 0.50
First Quarter 2008	\$ 0.50	\$ 0.50
Second Quarter 2008	\$ 0.50	\$ 0.50
Third Quarter 2008	\$ 0.50	\$ 0.50
Fourth Quarter 2008	\$ 0.50	\$ 0.50
First Quarter 2009	\$ 0.50	\$ 0.50
Second Quarter 2009	\$ 0.50	\$ 0.14
Third Quarter 2009	\$ 0.50	\$ 0.26

On November 10, 2009, the sale price for our common stock as reported on the OTCBB was \$0.17 per share.

Securities outstanding and holders of record

On November 10, 2009 there were approximately 86 record holders of our common stock and 141,994,940 shares of our common stock issued and outstanding.

Dividend Policy

We have not paid and do not expect to pay dividends on our common stock. Any future decision to pay dividends on our common stock will be at the discretion of our board and will depend upon, among other factors, our results of operations, financial condition, capital requirements and contractual restrictions.

Information respecting equity compensation plans

Summary Equity Compensation Plan Information

Optex Systems Holdings had no equity compensation plans as of September 30, 2008 and adopted its 2009 Stock Option Plan on March 26, 2009. See Equity Plan Compensation Information on p. 26.

Management's Discussion and Analysis or Plan of Operations

This management's discussion and analysis reflects information known to management as at June 28, 2009. This MD&A is intended to supplement and complement our audited financial statements and notes thereto for the year ended September 28, 2008 (Predecessor), prepared in accordance with U.S. generally accepted accounting principles (GAAP). You are encouraged to review our financial statements in conjunction with your review of this MD&A. The financial information in this MD&A has been prepared in accordance with GAAP, unless otherwise indicated. In addition, we use non-GAAP financial measures as supplemental indicators of our operating performance and financial position. We use these non-GAAP financial measures internally for comparing actual results from one period to another, as well as for planning purposes. We will also report non-GAAP financial results as supplemental information, as we believe their use provides more insight into our performance. When non-GAAP measures are used in this MD&A, they are clearly identified as a non-GAAP measure and reconciled to the most closely corresponding GAAP measure.

The following discussion highlights the principal factors that have affected our financial condition and results of operations as well as our liquidity and capital resources for the periods described. This discussion contains forward-looking statements. Please see "Special cautionary statement concerning forward-looking statements" and "Risk factors" for a discussion of the uncertainties, risks and assumptions associated with these forward-looking statements. The operating results for the periods presented were not significantly affected by inflation.

Background

On March 30, 2009, the reorganization was consummated pursuant to which the then existing shareholders of Optex Delaware exchanged their shares of common stock with the shares of common stock of Optex Systems Holdings as follows: (i) the outstanding 85,000,000 shares of Optex Delaware common stock were exchanged by Optex Systems Holdings for 113,333,282 shares of Company common stock, (ii) the outstanding 1,027 shares of Optex Delaware Series A preferred stock were exchanged by Optex Systems Holdings for 1,027 shares of Company Series A preferred stock, and (iii) the 8,131,667 shares of Optex Delaware common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Company common stock. Optex Delaware has remained a wholly-owned subsidiary of Optex Systems Holdings.

As a result of the reorganization, Optex Systems Holdings changed its name from Sustut Exploration Inc. to Optex Systems Holdings, Inc. and its year end from December 31 to a fiscal year ending on the Sunday nearest September 30.

Immediately prior to the closing under the reorganization agreement (and the shares included above), as of March 30, 2009, Optex Delaware accepted subscriptions from accredited investors for a total 27.1 units, for \$45,000 per unit, with each unit consisting of 300,000 shares of common stock, no par value, of Optex Delaware and warrants to purchase 300,000 shares of common stock for \$0.45 per share for a period of five (5) years from the initial closing, which were issued by Optex Delaware after the closing referenced above. Gross proceeds to Optex Delaware were \$1,219,750, and after deducting (i) a cash finder's fee of \$139,555, (ii) non-cash consideration of indebtedness owed to an investor of \$146,250, and (iii) stock issuance costs of \$59,416, the net proceeds were \$874,529. The finder also received five year warrants to purchase 2.39 units, at an exercise price of \$49,500 per unit.

Optex Delaware manufactures optical sighting systems and assemblies primarily for Department of Defense applications. Its products are installed on a majority of types of U.S. military land vehicles, such as the Abrams and Bradley fighting vehicles, light armored and armored security vehicles and have been selected for installation on the Stryker family of vehicles. Optex Delaware also manufactures and delivers numerous periscope configurations, rifle and surveillance sights and night vision optical assemblies. Optex Delaware products consist primarily of build-to-customer print products that are delivered both directly to the armed services and to other defense prime contractors. Less than 1% of today's revenue is resale of products "substantially manufactured by others". In this case, the product would likely be a simple replacement part of a larger system previously produced by Optex Delaware.

Optex Delaware delivers high volume products, under multi-year contracts, to large defense contractors. It has the reputation and credibility with those customers as a strategic supplier. Irvine Sensors Corporation (“IRSN”) is predominately a research and design company with capabilities enabling only prototype or low quantity volumes. Optex Delaware is predominately a high volume manufacturing company. Therefore the systems and processes needed to meet customer’s needs are quite different. While both companies serve the military market, the customers within these markets are different. For example, two of the largest customers for Optex are GDLS and TACOM. IRSN did not have any contracts or business relations with either of these two customers. Therefore the separation has allowed Optex Delaware to fully focus on high volume manufacturing and the use of the six sigma manufacturing methodology. This shift in priorities has allowed Optex Delaware to improve delivery performance and reduce operational costs.

Many of our contracts allow for government contract financing in the form of contract progress payments pursuant to Federal Acquisition Regulation 52.232-16. “Progress Payments”. As a small business, and subject to certain limitations, this clause provides for government payment of up to 90% of incurred program costs prior to product delivery. To the extent our contracts allow for progress payments, we intend to utilize this benefit, thereby minimizing the working capital impact on Optex Systems Holdings for materials and labor required to complete the contracts.

Optex Systems Holdings also anticipates the opportunity to integrate some of its night vision and optical sights products into commercial applications. Optex Systems Holdings plans to carry on the business of Optex Delaware as its sole line of business, and all of Optex Systems Holdings’ operations are expected to be conducted by and through Optex Delaware.

The successful completion of the separation from IRSN, which was accomplished by Optex Delaware’s acquisition of all of the assets and assumption of certain liabilities of Optex Texas, reduced the general and administrative costs allocated by IRSN. These costs represented services paid by IRSN for expenses incurred on Optex Texas’ behalf such as legal, accounting and audit, consulting fees and insurance costs in addition to significant amounts of IRSN’s general overhead allocated to Optex -Texas.

The impact of similar expenses that Optex Delaware would incur on a stand alone basis that were previously allocated by IRSN is estimated as follows:

Accounting and Auditing Fees	\$ 250,000
Legal Fees	60,000
Consulting Fees	60,000
Workers Comp and General Insurance	70,000
Total	\$ 440,000

The liabilities not assumed relate to costs that would not have been incurred by Optex Texas if they were operated on a stand alone basis. Among those liabilities not assumed by Optex Delaware was a note due to Tim Looney. The 2007 promissory note had a principal amount of \$2,000,000 together with accrued interest unpaid aggregating to approximately \$2,300,000. The note was an amendment to Looney’s earn-out agreement which was the consideration for IRSN’s purchase of Optex Texas.

The promissory note was not assumed by Optex Delaware in the October 2008 transaction. The note and accrued interest was reported on Optex Texas financial statements as of September 28, 2008 as a result of push down accounting for the acquisition of Optex Texas by IRSN. These costs would not be incurred by Optex Texas if operated as a stand alone entity because it relates to IRSN’s consideration for their purchase of Optex Texas. Since this was not an operating cost associated with Optex Texas and they would not incur these costs if operating as a stand alone entity, we expect no impact to the future operating results or liquidity of the Company.

Additionally, as of September 28, 2008, Optex Texas reported \$4.3 million of liabilities attributable to corporate expenses allocated to Optex Texas through an intercompany payable account “Due to Parent”. The outstanding “Due to Parent” balance was not acquired by the company in the acquisition from IRSN.

To the extent that Optex Delaware has incurred these similar costs on an ongoing basis, these amounts have been funded from the Optex Delaware’s own operating cash flow.

Plan of Operation

Through a private placement offering completed prior to consummation of the reorganization agreement, Optex Delaware raised \$1,219,750 (\$874,529, net of finders fees, issuance costs and non cash consideration resulting from satisfaction of indebtedness owed to an investor) to fund operations. The proceeds have been used as follows:

Description	Offering
Additional Personnel	\$ 150,000
Legal and Accounting Fees	\$ 100,000

Investor Relations Fees	96,000
Working Capital	<u>\$ 528,529</u>
Totals:	\$ 874,529

Results of Operations

Based on the current level of deliverable backlog, we expect the next three months' revenues to be consistent with the total for the periods September 29, 2008 through October 14, 2008 (Predecessor) and October 15, 2008 through June 28, 2009 (Successor). In addition, future business includes expected awards yet to be determined. Although the current range of products being manufactured is dependent on the receipt of continued and timely funding to existing programs, the most recent proposed federal budget is not expected to impact any of our existing programs in the near term.

The Revenue, Expenses and Income for the fourteen day period of Optex Texas prior to the acquisition by Optex Delaware are summarized below.

Optex Systems – Texas	
(Predecessor)	Millions
Revenue	\$ 0.9
Cost of Sales	<u>0.7</u>
Gross Margin	0.2
General & Administrative	<u>0.1</u>
Operating Income	\$ 0.1
Net Income	<u><u>\$ 0.1</u></u>

The table below summarizes our quarterly and year to date operating results in terms of both a GAAP net income measure and a non GAAP EBITDA measure. We use EBITDA as an additional measure for evaluating the performance of our business as “net income” includes the significant impact of noncash Intangible Amortization on our income performance. Consequently, in order to have a meaningful measure of our operating performance on a continuing basis, we need to evaluate an income measure which does not take into account this Intangible Amortization. We have summarized the quarterly revenue and margin below along with a reconciliation of the GAAP net loss to the non GAAP EBITDA calculation for comparative purposes below. We believe that including both measures allows the reader to have a “complete picture” of our overall performance.

	September 29, 2008 through June 28, 2009					Predecessor - Fiscal Year 2008				
	Predecessor - Qtr 1 (Sept 29, 2008 through Oct 14, 2008)	Successor- Qtr 1 (Oct 15, 2008 through Dec 27, 2008)	Qtr 2	Qtr 3	9 months ended June 28, 2009	Qtr 1	Qtr 2	Qtr 3	9 months ended June 29, 2008	
Net Loss After Taxes - GAAP	\$ (0.1)	\$ 0.1	\$ (0.3)	\$ (0.3)	\$ (0.6)	\$ (0.7)	\$ (0.7)	\$ (0.2)	\$ (1.6)	
<i>Add:</i>										
Interest Expense		\$ 0.1	\$ 0.1	\$ -	\$ 0.2	\$ 0.1	\$ 0.1	\$ -	\$ 0.2	
Federal Income Taxes		0.2	0.1	0.1	0.4	-	-	-	-	
Depreciation & Amortization		0.6	0.5	0.5	1.6	0.3	0.2	0.1	0.6	
EBITDA - Non GAAP	<u>\$ (0.1)</u>	<u>\$ 1.0</u>	<u>\$ 0.4</u>	<u>\$ 0.3</u>	<u>\$ 1.6</u>	<u>\$ (0.3)</u>	<u>\$ (0.4)</u>	<u>\$ (0.1)</u>	<u>\$ (0.8)</u>	

We have experienced substantial improvement in our EBITDA as compared to our prior year performance. We have increased our EBITDA by \$2.4 million in the nine months ending June 28, 2009 as compared to the nine months ending 2008 (Predecessor), primarily as a result of increased revenue and lower general and administrative costs. We expect this trend to continue over the next 12 months as our product mix shifts towards more profitable programs and we continue to pursue cost reductions in our production and general and administrative areas.

Product mix is dictated by customer contracted delivery dates and volume of each product to be delivered on such delivery dates. Shifts in gross margin from quarter to quarter are primarily attributable to the differing product mix recognized as revenues during each respective period. During the three and nine months, our revenues on legacy periscope programs increased significantly over the prior year while margins significantly decreased. The legacy periscope contracts were awarded January 2003, and due to significant material price increases subsequent to the contract award date, we are experiencing a loss on these contracts. We have fully reserved for future contract losses on this program, thus deliveries against these programs yield a product margin of zero. During 2009, we recognized revenue of \$3.7 million from these legacy periscope programs, with a remaining backlog of \$1.5 million, \$0.4 million of which should be recognized in 2009 and the remaining \$1.1 million in the first three quarters of 2010. We expect our product margins on periscopes to increase over the next 12 months as the legacy programs are completed and are replaced with new awards.

We are aggressively pursuing additional, potentially higher margin periscope business, and in May 2009, Optex Systems Holdings was awarded a multi-year Indefinite Delivery/Indefinite Quantity type contract accompanied by the first delivery order from TACOM. If all government forecasted delivery orders against this Indefinite Delivery/Indefinite Quantity contract are awarded and if we were to share equally with the other supplier in the awarded releases, the total value of the contract to us could be valued at approximately \$7.5 million over the next three years. In June 2009, we received an additional \$3.4 million dollar award from GDLS and in September 2009, an additional \$1.9 million award to provide product beginning with delivery starting in 2011 at the completion of our current production contract.

As a result of the October 14, 2008 acquisition of the assets of Optex Texas (Predecessor), our amortizable intangible assets increased significantly over the prior year. The non cash amortization of intangible assets has had a negative impact on our Gross Margin for 2009 as compared to 2008. In 2009, our anticipated intangible amortization expense is \$2 million and is expected to decline to \$1 million in 2010.

Backlog as of June 28, 2009 was \$31.7 million as compared to a backlog of \$45.6 million as of June 29, 2008. The following table depicts the current expected delivery by quarter of all contracts awarded as of June 28, 2009.

Program Backlog (000's)	2009		2010			2011				2012			2013	
	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1
Howitzer Programs	\$ 0.8	\$ 0.6	\$ 1.7	\$ 1.9	\$ 2.6	\$ 1.7	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Periscope Programs	2.2	2.0	2.1	2.0	1.3	1.3	0.6	0.7	0.5	0.5	0.9	0.8	-	-
Sighting Systems	1.2	0.4	0.2	0.1	0.1	-	-	-	-	-	-	-	-	-
All Other	1.6	1.2	1.1	0.4	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total	\$ 5.8	\$ 4.2	\$ 5.1	\$ 4.4	\$ 4.2	\$ 3.1	\$ 0.8	\$ 0.8	\$ 0.6	\$ 0.6	\$ 1.0	\$ 0.9	\$ 0.1	\$ 0.1

Virtually all of our contracts are prime or subcontracted directly with the Federal government and, as such, are subject to Federal Acquisition Regulation Subpart 49.5, "Contract Termination Clauses" and more specifically Federal Acquisition Regulation clauses 52.249-2 "Termination for Convenience of the Government Fixed-Price", and 49.504 "Termination of fixed-price contracts for default". These clauses are standard clauses on our prime military contracts and generally apply to us as subcontractors. It has been our experience that the termination for convenience is rarely invoked, except where it is mutually beneficial for both parties. We are currently not aware of any pending terminations for convenience or for default on our existing contracts.

By way of background, Federal Acquisition Regulation is the principal set of regulations that govern the acquisition process of government agencies and contracts with the U.S. government. In general, parts of the Federal Acquisition Regulation are incorporated into government solicitations and contracts by reference as terms and conditions effecting contract awards and pricing solicitations.

In the event a termination for convenience were to occur, these Federal Acquisition Regulation clause 52.249-2 provides for full recovery of all contractual costs and profits reasonably occurred up to and as a result of the terminated contract. In the event a termination for default were to occur, we could be liable for any excess cost incurred by the government to acquire supplies from another supplier similar to those terminated from us. We would not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the company as defined by Federal Acquisition Regulation clause 52.249-8. In addition, the Government may require us to transfer title and deliver to the Government any completed supplies, partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that we have specifically produced or acquired for the terminated portion of this contract. The Government shall pay contract price for completed supplies delivered and accepted, and we and the Government would negotiate an agreed upon amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree on an amount for manufacturing materials is subject to the Federal Acquisition Regulation Disputes clause 52.233-1.

In some cases, we may receive an "undefinitized" (i.e., price, specifications and terms are not agreed upon before performance commenced) contract award for contracts that exceed the \$650,000, which is the federal government simplified acquisition threshold. These contracts are considered firm contracts at an undefinitized, but not to exceed specified limits threshold. Cost Accounting Standards Board covered contracts are subject to the Truth in Negotiations Act disclosure requirements and downward only price negotiation. As of June 28, 2009, 12.3% of our outstanding backlog, or \$3.9 million of booked orders, fell under this criteria. Our experience has been that the historically negotiated price differentials have been minimal (5% or less) and accordingly, we do not anticipate any significant downward adjustments on these booked orders.

Three Months Ended June 28, 2009 (Successor) Compared to the Three Months Ended June 29, 2008 (Predecessor)

Revenues. In the three months ended June 28, 2009, revenues increased by 79.5% over the respective prior period:

Product Line	3 mos ended 6/28/2009 (Successor)	3 mos ended 6/29/2008 (Predecessor)	Change
Howitzer Programs	0.9	0.4	0.5
Periscope Programs	3.0	1.7	1.3
Sighting Systems	1.4	0.6	0.8
All Other	1.7	1.2	0.5
Total	7.0	3.9	3.1
<i>Percent increase</i>			79.5%

Revenues increased significantly across all product lines during the three months ended June 2009 as compared to the same period in 2008. Significant increases in sales of periscope product lines is attributable to increased demand by GDLS and U.S. government accelerated schedules, whereby, in consideration for increased pricing of approximately \$1 million, Optex Delaware agreed to accelerate the contract delivery schedule and deliver at higher volumes to support increased military service needs. Of the total periscope revenue increase, approximately 82% is attributable to increased product levels, as compared to 18% due to accelerated pricing. The ramp up included the addition direct labor headcount of approximately 8 employees, combined with dual sourcing of material on several key components needed to meet the increased production requirements. Based on our current backlog demand, we expect the periscope revenues to decline in the last half of 2009 as the accelerated orders near completion; however we expect the revenue on periscopes to remain strong in 2010 as we continue to quote and receive awards for additional periscopes from multiple customers.

Revenues in the Howitzer programs increased \$0.5 million over the same quarter in the prior year. During the third quarter of 2009, we worked aggressively with the US Government to resolved technical field issues related to two of our Howitzer programs and completed the First Article Testing and Acceptance requirements on a third, for which government acceptance approval was obtained on August 25, 2009. Technical issues experienced on the Howitzer product lines relate to problems with the government technical data and drawing package affecting the manufacturability of the products and the functionality of the product during field use and testing. These issues were resolved through Optex initiated engineering change proposals and customer changes to the statement of work. As of this date, the issues have been resolve and contract schedules modified accordingly to implement the required changes. With most of the technical and start up issues behind us on these programs, we expect to increase program deliveries on these programs during the last quarter of fiscal year 2009 continuing through 2010.

Sighting Systems revenues increased \$0.8 million over the prior year due to the delivery of higher quantities of U.S. government and GDLS sighting systems in the current quarter over prior quarter deliveries, offset with the reduction in shipments to Textron related to a program that ended in 2008.

Increases in the other product line of 42% or \$0.5 million for the three months ending June 28, 2009 are a result of increased foreign military sales for azimuth mirror assemblies of \$0.4 million combined with new business of \$0.1 million in window assemblies.

Cost of Goods Sold. During the quarter ended June 28, 2009, we recorded cost of goods sold of \$6.4 million as opposed to \$2.9 million during the quarter ended June 29, 2008, an increase of \$3.5 million or 82.6%. This increase in cost of goods sold was primarily associated with increased revenue on our periscope lines in support of higher backlog and accelerated delivery schedules, in addition to increased intangible amortization resulting from the acquisition of Optex Texas (Predecessor) assets from IRSN on October 14, 2008. The gross margin during the quarter ended June 28, 2009 (Successor) was 8.6% of revenues as compared to a gross margin of 25.6% for the quarter ended June 29, 2008 (Predecessor). Product margins decreased substantially to 15.7% for the quarter ended June 28, 2009 (Successor) versus 25.6% for the quarter ended June 29, 2008 (Predecessor) due to a shift in third quarter revenue mix toward less profitable contracts, combined with increased labor costs related to the reallocation of labor costs associated with 10 employees from general and administrative costs to manufacturing overhead in 2009. Margins were further impacted by higher intangible amortization allocable to cost of goods sold of \$0.4 million, and increased reserves for valuations and warranties of \$0.1 million, resulting in an overall increase in cost of goods sold of 7.1% of revenues in the quarter ended June 28, 2009.

G&A Expenses. During the three months ended June 28, 2009, we recorded operating expenses of \$ 0.8 million as opposed to \$ 1.2 million during the three months ended June 29, 2008, a decrease of \$0.4 million or 33.3%. The components of the significant net decrease in general and administrative expenses as compared to quarter ended June 29, 2008 are outlined below.

- Elimination of corporate cost allocations from IRSN of \$0.5 million and the IRSN Employee Stock Bonus Plan (ESBP) of \$0.1 million as a result of the ownership change.
- Increased costs of \$0.2 million in legal, accounting fees, board of directors fees, and investor relations.
- Lower Salaries and Wages and employee related costs of \$0.1 million primarily due to the reclassification of 10 purchasing and planning employees from general and administrative to manufacturing overhead in cost of sales. The annualized impact of the personnel move is expected to be a reduction in general and administrative expenses of approximately \$0.5 million with an offsetting increase to cost of goods sold.
- Increased Amortization of Intangible Assets of \$0.05 million as a result of the ownership change on October 14, 2008.

Loss from Operations. During the three months ended June 28, 2009, we recorded a loss from operations of \$(0.2) million, which was the same as the \$(0.2) million loss from operations during the three months ended June 29, 2008. The loss from operations includes a \$0.4 million increase in non-cash amortization of intangible assets as a result of the October 14, 2008 acquisition of the assets of Optex Texas (Predecessor).

Net Loss. During the three months ended June 28, 2009, we recorded a net loss of \$(0.3) million, as compared to \$(0.2) million for three months ended June 29, 2008, an increase of \$(0.1) million or 50.0%. Federal Income Taxes expense increased by \$0.5 million over the prior year as a result of increased profit before intangible amortization expense. The intangible amortization expense is amortized over 5 years for book purposes and is deductible over 15 years for income tax purposes. In 2008, there was no Federal Income Tax expense due to the loss from operations. Excluding the impact of the increased intangible expenses of \$0.5 million, we would have recorded net income of \$0.2 million for the three months ended June 28, 2009.

Predecessor period of September 29, 2008 through October 14, 2008 and Successor period of October 15, 2008 through June 28, 2009 Compared to the Predecessor Nine month period ended June 29, 2008

Revenues the For the nine months ended June 28, 2009 (Combined) revenues increased by 51.1% over the respective prior period (Predecessor) per the table below:

	Predecessor September 29, 2008 through October 14, 2008	Successor October 15, 2008 through June 28, 2009	Combined 9 mos. ended June 28, 2008	Predecessor 9 mos. ended June 29, 2009	Change
Revenue	\$ 0.9	\$ 20.1	\$ 21.0	\$ 13.9	\$ 7.1
<i>Percent increase</i>					<i>51.1%</i>

The table below details the revenue changes by product line in the nine months ended June 28, 2009.

Product Line	9 mos ended 6/28/2009 (Combined)	9 mos ended 6/29/2008 (Predecessor)	Change
Howitzer Programs	1.6	1.7	(0.1)
Periscope Programs	12.1	6.2	5.9
Sighting Systems	3.6	3.2	0.4
All Other	3.7	2.8	0.9
Total	21.0	13.9	7.1
<i>Percent increase</i>			<i>51.1%</i>

Revenues increased significantly across most of the product lines during the nine months ended June 2009 as compared to the same period in 2008. Significant increases in sales of periscope product lines is attributable to increased demand by GDLS and U.S. government accelerated schedules, whereby, in consideration for increased pricing of approximately \$1 million, Optex Delaware agreed to accelerate the contract delivery schedule and deliver at higher volumes to support increased military service needs. Of the total periscope revenue increase, approximately 82% is attributable to increased product levels, as compared to 18% due to accelerated pricing. The ramp up included the addition direct labor headcount of approximately 8 employees, combined with dual sourcing of material on several key components needed to meet the increased production requirements. During the first 9 months of 2009, Optex had delivered approximately 81% of the accelerated units, with the remaining units to be delivered through the first quarter of 2010. Based on our current backlog demand, we expect the periscope revenues to decline in the last half of 2009 as the accelerated orders near completion; however we expect the revenue on periscopes to remain strong in 2010 as we continue to quote and receive awards for additional periscopes from multiple customers.

Revenues in the Howitzer programs declined slightly by (\$0.1) million over the period in the prior year. During the third quarter of 2009, we worked aggressively with the US Government to resolved technical field issues related to two of our Howitzer programs and completed the First Article Testing and Acceptance requirements on a third, for which government acceptance approval was obtained on August 25, 2009. Technical issues experienced on the Howitzer product lines relate to problems with the government technical data and drawing package affecting the manufacturability of the products and the functionality of the product during field use and testing. These issues were resolved through Optex initiated engineering change proposals and customer changes to the statement of work. As of this date, the issues have been resolve and contract schedules modified

accordingly to implement the required changes. With most of the technical and start up issues behind us on these programs, we expect to increase program deliveries on these programs during the last quarter of fiscal year 2009 continuing through 2010.

Sighting Systems revenues increased \$0.4 million over the prior year due to the delivery of higher quantities of U.S. government and GDLS sighting systems in the current quarter over prior quarter deliveries, offset with the reduction in shipments to Textron related to a program that ended in 2008.

Increases in the other products of 32% or \$0.9 million for the nine months ending June 28, 2009 are a result of increased foreign military sales for azimuth mirror assemblies of \$0.4 million combined with new business of \$0.1 million in window assemblies and increased volume on spare award awards in the current year over prior year.

Cost of Goods Sold. During the Predecessor period from September 29, 2008 through October 14, 2008, we recorded cost of goods sold of \$0.8 million and during the Successor period from October 15 through June 28, 2009 we recorded cost of goods sold of \$18.0 million for a total cost of good sold during the nine month period of \$18.8 million as compared, to \$11.7 million during the nine months ended June 29, 2008, an increase of \$7.1 million or 60.7%. This increase in cost of goods sold was primarily associated with increased revenue on certain of our product lines in support of higher backlog and accelerated delivery schedules and increased intangible amortization resulting from the acquisition of the assets of Optex Texas (Predecessor) on October 14, 2008. The gross margin during the Predecessor period beginning September 29, 2008 through October 14, 2008 was \$0.1 million and the gross margin for the Successor period beginning October 15, 2008 through June 28, 2009 was \$2.1 million for a total of \$2.2 million or 10.5% of revenues as compared to a gross margin of 15.8% for the nine months ended June 29, 2008. Product gross margins were down 0.4% to 17.6% for the period ended June 28, 2009 versus 18.0% for the nine months ended June 29, 2008 due to a shift in revenue mix toward less profitable contracts for certain programs, combined with increased labor related to the reallocation of costs associated with 10 employees from the general and administrative costs to manufacturing overhead in 2009. Margins were further impacted by higher intangible amortization allocable to cost of goods sold of \$0.9 million, and increased reserves for valuations and warranties of \$0.3 million, resulting in an overall increase in cost of goods sold of 7.1% of revenues in the period ended June 28, 2009 as compared to the nine months ended June 29, 2008.

G&A Expenses. During the Predecessor period from September 29, 2008 through October 14, 2008 we recorded operating expense of \$0.1 million and during the period from October 15, 2008 through June 28, 2009, we recorded operating expenses of \$2.0 million for a total of \$2.1 million for the nine months ended June 28, 2009 as opposed to \$3.7 million during the nine months ended June 29, 2008, a decrease of \$1.6 million or 43.2%. The components of the significant net decrease in general and administrative expenses as compared to the nine months ended June 29, 2008 are outlined below.

- Elimination of corporate cost allocations from IRSN of \$1.5 million and the IRSN Employee Stock Bonus Plan of \$0.3 million as a result of the ownership change.
- Increased costs of \$0.4 million in legal, accounting fees, board of director fees, and investor relations
- Lower Salaries and Wages and employee related costs of \$0.3 million primarily due to the reclassification of 10 purchasing and planning employees from general and administrative to manufacturing overhead in cost of sales. The annualized impact of the personnel move is expected to be a reduction in general and administrative expenses of approximately \$0.5 million with an offsetting increase to costs of goods sold. This decrease was partially offset by the expense associated with the implementation of a Management Incentive Bonus plan in 2009 of (\$0.1) million for a net change of \$0.2 million to general and administrative salaries, wages and related employee expenses.
- Increased Amortization of Intangible Assets of \$0.1 million as a result of the ownership change as of October 14, 2008.

Income (Loss) from Operations. During the Predecessor period from September 29, 2008 through October 14, 2008 we recorded income from operations of \$0.07 million and for the Successor period from October 15, 2008 through June 28, 2009, we recorded a loss from operations of \$(0.09) million for a total net loss of \$(0.02) million during the nine month period as opposed to a loss from operations of \$(1.5) million during the nine months ended June 29, 2008. This improvement was primarily due to increased sales revenue in the period ended June 28, 2009, combined with reduced general and administrative expenses driven by the elimination of IRSN corporate costs pushed down to us in the nine months ended June 29, 2008. The current year loss from operations also includes \$1.1 million of non cash amortization of intangible assets as a result of the October 14, 2008 acquisition transaction.

Net Income (Loss). During the Predecessor period from September 29, 2008 through October 14, 2008 we recorded net income of \$0.06 million for the period beginning October 15, 2008 through June 28, 2009, we recorded a net loss of \$(0.73) million for a total net loss of \$(0.67) million during the nine months ended June 28, 2009, as compared to \$(1.6) million for nine months ended June 29, 2008, a decrease in net loss of \$0.93 million or 58.1%. This decrease in net loss was principally the result of reduced operating expenses related to the elimination of corporate cost allocations from IRSN since the successor operating as a stand-alone entity did not incur these costs in the nine months ended June 29, 2008 combined with increased revenue in the period ending June 28, 2009. Federal Income Tax expense increased by \$0.5 million over the prior year as a result of increased profit before intangible amortization expense. The intangible amortization expense is amortized over five years for book purposes and is deductible over 15 years for income tax purposes. In 2008, there was no Federal Income Tax expense due to the loss from operations. Excluding the impact of the increased intangible expenses of \$1.5 million, we would have recorded net income of \$0.8 million for the nine month period ending June 28, 2009.

Year Ended September 28, 2008 (Predecessor) Compared to Year Ended September 30, 2007 (Predecessor)

For the year ended September 28, 2008 revenues increased by 29.9% over the respective prior year per the table below:

	12 mos ended 9/28/2008	12 mos ended 9/30/2007	Change
Howitzer Programs	2.4	-	2.4
Periscope Programs	9.6	7.3	2.3
Sighting Systems	4.0	5.8	(1.8)
All Other	4.0	2.3	1.7
Total	20.0	15.4	4.6
<i>Percent increase</i>			<i>29.9%</i>

Revenues increased 29.9% or \$2.4 million in the year ended September 28, 2008 from the prior year due to reaching full production on the M137 Howitzer program, \$1.7 million combined with additional revenue of \$0.7 million due to an equitable adjustment for start up costs on the M187 Howitzer program. In March of 2008, The Department of the Army, TACOM-Rock Island awarded Optex Systems an equitable adjustment contract modification in support of the M187 Howitzer program. The equitable price adjustment had been requested by Optex Systems due to significant non-recurring incurred costs related to the start up on the program associated with deficiencies in the government provided design and technical data package provided during the original contract negotiation and award. These deficiencies caused significant cost overruns in materials, labor and other direct contract costs as a result of higher scrap, obsolete inventories, increased engineering effort, production delays and unabsorbed overhead costs incurred in 2007 and early 2008. The equitable adjustment totaled \$1.6 million and was split between recovery of Optex program to date expended costs of \$0.7 million and future price increases of \$0.8 million. In March 30, 2008, Optex recognized \$0.7 million in revenues directly attributable to the non recurring portion of the equitable adjustment for costs incurred thru March of 2008, with the remaining \$0.9 million adjustment to be recognized as a unit price increase on deliveries through 2010.

Periscope revenues increased \$2.3 million due to increased production to meet higher delivery schedules from the U.S. Government and GDLS. Sighting system revenues declined \$1.8 million due to completion of one of our major system contracts in the second quarter of 2008. Other products increased \$1.7 million due to significantly increased revenues of Navy binoculars \$0.8 million and increased deliveries for assorted optical spare parts and assemblies \$0.9 million over the prior year.

Cost of Goods Sold. During the year ended September 28, 2008, we recorded cost of goods sold of \$18.1 million as opposed to \$17.4 million during the year ended September 30, 2007, an increase of \$0.7 million or 4.5%. This increase in cost of goods sold was primarily due to increased revenues of \$4.6 million. The margins on the increased revenue is significantly improved over the year ended September 30, 2007 due to equitable price adjustments and accelerated schedule consideration received in the year ended September 2008 on certain programs. Additionally, the gross margin for the year ended September 30, 2007 included significant contract loss reserves, excess and obsolescence and other non recurring inventory adjustments related to unrecoverable costs increases on fixed price contracts.

G&A Expenses. General and Administrative expenses were \$5.0 million in the year ended 2008 versus \$4.9 million in the year ended 2008, an increase \$0.1 million or 2.0%. The significant components of the net increase are outlined below.

- Decrease in legal and accounting fees of \$0.2 million as a result of reduced auditing expenses related to 2008 annual physical inventory and higher legal expenses in 2007 related to securing a \$2 million note from Tim Looney.
- Salaries and wages and employee related costs changed by \$0.0 in the year ended 2008 versus the year ended 2007. Salaries increased 4%, or \$0.03 million in the year ended September 28, 2008 as compared to the year ended September 30, 2007. This increase was primarily due to personnel changes combined with annual salary and wage increases of approximately 3%. Employee benefits declined by 15% or \$(0.03) million in the year ended September 28, 2008 due to personnel changes at the end of 2007 whereas two key executive employees received all accrued vacation as of their departure at the end September, 2007.
- Consulting and contract service fees increased by \$0.1 million in 2008 over 2007 due to services used in support of attaining ISO 9000 certification in 2008, in addition to executive services charged to Optex Texas by IRSN for organizational oversight until replacements were secured for executives leaving Optex as of September 30, 2007.

Loss from Operations. During the year ended September 28, 2008, we recorded a loss of \$(3.1) million as opposed to \$(6.8) million during the year ended September 30, 2007, a decrease of \$3.7 million or 54.4%. This decrease in the loss from operations was primarily due to the negotiation of several equitable price adjustments and other consideration on accelerated delivery

schedules in the year ended September 28, 2008. Additionally, for the year ended September 30, 2007 non-recoverable cost increases on fixed price contracts resulted in significant contract loss and excess and obsolete inventory reserves as discussed above in cost of goods sold. These losses were partially offset in 2008 with equitable price adjustments negotiated with the customer.

Net Loss. During the year ended September 28, 2008, we recorded a net loss of \$(4.8) million, as compared to \$(6.8) million for year ended September 30, 2007, an improvement of \$2.0 million or 29.4%. This decrease in net loss was principally the result of increased revenues and negotiated equitable and other price adjustments discussed above, partially offset by a \$1.6 million adjustment for the impairment of goodwill, Goodwill was reviewed as of September 28, 2008 and adjusted based upon the most recent value of the company as determined by the sale to third party purchasers on October 14, 2008.

Liquidity and Capital Resources

We have historically met our liquidity requirements from a variety of sources, including government and customer funding through contract progress bills, short term loans, and notes from related parties. Based upon our current working capital position and potential for expanded business revenues, we believe that our working capital is sufficient to fund our current operations for the next 12 months. However, based on our strategy and the anticipated growth in our business, we believe that our liquidity needs may increase in the future. The amount of such increase will depend on many factors, including the costs associated with the fulfillment of our projects, whether we upgrade our technology, and the amount of inventory required for our expanding business. If our liquidity needs do increase, we believe additional capital resources will be derived from a variety of sources including, but not limited to, cash flow from operations and further private placements of our common stock and/or debt and possible receivables funding through a commercial lender.

Predecessor period of September 29, 2008 through October 14, 2008

Cash and Cash Equivalents. As of October 14, 2008, Optex Texas (Predecessor) had cash and cash equivalents of \$0.3 million, an increase of \$0.1 million from the year ended September 29, 2008. The slight increase in cash over September 29, 2008 balances were primarily due to the timing of cash receipts on accounts receivable collections and supplier payments made as of the October 14th Optex Delaware acquisition. The cash balance as of October 14, 2009 is included as the beginning cash balance for Optex Delaware (Successor) as of October 15, 2008.

Net Cash Provided by Operating Activities. Net cash provided by operating activities totaled \$0.1 million for the Predecessor period of September 29, 2008 through October 14, 2008. Cash provided by operating activities was primarily due to the timing of purchases and accounts receivable collections during the 15 day period prior the Delaware acquisition. During this period, our net inventory increased by \$0.9 million to support substantially increased production rates across all of our product lines and our accounts receivable decreased \$(1.0) million due to timing of collections from one of our major customers in the second week of October, 2008. Accounts payable and accrued expenses decreased by \$(0.2) million due to the timing of cash disbursements prior to the acquisition.

Net Cash Used in Investing Activities. Net cash used in investing activities totaled \$0.00 million during the Predecessor period beginning September 29, 2008 and ending October 14, 2008. Optex Systems Holdings's business is labor intensive and we purchase equipment as it becomes necessary.

Net Cash Provided By Financing Activities. Net cash provided by financing activities totaled \$0.0 million during the Predecessor period beginning September 29, 2008 and ending October 14, 2008.

Successor period of October 15, 2008 through June 28, 2009

Cash and Cash Equivalents. As of June 28, 2009, we had cash and cash equivalents of \$0.5 million. During the Successor period of October 15, 2008 through June 28, 2009 we increased cash and cash equivalents by \$0.2 million primarily due to the net proceeds received by us in the private placement. A portion of the private placement proceeds was used to acquire additional inventory in support of the higher revenue and production rates during the period and which are expected to continue through year end.

Net Cash Used in Operating Activities. Net cash used in operating activities during the Successor period beginning October 15, 2008 and ending June 28, 2009 totaled \$(0.4) million. The primary uses of cash during this period relate to the timing of purchases, accelerated collections on government contracts, and the timing of payments to vendors. Accelerated collections of government contracts was accomplished by offering nominal discounts for prompt payment. Federal Acquisition Regulation Clause 52.232-8 "Discounts for Prompt Payment" permits the offer of nominal discounts on payment terms for government contracts in order to expedite invoice payment. Because many of our programs incur significant, long lead times from material acquisition through production and shipment, it is the standard policy of Optex Delaware to offer a 0.5% discount for all government invoices paid in net 10 days or less. The normal payment terms on these contracts are net 30. The foregone revenues as a result of the discounted payments equate to less than 0.1% of total revenue reported during the same period. In the period beginning October 15, 2008 and ending June, 28, 2009, our net inventory increased by \$1.6 million to support substantially increased production rates across all of our product lines. A large portion of these inventories are progress billable costs and as such were billed to our customer as costs were incurred. As of June 28, 2009, our accounts receivable included approximately \$1.5 million in unpaid outstanding progress bills related to these programs, which were paid in July 2009. We expect similar cash flows from operations until at least mid 2010 when our low margin legacy periscope programs are anticipated to end and are replaced with other significant programs as they reach level production rates.

Net Cash Provided by Investing Activities. In the Successor period beginning October 15, 2008 and ending June 28, 2009, net cash provided by investing activities totaled \$0.24 million and consisted of cash acquired during the Optex Delaware Predecessor acquisition as of October 14, 2009 of \$0.25 million and cash used to purchase equipment of \$(0.01) million during the period.

Net Cash Provided By Financing Activities. Net cash provided by financing activities totaled \$0.7 million during the period beginning October 15, 2008 through June 28, 2009, The change of \$0.7 million is due to receipt of the private placement funds of \$0.9 million offset by funds used to repay outstanding loans of \$(0.2) million. We raised funds through a private placement for working capital needs, primarily inventory purchases, and additional personnel so support increased revenue and production rates during the period.

For the 12 months ended September 28, 2008 (Predecessor)

Cash and Cash Equivalents. As of September 28, 2008, the Predecessor had cash and cash equivalents of \$0.2 million compared to \$0.5 million in 2007. The decrease in cash and cash equivalents was primarily due to the timing of payments to suppliers against the open accounts payable balance versus collections of open accounts receivable balances as of year end.

Net Cash Used in Operating Activities. For the year ended September 28, 2008, the Predecessor used \$0.6 million of net cash in operating activities, as compared to using \$1.5 million of net cash in operating activities during 2007. The primary change was the timing of purchases, accelerated collections on government contracts, and the timing of payments to vendors. In the twelve months ending September, 28, 2008, the Predecessor's net inventory decreased by \$1.7 million due to higher shipments in 2008 of inventories on hand as of the end of 2007. Accounts receivable declined by \$0.4 million in 2008 primarily due to aggressive non US government collections and accelerated collections on government contracts. The accelerated collections of government contracts was accomplished by offering nominal discounts for prompt payment. Federal Acquisition Regulation Clause 52.232-8 "Discounts for Prompt Payment" permits the offer of nominal discounts on payment terms for government contracts in order to expedite invoice payment. Because many of our programs incur significant, long lead times from material acquisition through production and shipment, it is the standard policy to offer a 0.5% discount for all government invoices paid in net 10 days or less. The normal pay terms on these contracts is net 30. The foregone revenues as a result of the discounted payments equate to less than 0.1% of total revenue reported during the same period. Due to the increased revenues and collections, combined with reductions in inventory, the Predecessor was able to decrease the outstanding accounts payable and accrued expense balances by 30% or \$1.1 million during 2008.

Net Cash Used in Investing Activities. Net cash used in investing activities totaled \$0.1 million during the 12 months ended September 28, 2008, as compared to net cash used in investing activities of \$0.06 million during the 12 months ended September 30, 2007 and consisted of equipment purchases. Optex Systems Holdings's business is labor intensive and the Predecessor purchased equipment as it became necessary.

Net Cash Provided By Financing Activities. Net cash provided by financing activities totaled \$0.4 million during the 12 months ended September 28, 2008, as compared to net cash provided by financing activities of \$2.0 million during the 12 months ended September 30, 2007. The Predecessor raised funds for working capital needs through short-term loans.

Critical Policies and Accounting Pronouncements

Stock-Based Compensation: In December 2004, the Financial Accounting Standards Board issued SFAS No. 123R, *Share-Based Payment*. SFAS No. 123R establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. SFAS No. 123R focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. SFAS No. 123R requires that the compensation cost relating to share-based payment transactions be recognized in the financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued.

The Company's accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of EITF 96-18, "Accounting for Equity Instruments That are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services" and EITF 00-18, "Accounting Recognition for Certain Transactions Involving Equity Instruments Granted to Other Than Employees." The measurement date for the fair value of the equity instruments issued is determined at the earlier of (i) the date at which a commitment for performance by the consultant or vendor is reached or (ii) the date at which the consultant or vendor's performance is complete. In the case of equity instruments issued to consultants, the fair value of the equity instrument is recognized over the term of the consulting agreement. Stock-based compensation related to non-employees is accounted for based on the fair value of the related stock or options or the fair value of the services, whichever is more readily determinable in accordance with SFAS 123R.

Revenue Recognition. Optex Systems Holdings recognizes revenue based on the modified percentage of completion method utilizing the units-of-delivery method, in accordance with SOP 81-1:

- *The units-of-delivery method* recognizes as revenue the contract price of units of a basic production product delivered during a period and as the cost of earned revenue the costs allocable to the delivered units; costs allocable to undelivered units are reported in the balance sheet as inventory or work in progress. The method is used in circumstances in which an entity produces units of a basic product under production-type contracts in a continuous or sequential production process to buyers' specifications.

Our contracts are fixed price production type contracts whereas a defined order quantity is delivered to the customer in a continuous or sequential production process in accordance with buyer specifications (build to print). Our deliveries against these contracts generally occur in monthly increments across fixed delivery periods typically spanning from 3 to 36 months.

Warranty Costs: Optex Delaware warrants the quality of its products to meet customer requirements and be free of defects for twelve months subsequent to delivery. On certain product lines the warranty period has been extended to 24 months due to technical considerations incurred during the manufacture of such products. In the year ended September 28, 2008 and nine months ended June 28, 2009, the company incurred \$227,000 and \$87,446, respectively of warranty expenses representing the estimated cost of repair or replacement for specific customer returned products still covered under warranty as of the return date and awaiting replacement, in addition to estimated future warranty costs for shipments occurring during the twelve months proceeding September 28, 2008. Future warranty costs were determined, based on estimated cost of replacement for expected returns based upon our most recent experience rate of defects as a percentage of sales. Prior to fiscal year 2008, all warranty expenses were incurred as product was replaced with no reserve for warranties against deliveries in the covered period.

On certain periscope product lines the warranty period has been extended from 15 to 24 months due to technical considerations incurred during the manufacture of such products. During June of 2008, Optex Delaware experienced an internal control test failure related to the laser filters used on one of the periscope products. As a result of the internal test failure, Optex implemented a manufacturing process change to eliminate the potential for future failures. We believe the internal control test environment to be significantly more stringent than that which would occur under field conditions, however as a result of the internal test failure and manufacturing process change, we extended our warranty for all product shipped prior to the implemented change. As of the date of this report, Optex Delaware has not received any warranty claims as a result of the condition.

Estimated Costs at Completion and Accrued Loss on Contracts: Optex Delaware reviews and reports on the performance of its

contracts and production orders against the respective resource plans for such contracts/orders. These reviews are summarized in the form of estimates at completion which include Optex Delaware's incurred costs to date against the contract/order plus management's current estimates of remaining amounts for direct labor, material, other direct costs and subcontract support and indirect overhead costs based on the completion status and future contractual requirements for each order. If an estimate at completion indicates a potential overrun loss) against a fixed price contract/order, management generally seeks to reduce costs and /or revise the program plan in a manner consistent with customer objectives in order to eliminate or minimize any overrun and to secure necessary customer agreement to proposed revisions.

If an estimates at completion indicates a potential overrun against budgeted resources for a fixed price contract/order, management first attempts to implement lower cost solutions to still profitably meet the requirements of the fixed price contract. If such solutions do not appear practicable, management makes a determination whether to seek renegotiation of contract or order requirements from the customer. If neither cost reduction nor renegotiation appears probable, an accrual for the contract loss/overrun is recorded against earnings and the loss is recognized in the first period the loss is identified based on the most recent estimates at completion of the particular contract or product order.

Government Contracts: Virtually all of our contracts are prime or subcontracted directly with the Federal government and as such, are subject to Federal Acquisition Regulation Subpart 49.5, "Contract Termination Clauses" and more specifically Federal Acquisition Regulation clauses 52.249-2 "Termination for Convenience of the Government (Fixed-Price)", and 49.504 "Termination of fixed-price contracts for default". The ramifications of these termination clauses are discussed above in "Results of Operations".

Recent Accounting Pronouncements.

In June 2006, The FASB issued Interpretation No. 48 "*Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109*". This Interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB No. 109, "*Accounting for Income Taxes*". FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The adoption of FIN 48 did not have a material impact on Optex Systems Holdings' consolidated financial position, results of operations, or cash flows.

In September 2006, the FASB issued FASB No. 157, "*Fair Value Measurements*" which establishes a framework for measuring fair value, and expands disclosures about fair value measurements. While FASB No. 157 does not apply to transactions involving share-based payment covered by FASB No. 123, it establishes a theoretical framework for analyzing fair value measurements that is absent from FASB No. 123. We have relied on the theoretical framework established by FASB No. 157 in connection with certain valuation measurements that were made in the preparation of these financial statements. FASB No. 157 is effective for years beginning after November 15, 2007. Subsequent to the Standard's issuance, the FASB issued an exposure draft that provides a one year deferral for implementation of the Standard for non-financial assets and liabilities. We are currently evaluating the impact FASB No. 157 will have on its financial statements.

In February 2007, Statement of Financial Accounting Standards No. 159, "*The Fair Value Option for Financial Assets and Financial Liabilities-Including an Amendment of FASB Statement No. 115,*" was issued. This standard allows a company to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and financial liabilities on a contract-by-contract basis, with changes in fair value recognized in earnings. The provisions of this standard are effective as of the beginning of our fiscal year 2008, with early adoption permitted. We are currently evaluating what effect the adoption of FASB 159 will have on its financial statements.

In March 2007, the Financial Accounting Standards Board ratified "EITF" Issue No. 06-10, "Accounting for Collateral Assignment Split-Dollar Life Insurance Agreements". EITF 06-10 provides guidance for determining a liability for the postretirement benefit obligation as well as recognition and measurement of the associated asset on the basis of the terms of the collateral assignment agreement. EITF 06-10 is effective for fiscal years beginning after December 15, 2007. We are currently evaluating the impact of EITF 06-10 on its financial statements, but does not expect it to have a material effect.

In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations* and SFAS No. 160, *Accounting and Reporting of Noncontrolling Interest in Consolidated Financial Statements, an amendment of ARB No. 51*. These new standards will significantly change the accounting for and reporting of business combinations and non-controlling interests in consolidated financial statements. Statement Nos. 141(R) and 160 are required to be adopted simultaneously and are effective for the first annual reporting period beginning on or after December 15, 2008. Earlier adoption is prohibited. Optex Systems Holdings is currently evaluating the impact of adopting SFAS Nos. 141(R) and SFAS 160 on its financial statements.

In December 2007, the SEC issued Staff Accounting Bulletin No. 110. SAB 110 permits companies to continue to use the simplified method, under certain circumstances, in estimating the expected term of “plain vanilla” options beyond December 31, 2007. SAB 110 updates guidance provided in SAB 107 that previously stated that the Staff would not expect a company to use the simplified method for share option grants after December 31, 2007.

In March 2008, FASB issued Statement of Financial Accounting Standard No. 161, *Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133*. SFAS 161 requires enhanced disclosures about an entity’s derivative and hedging activities. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008 with early application encouraged. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the fiscal year ended September 30, 2009. Optex Systems Holdings is currently evaluating the impact of SFAS 161 on its financial statements but does not expect it to have a material effect.

In May 2008, FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles*. SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. SFAS 162 is effective 60 days following the SEC’s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*. Optex Systems Holdings is currently evaluating the impact of SFAS 162 on its consolidated financial statements but does not expect it to have a material effect.

In May 2008, FASB issued SFAS No. 163, *Accounting for Financial Guarantee Insurance Contracts—an interpretation of FASB Statement No. 60*. SFAS 163 interprets Statement 60 and amends existing accounting pronouncements to clarify their application to the financial guarantee insurance contracts included within the scope of that Statement. SFAS 163 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the fiscal year ended September 30, 2011. Optex Systems Holdings is currently evaluating the impact of SFAS 163 on its financial statements but does not expect it to have a material effect.

In June 2008, FASB issued FASB Staff Position EITF 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities*. FSP EITF 03-6-1 clarifies that share-based payment awards that entitle their holders to receive nonforfeitable dividends or dividend equivalents before vesting should be considered participating securities. As participating securities, we will be required to include these instruments in the calculation of our basic earnings per share, and we will need to calculate basic earnings per share using the "two-class method." Restricted stock is currently included in our dilutive earnings per share calculation using the treasury stock method. The two-class method of computing earnings per share is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared (or accumulated) and participation rights in undistributed earnings. FSP EITF 03-6-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the fiscal year ending October 3, 2010. Optex Systems Holdings does not expect adoption of FSP EITF 03-6-1 to have a material effect on Optex Systems Holdings’ financial statements.

In May 2009, “FASB issued SFAS No. 165, "*Subsequent Events*". SFAS 165 establishes principles and requirements for the reporting of events or transactions that occur after the balance sheet date, but before financial statements are issued or are available to be issued. SFAS 165 is effective for financial statements issued for fiscal years and interim periods ending after June 15, 2009. As such, Optex Systems Holdings adopted these provisions at the beginning of the interim period ended June 28, 2009. Adoption of SFAS 165 did not have a material effect on Optex Systems Holdings’ financial statements.

In June 2009, FASB issued SFAS No. 168, "*The FASB Accounting Standards Codification™ and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162*". SFAS 168 replaces Statement 162 and to establish the FASB Accounting Standards Codification™ as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. SFAS 168 is effective for financial statements issued for fiscal years and interim periods ending after September 15, 2009. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the period ending September 27, 2009. We do not expect adoption of SFAS 168 to have a material effect our financial statements.

Cautionary Factors That May Affect Future Results

This registration statement on Form S-1 and other written reports and oral statements made from time to time by Optex Systems Holdings may contain so-called “forward-looking statements,” all of which are subject to risks and uncertainties. You can identify these forward-looking statements by their use of words such as “expects,” “plans,” “will,” “estimates,” “forecasts,” “projects” and other words of similar meaning. You can identify them by the fact that they do not relate strictly to historical or current facts. These statements are likely to address Optex Systems Holdings’ growth strategy, financial results and product and development programs. You must carefully consider any such statement and should understand that many factors could cause actual results to differ from Optex Systems Holdings’ forward-looking statements. These factors include inaccurate assumptions and a broad variety of other risks and uncertainties, including some that are known and some that are not. No forward-looking statement can be guaranteed and actual future results may vary materially.

We do not assume the obligation to update any forward-looking statement. You should carefully evaluate such statements in light of factors described in this prospectus. In this prospectus Optex Systems Holdings has identified important factors that could cause actual results to differ from expected or historic results. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete list of all potential risks or uncertainties.

BUSINESS

Background

Sustut Exploration, Inc.

Sustut was a Delaware corporation formed on April 11, 2006.

reorganization

On March 30, 2009, a reorganization occurred whereby the then existing shareholders of Optex Delaware exchanged their shares of Optex Delaware common Stock with the shares of common stock of Optex Systems Holdings as follows: (i) the outstanding 85,000,000 shares of Optex Delaware common stock were exchanged for 113,333,282 shares of Company common stock, (ii) the outstanding 1,027 shares of Optex Delaware Series A preferred stock were exchanged for 1,027 shares of Company Series A preferred stock and (iii) the 8,131,667 shares of Optex Delaware common stock purchased in the private placement were exchanged for 8,131,667 shares of Company common stock. Optex Delaware has remained a wholly-owned subsidiary of Company, and the Optex Delaware shareholders are now shareholders of Optex Systems Holdings. As a result of the reorganization, Sileas beneficially owns approximately 72.54% of the issued and outstanding common stock of Optex Systems Holdings and Arland owns 5.81% of the issued and outstanding common stock of Optex Systems Holdings. Furthermore, at the time of the reorganization, Andrey Oks resigned as the sole officer and director of the Optex Systems Holdings. Additionally, Stanley Hirschman, Ronald Richards and Merrick Okamoto were appointed its Directors, and Stanley Hirschman, Danny Schoening and Karen Hawkins were appointed as its President, COO and V.P. of Finance/Controller, respectively.

Prior to the closing under the reorganization agreement, Optex Systems Holdings accepted subscriptions from accredited investors for a total 27.1 units, for \$45,000 per unit, with each unit consisting of 300,000 shares of common stock of Optex Systems Holdings and warrants to purchase 300,000 shares of common Stock for \$0.45 per share for a period of five years from the initial closing, which were issued by Optex Systems Holdings after the closing referenced above. Gross proceeds to Optex Systems Holdings were \$1,219,750, and after deducting (i) a cash finder's fee of \$139,555, (ii) non-cash consideration of indebtedness owed to an investor of \$146,250, and (iii) stock issuance costs of \$59,416, the net proceeds were \$874,529. The finder also received five year warrants to purchase 2.39 units, at an exercise price of \$49,500 per unit.

Contracts

Each contract with Optex Systems Holdings' customers has specific quantities of material that need to be purchased, assembled, and finally shipped. Prior to bidding a contract, Optex Systems Holdings contacts potential sources of material and receives qualified quotations for this material. In some cases, the entire volume is given to a single supplier and in other cases, the volume might be split between several suppliers. If a contract has a single source supplier and that supplier fails to meet their obligations (e.g., quality, delivery), then Optex Systems Holdings would attempt to find an alternate supplier and bring this information back to the final customer. Contractual deliverables would then be re-negotiated (e.g., specifications, delivery, price.). Currently, approximately 28% of our total material requirements are single sourced across 21 suppliers representing approximately 20% of our active supplier base. Single sourced component requirements span across all of our major product lines. Of these single sourced components, we have material contracts (purchase orders) with firm pricing and delivery schedules in place with each of the suppliers to supply parts in satisfaction of our current contractual needs.

Optex Systems Holdings is responsible for full compliance with Federal Acquisition Regulation . Upon award, the contract may identify certain regulations that Optex Systems Holdings needs to meet. For example, one contract may be for a fixed quantity to be delivered all on a certain date. Other contracts may be over a multi-year period and for a range of quantities. The Federal Acquisition Regulation will identify the specific regulations that Optex Systems Holdings must follow based on the type of contract awarded. The full text of the Federal Acquisition Regulation System is located at 48 CFR section 1 [et seq.](#)

The following table summarizes the regulations which have material significance to Optex Systems Holdings.

Regulation	Summary
Federal Acquisition Regulation (FAR)	The principal set of rules in the Federal Acquisition Regulation System. This system consists of sets of regulations issued by agencies of the Federal government of the United States to govern what is called the "acquisition process," which is the process through which the government purchases ("acquires") goods and services. That process consists of three phases: (1) need recognition and acquisition planning, (2) contract formation, and (3) contract administration. The FAR System regulates the activities of government personnel in carrying out that process. It does not regulate the purchasing activities of private sector firms, except to the extent that parts of it are incorporated into government solicitations and contracts by reference.
International Traffic in Arms Regulations (ITAR)	United States government regulations that control the export and import of defense-related articles and services on the United States Munitions List. These regulations implement the provisions of the Arms Export Control Act, and are described in Title 22 (Foreign Relations), Chapter I (Department of State), Subchapter M of the Code of Federal Regulations.
Truth in Negotiations Act (TINA)	A public law enacted for the purpose of providing for full and fair disclosure by contractors in the conduct of negotiations with the Government. The most significant provision included in TINA is

the requirement that contractors submit certified cost and pricing data for negotiated procurements above a defined threshold, currently \$650,000. Requires contractors to provide the Government with an extremely broad range of cost or pricing information relevant to the expected costs of contract performance. Requires contractors and subcontractors to submit cost or pricing data to Government and to certify that, to the best of their knowledge and belief, the data are current, accurate, and complete.

False Claims Act (Lincoln Law)

The False Claims Act (31 U.S.C. § 3729–3733, also called the "**Lincoln Law**") is an American federal law which allows people who are not affiliated with the government to file actions against federal contractors claiming fraud against the government. The Act provides a legal tool to counteract fraudulent billings turned in to the Federal Government. Claims under the law have been filed by persons with insider knowledge of false claims which have typically involved health care, military, or other government spending programs.

Executive Order 11246

The Executive Order requires covered contractors and subcontractors to refrain from discrimination and to engage in affirmative steps to ensure that applicants and employees receive equal employment opportunity regardless of race, color, religion, sex, and/or national origin.

Fair Labor Standards Act (FLSA)

The Act requires employers of covered employees who are not otherwise exempt to pay these employees a minimum wage of not less than \$7.25 per hour effective July 24, 2009. In addition, the Act requires employers to pay covered employees not less than one and one-half times their regular rate of pay for all hours worked in excess of 40 in a workweek, unless the employees are otherwise exempt.

Walsh-Healy Public Contracts Act

United States federal law which protects employees of government contractors whose contracts exceed USD 10,000. For these employees, it establishes overtime as hours worked in excess of 8 hours per day or 40 hours per week, sets the minimum wage equal to the prevailing wage in an area, and sets standards for child and convict labor, as well as job sanitation and safety standards.

Employee Retirement Income Security Act (ERISA)

ERISA sets uniform minimum standards to ensure that employee benefit plans are established and maintained in a fair and financially sound manner. In addition, employers have an obligation to provide promised benefits and satisfy ERISA's requirements for managing and administering private retirement and welfare plans.

Occupational Safety and Health Act (OSH Act)

The Act assigns OSHA two regulatory functions: setting standards and conducting inspections to ensure that employers are providing safe and healthful workplaces. OSHA standards may require that employers adopt certain practices, means, methods, or processes reasonably necessary and appropriate to protect workers on the job. Employers must become familiar with the standards applicable to their establishments and eliminate hazards.

The material terms of our five largest contracts are as follows:

Customer	Customer PO/Contract	Contract Type	Contract Quantities		Total Award Value (3)	Progress		Delivery Period
			Min Qty	Max Qty		Billable Y/N (1)	Order Period Expiration	
General Dynamics Land Systems	PCL860000 thru PCL860005 (Multiple Prime Contracts)	1 year blanket order with Fixed Qty Contract releases which include ability to increase or decrease Qty on each release up to 20% from PO release quantity.	N/A	N/A	\$ 14,813,100	Yes	Expired	Dec 2007 - Jan 2011
TACOM - ROCK ISLAND	W52H09-05-D-0260	5 Year Firm Fixed Price IDIQ	138	2,100	\$ 7,244,396	Yes	30-Jun-2010	Oct 2007-Jan 2011
TACOM - ROCK ISLAND	W52H09-05-D-0248	5 Year Firm Fixed Price IDIQ	138	1,250	\$ 5,006,119	Yes	30-Jun-2010	Apr 2007- Jul 2010
TACOM - ROCK ISLAND	W52H09-09-D-0128	3 Yr IDIQ - Evaluated Pricing. Restricted Procurement between Optex Systems & Miller Holzwarth	250 each supplier	250 each supplier	\$ 118,250(2)	Yes	31-Dec-2011	Initial award deliverable Aug - Sept 2009. Additional awards not to exceed aggregate 2000 units per month total units.
General Dynamics Land Systems	40050551 (Multiple Prime Contracts)	Firm Fixed Price and Fixed Quantity Purchase Order	N/A	N/A	\$ 5,380,137	Yes	N/A	Jan 2011 - Feb 2013

- (1) Payment terms on shipments are all Net 30 days.
- (2) Only first delivery order awarded. Maximum order value potential of up to \$22 million with expected award value of \$7.5 million. We estimate the maximum order potential at \$22 million based on the government's estimated maximum order quantity for each periscope type times the Optex not to exceed price per unit for each of the solicited periscope assemblies. The \$7.5 million expected value is derived based on the governments estimated quantity requirement for each periscope type across the contract period times Optex proposed not to exceed price per unit, assuming that the award is split equally between Optex and the other supplier.

Organizational History

On October 14, 2008, in a transaction that was consummated via public auction, Optex Delaware (Successor) purchased all of the assets of Optex Texas (Predecessor) in exchange for \$15 million of IRSN debt and the assumption of approximately \$3.8 million of certain liabilities of Optex Texas. Optex Delaware was formed by the Longview Fund, LP and Alpha Capital Antstalt, former secured creditors of IRSN, to consummate the transaction with Optex Systems Holdings, and subsequently, on February 20, 2009, Longview Fund conveyed its ownership interest in Optex Systems Holdings to Sileas, an entity owned by three of Optex Systems Holdings' officers (one of whom is also one of Optex Systems Holdings' three directors). On March 30, 2009, a reorganization occurred whereby Optex Delaware became a wholly-owned subsidiary of Optex Systems Holdings.

Products

The Company's products are installed on a majority of types of U.S. military land vehicles, such as the Abrams and Bradley fighting vehicles, light armored and advanced security vehicles and have been selected for installation on the Future Combat Systems (FCS) Stryker vehicle. Optex Systems Holdings also manufactures and delivers numerous periscope configurations, rifle and surveillance sights and night vision optical assemblies. Optex Systems Holdings delivers its products both directly to the military services and to prime contractors.

Optex Systems Holdings delivers high volume products, under multi-year contracts, to large defense contractors and government customers. Optex Systems Holdings has a reputation for quality and credibility with its customers as a strategic supplier. Optex Systems Holdings also anticipates the opportunity to integrate some of its night vision and optical sights products into commercial applications.

Specific product lines include:

- Electronic sighting systems
- Mechanical sighting systems

- Laser protected glass periscopes
- Laser protected plastic periscopes
- Non-laser protected plastic periscopes
- Howitzer sighting systems
- Ship binoculars
- Replacement optics (e.g. filters, mirrors)

Location and Facility

We are located in Richardson, TX in a 49,000 square foot facility and currently has 107 full time employees. We operate with a single shift, and capacity could be expanded by adding a second shift. Our proprietary processes and methodologies provide barriers to entry by other competing suppliers. In many cases, we are the sole source provider or one of only two providers of a product. We have capabilities which include machining, bonding, painting, tracking, engraving and assembly and can perform both optical and environmental testing in-house. We lease our facility, and the lease currently expires on February 28, 2010. We are presently in negotiations with the landlord regarding a lease extension, and we are also exploring the possibility of moving to another location. Mixed use space, such as that leased by us (which is approximately 25% office space and 75% manufacturing space, in the case of us), is readily available in our general geographic area.

Prior Operational/Financial Challenges; Recovery; and Future Growth Potential

While Optex Texas (Predecessor) was a wholly-owned subsidiary of IRSN, IRSN faced certain business challenges and utilized the cash flow from Optex Texas to meet its own funding needs. This left Optex Texas with limited working capital to satisfy its own operating needs.

As of the year ended September 28, 2008 Optex Texas (Predecessor) reported \$4.3 million of liabilities attributable to corporate expenses allocated to Optex Texas (Predecessor) through an intercompany payable account "Due to Parent". These costs were for expenses incurred by IRSN on behalf of Optex Texas, including legal, audit, and consulting fees; insurance costs; and significant amounts of IRSN general overhead allocated to Optex Texas. The outstanding "Due to Parent" balance was not acquired by the company as part of the October 14, 2008 transaction. Therefore, this balance will have no impact on future operating results or liquidity. We anticipate incurring similar expenses for fiscal year 2009 as follows:

Accounting & Auditing Fees	\$ 250,000
Legal Fees	60,000
Consulting Fees	60,000
Workers Comp & General Insurance	70,000
Total	\$ 440,000

Since the buyout, the business outlook for Optex Systems Holdings has changed dramatically. Management has strengthened Optex Systems Holdings' balance sheet and has increased operational efficiencies and productivity, as demonstrated by the significant \$1.45 million reduction in operating loss to \$(15,193) versus \$(1,468,192) for the total for the periods September 29, 2008 through October 14, 2008 (Predecessor) and October 15, 2008 through June 28, 2009 (Successor) and the nine months ended June 28, 2008 (Predecessor), respectively. Management expects to achieve additional improvement in operations over time.

Virtually all of our contracts are prime or subcontracted directly with the Federal government and are subject to Federal Acquisition Regulation Subpart 49.5, "Contract Termination Clauses" and more specifically Federal Acquisition Regulation clauses 52.249-2 "Termination for Convenience of the Government (Fixed-Price)", and 49.504 "Termination of fixed-price contracts for default". These clauses are standard clauses on our prime military contracts and are generally "flowed down" to us as subcontractors on other military business. It has been our experience that the termination for convenience is rarely invoked, except where it has been mutually beneficial for both parties. We are currently not aware of any pending terminations for convenience or default on our existing contracts.

In the event a termination for convenience were to occur, these Federal Acquisition Regulation clause 52.249-2 provides for full recovery of all contractual costs and profits reasonably occurred up to and as a result of the terminated contract. In the event a termination for default were to occur, we could be liable for any excess cost incurred by the government to acquire replacement supplies from another supplier. We would not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the company as defined by Federal Acquisition Regulation clause 52.249-8. In addition, the U.S. government may require us to transfer title and deliver to it any completed supplies, partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that we specifically produced or acquired for the terminated portion of this contract. The U.S. government is required to pay contract price for completed supplies delivered and accepted, and the parties are required to negotiate an agreed upon amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree on an amount for manufacturing materials is subject to the Federal Acquisition Regulation Disputes clause 52.233-1.

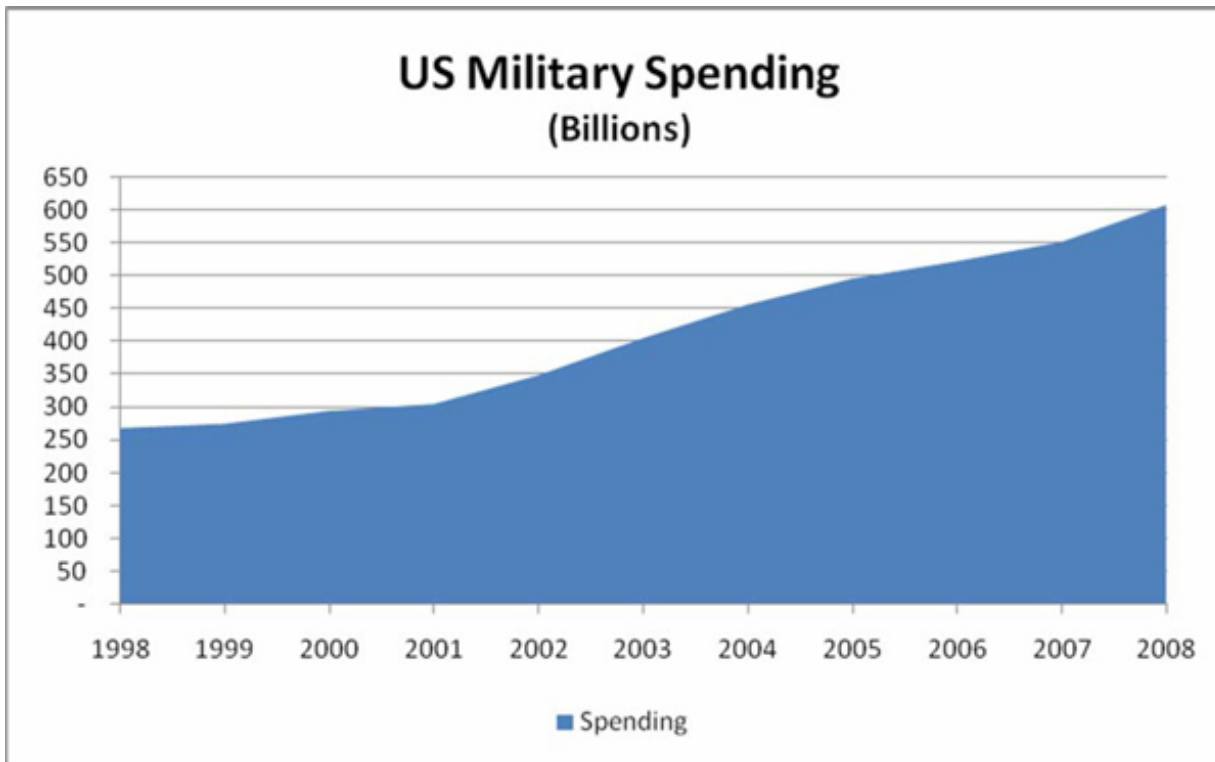
In some cases, we may receive orders subject to subsequent price negotiation on contracts exceeding the \$650,000 federal government simplified acquisition threshold. These “undefinitized” contracts are considered firm contracts, but as Cost Accounting Standards Board covered contracts, they are subject to the Truth in Negotiations Act disclosure requirements and downward-only price negotiation. As of September 28, 2008 and September 30, 2007 approximately \$4.0 million and \$10.0 million of booked orders fell under this criteria, respectively. Our experience has been that the historically negotiated price differentials have been immaterial and we do not anticipate any significant downward adjustments on these booked orders.

We are currently bidding on several substantial government contracts to expand sales and production beyond the current production and backlog. We are also exploring possibilities to adapt some of our products for commercial use in those markets that demonstrate potential for solid revenue growth.

Market Opportunity – U.S. Military

Our products are currently marketed to the military and related government markets. Since 1998, annual U.S. military spending has increased over 225% to over \$600 billion. The trend of significant growth in government spending on the military and defense is very positive for Optex Systems Holdings and others in the defense industry sector. The data suggests that the market continues to be robust and Optex Systems Holdings believes the markets for new and replacement parts, such as those manufactured by Optex Systems Holdings, are significant.

The chart below was derived from public government spending sources and depicts total U.S. Military Spending from 1998 through 2008. Total military spending increased from \$268.2 billion in 1998 to \$607.3 billion in 2008 representing a total increase in Military spending of 226% in the last 10 years. It is difficult to directly tie this spending to any specific military vehicles; however, Optex serves the Army, the Marines, the Navy, and state National Guards. The purpose of including this chart is to provide the reader with trend data showing increased military spending by the government since 1998, which is a favorable trend for the Company’s overall business.



Source: Government Printing Office, U.S. Budget Historical Tables, FY 2008, Table 3.2 Outlays by function and subfunction, 1962-2012

The following factors are important to the U.S. military:

- Reliability – failure can cost lives

- Cost effectiveness
- Ability to deliver on schedule
- Armed forces need to be able to see to perform
- Mission critical products.

Optex Systems Holdings focuses on delivering products that satisfy these factors and believes it is well positioned to continue to service U.S. military needs.

Market Opportunity – Commercial

The Company's products are currently sold exclusively to military and related government markets. We believe there may be opportunities to commercialize various products we presently manufacture for other markets. Our initial focus will be directed in three product areas.

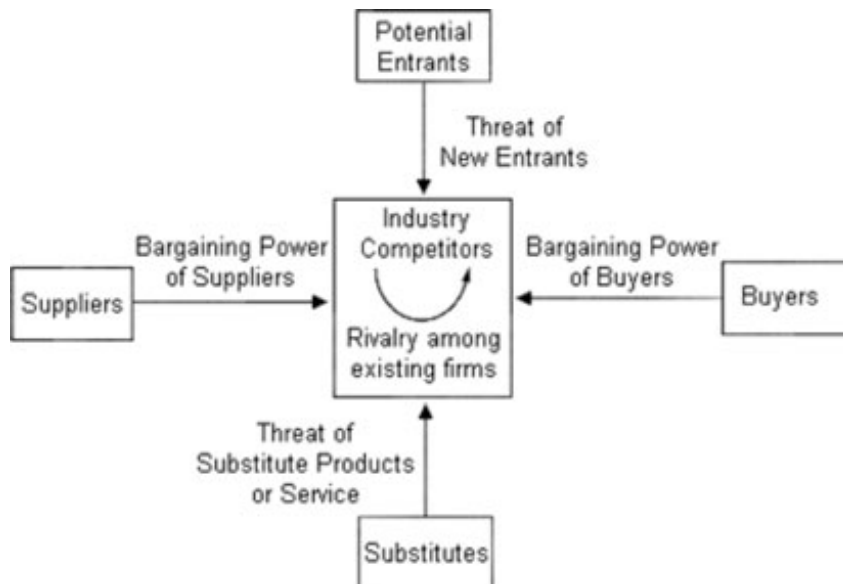
- Big Eye Binoculars – While the military application we produce is based on mature military designs, Optex Systems Holdings owns all castings, tooling and glass technology. These large fixed mount binoculars could be sold to Cruise Ships, Personal Yachts and Cities/Municipalities.
- Night Vision Goggles – Optex Systems Holdings presently manufactures the Optical System for the NL-61 Night Vision Goggles for the Ministry of Defense of Israel. This technology is based on the IR Squared design and could be implemented for commercial applications.
- Infrared Imaging Equipment – Optex Systems Holdings manufactures and assembles Infrared Imaging Equipment for Textron and components for Raytheon's Thermal Imaging M36 Mount product. This equipment and technology has potential to be assembled for border patrol, police and security agencies.

Customer Base

Optex Systems Holdings serves customers in three primary categories: as prime contractor (TACOM, U.S. Army, Navy and Marine Corps), as subcontractor (General Dynamics, BAE, Raytheon and Northrop) and also as a supplier to foreign governments (Israel, Australia and NAMSA). For reference, TACOM is Tank-automotive and Armaments Command, and NAMSA is the NATO Maintenance and Supply Agency, which is the main logistics agency of NATO. Although we do serve all three of these categories, at present, approximately 90% of the gross revenue from our business is derived from two customers, GDLS and TACOM, with which we have approximately 50 discrete contracts which cover supply of vehicles, product lines and spare parts. Given the size of GDLS and TACOM as well as the fact that the contracts are not interdependent, we are of the opinion that this provides us with a well diversified customer pool. This broad base enables Optex Systems Holdings to mitigate its risk in this economic environment by not relying on a sole or few sources of revenue as well as providing a broad base from which to build its future business.

Marketing Plan

Optex Systems Holdings has used two models to help develop its Marketing Plan. First, Michael Porter's Five Force Model.



Potential Entrants – Low. In order to enter this market companies have a large barrier to entry. The first hurdle is that an entrant would need to prove the existence of a government approved accounting systems for larger contracts. Second, the entrant would need to develop the processes required to produce the product. Third, the entrant would then need to produce product and then submit successful test requirements (many of which need government consultation to complete). Finally, in many cases the customer has an immediate need and therefore cannot wait for this qualification cycle and therefore must issue the contracts to existing suppliers.

Buyers – Medium. In most cases the buyers have two fairly strong suppliers. It is in their best interest to keep at least two, and therefore in some cases the contracts are split between suppliers. In the case of larger contracts approximately, the customer can potentially request an open book policy on costs and expect a reasonable margin has been applied.

Substitutes – Low. Optex Systems Holdings has both new vehicle contracts and replacement part contracts for the exact same product. The US Government has declared that the Abrams/Bradley base vehicles will be the ground vehicle of choice out through 2040. The Bradley vehicle has been in service for 28 years, the Abrams for 27 years. Therefore it appears that the systems are capable of a life of approximately 30 years. In February 2008, the Army signed a 5 year multi-year contract for the delivery of improved Abrams and Bradleys. The contract is for up to 435 tanks and 540 Bradley vehicles. These are the only production tanks currently being procured by the government. This in conjunction with the 30 year life span supports their continued use through 2040. There are no replacement systems being proposed or funded at this time. Specifically on the Abrams, it is the principal main battle tank of the united States Army and Marine Corps, and the armies of Egypt, Kuwait, Saudi Arabia, and since 2007, Australia. The new contract terms allow efficiencies within the supply chain and a very long return on investment on new vehicle proposals.

Suppliers – Low to Medium. The suppliers of standard processes (casting, machining, plating, etc.) have very little power. Given the current state of the economy, they need to be very competitive to gain and /or maintain contracts. Those suppliers of products which use Top Secret Clearance processes are slightly better off; however, there continues to be multiple avenues of supply and therefore moderate power.

Industry Competitors – Low. The current suppliers have been partitioned according to their processes and the products. We and Miller-Holzwarth tend to compete for the plastic periscope products whereas we and Seiler have competed on the higher level products. In the last 12-18 months, we have begun to challenge Seiler in areas where they have long held the dominant role. For example, while the existing Howitzer contracts are at low margins, the new bids will be at a much higher margin now that we have proven we can produce the product.

The second model is a two by two matrix for Products and Customers.

New Products	<u>Tacom</u> – M187, M137, Aiming Circle, M119 Alignment Device	<u>Nightvision</u> – Thermal Sights. <u>ITT</u> – Night Vision Products <u>L3</u> – Night Vision Products
	<u>Tacom</u> – Periscopes, Collimators, Back Up Sights. <u>GDLS</u> – Periscopes, Collimators, ICWS	<u>BAE</u> – Periscopes, Collimators, Back Up Sights. <u>Textron</u> – Periscopes, Collimators, ICWS
Existing Products	Existing Customers	New Customers

This model outlines three basic approaches for us:

- 1) Take existing products into the applications of new customers.
- 2) Take new products into our existing customers.
- 3) Expand the portfolio by developing new products for new customers.

The following products listed in the “second model” are associated with the product lines listed in “BUSINESS - Products”.

<u>Second Model Name</u>	<u>Product Line</u>
M137, M187, M119 Aiming Device	Howitzer Sighting Systems
Aiming Circle	Howitzer Sighting Systems
Periscopes	Laser Protected Plastic Periscopes
Collimators	Electronic Sighting Systems
Back Up Sights	Mechanical Sighting Systems
ICWS	Laser Protected Glass Periscopes

Those “new customers” listed (BAE and Textron) are producers of armored vehicles. Optex Systems Holdings has provided them quotations for Laser Protected Plastic Periscopes and Mechanical Sighting Systems. Both of these companies have previously purchased products from Optex Systems Holdings. “New Customers” listed (L3 and ITT) are potential customers for night vision products.

Operations Plan

Our Operations Plan can be broken down into three distinct areas, Material Management, Manufacturing Space Planning and Efficient Scales of Economy.

Materials Management –

The largest portion of our costs are materials. We have completed the following activities in order to demonstrate continuous improvement:

- Successful Completion of ISO9001:2000 Certification
- Weekly Cycle Counts on Inventory Items
- Weekly Material Review Board Meeting on non-moving piece parts

- Kanban kitting on products with consistent ship weekly ship quantities
- Daily review of Yields and Product Velocity
- Bill of Material Reviews prior to Work Order Release

Future continuous improvement opportunities include installation and training of Shop Floor Control module within the ERP system and organizational efficiencies of common procurement techniques among buyers.

Manufacturing Space Planning –

We currently lease approximately 50,000 square feet of manufacturing space. Given the ample building opportunities along with competitive lease rates, the objective is to maintain building and building related costs consistent on a percent to sales with prior historical ratios.

Efficient Scales of Economy –

Consistent with the space planning, we will drive economies of scale to reduce support costs on a percentage of sales perspective. These cost reductions can then be either brought directly to the bottom line or used for business investment.

This process is driven by the use of six sigma techniques and process standardization. Initial activities in this area have been the success of 5S projects in several production areas which has lead to improved output and customer approval on the aesthetics of the work environment. In addition to the 5S projects, we have used the Define, Measure, Analyze, Improve, Control Problem Solving technique to identify bottlenecks within the process flow and improve product yields. These successful techniques can then be duplicated across the production floor and drive operational improvements.

Intellectual Property

We utilize several highly specialized and unique processes in the manufacture of our products. While we believe that these trade secrets have value, it is probable that our future success will depend primarily on the innovation, technical expertise, manufacturing and marketing abilities of our personnel. We cannot assure you that we will be able to maintain the confidentiality of our trade secrets or that our non-disclosure agreements will provide meaningful protection of our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or other disclosure. The confidentiality agreements that are designed to protect our trade secrets could be breached, and we might not have adequate remedies for the breach. Additionally, our trade secrets and proprietary know-how might otherwise become known or be independently discovered by others. We do not possess any patents.

Our competitors, many of which have substantially greater resources, may have applied for or obtained, or may in the future apply for and obtain, patents that will prevent, limit or interfere with our ability to make and sell some of our products. Although we believe that our products do not infringe on the patents or other proprietary rights of third parties, we cannot assure you that third parties will not assert infringement claims against us or that such claims will not be successful.

Competition

The markets for our products are competitive. We compete primarily on the basis of our ability to design and engineer products to meet performance specifications set by our customers. Our customers include the military and government end users as well as prime contractors that purchase component parts or subassemblies, which they incorporate into their end products. Product pricing, quality, customer support, experience, reputation and financial stability are also important competitive factors.

There are a limited number of competitors in each of the markets for the various types of products that we design, manufacture and sell. At this time we consider our primary competitors to be Seiler Instruments, Miller-Holzwarth, Kent Periscopes, and EO System Co.

Our competitors are often well entrenched, particularly in the defense markets. Some of these competitors have substantially greater resources than we do. While we believe that the quality of our technologies and product offerings provides us with a competitive advantage over certain manufacturers, some of our competitors have significantly more financial and other resources than we do to spend on the research and development of their technologies and for funding the construction and operation of commercial scale plants.

We expect our competitors to continue to improve the design and performance of their products. We cannot assure investors that our competitors will not develop enhancements to, or future generations of, competitive products that will offer superior price or performance features, or that new technology or processes will not emerge that render our products less competitive or obsolete. Increased competitive pressure could lead to lower prices for our products, thereby adversely affecting our business, financial condition and results of operations. Also, competitive pressures may force us to implement new technologies at a substantial cost, and we may not be able to successfully develop or expend the financial resources necessary to acquire new technology. We cannot assure you that we will be able to compete successfully in the future.

External Growth Potential/Roll-Up Opportunities

We operate in a business environment which is highly fragmented with numerous private companies, many of which were established more than 20 years ago. Some of these companies were founded by family members 2-3 generations before the present family operators. We believe there are opportunities to pursue mergers of strategic competitors since we are a public entity. We are not aware of any previous attempts to consolidate companies with our defense manufacturing expertise.

The typical company we compete with has 50-100 employees and annual revenue of \$20-\$50 million dollars. Most of these private companies have never had the opportunity to enjoy the benefits of consolidation and the resulting economies of scale which being a public company can provide.

We plan to engage our competition on a selective basis, and explore all opportunities to grow our operations through mergers and/or acquisitions. We have no acquisition agreements pending at this time and are not currently in discussions or negotiations with any third parties.

Employees

Optex Systems Holdings has 107 full time equivalent employees. Optex Systems Holdings uses a small temporary work force to handle peak loads. The full time employee count is 101 and the temporary employee head count is 6. To the best of its knowledge, Optex Systems Holdings is compliant with local prevailing wage, contractor licensing and insurance regulations, and has good relations with its employees.

Forward-Looking Statements

This registration statement on Form S-1 contains forward-looking statements. To the extent that any statements made in this registration statement on Form S-1 contain information that is not historical, these statements are essentially forward-looking. Forward-looking statements can be identified by the use of words such as “expects,” “plans,” “will,” “may,” “anticipates,” “believes,” “should,” “intends,” “estimates,” and other words of similar meaning. These statements are subject to risks and uncertainties that cannot be predicted or quantified and, consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Such risks and uncertainties are outlined in “Risk Factors” and include, without limitation, Optex Systems Holdings’ ability to raise additional capital to finance Optex Systems Holdings’ activities; the effectiveness, profitability, and the marketability of its products; legal and regulatory risks associated with the reorganization; the future trading of the common stock of Optex Systems Holdings; the ability of Optex Systems Holdings to operate as a public company; the period of time for which the proceeds of the Private Placement will enable Optex Systems Holdings to fund its operations; Optex Systems Holdings’ ability to protect its proprietary information; general economic and business conditions; the volatility of Optex Systems Holdings’ operating results and financial condition; Optex Systems Holdings’ ability to attract or retain qualified senior management personnel and research and development staff.

Information regarding market and industry statistics contained in this registration statement is included based on information available to Optex Systems Holdings that it believes is accurate. It is generally based on industry and other publications that are not produced for purposes of securities offerings or economic analysis. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and the additional uncertainties accompanying any estimates of future market size, revenue and market acceptance of products and services. Optex Systems Holdings does not undertake any obligation to publicly update any forward-looking statements. As a result, investors should not place undue reliance on these forward-looking statements.

LEGAL PROCEEDINGS

Optex Systems Holdings is not a party to any pending material legal proceeding. To the knowledge of management, no federal, state or local governmental agency is presently contemplating any proceeding against Optex Systems Holdings. To the knowledge of management, no director, executive officer or affiliate of Optex Systems Holdings, or any owner of record or beneficially of more than 5% of Optex Systems Holdings’ common stock is a party adverse to Optex Systems Holdings or has a material interest adverse to Optex Systems Holdings in any proceeding.

MANAGEMENT

Our board of directors directs the management of the business and affairs of our company as provided in our certificate of incorporation, our by-laws and the General Corporation Law of Delaware. Members of our board of directors keep informed about our business through discussions with senior management, by reviewing analyses and reports sent to them, and by participating in board and committee meetings.

Directors and Executive Officers

The following table sets forth information regarding the members of our board of directors and our executive officers and other significant employees. All of our officers and directors were appointed on March 30, 2009, the closing date of the reorganization.

The following table sets forth certain information with respect to the directors and executive officers of Optex Systems Holdings:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Stanley A. Hirschman	62	President, Secretary, Treasurer & Director
Merrick D. Okamoto	48	Director
Ronald F. Richards	43	Chairman of the Board
Danny Schoening	44	Chief Operating Officer
Karen L. Hawkins	44	Vice President of Finance and Controller

Stanley A. Hirschman. Mr. Hirschman served as a Director and President of the Optex Delaware since September 28, 2008 and assumed the same roles on behalf of Optex Systems Holdings on March 30, 2009, in which roles he is committed to providing Optex his management experience and provides direction and oversight of other executive officers and management. . He has been the majority beneficial owner of Sileas (which has no active business), the majority shareholder of the Company, since February 20, 2009. Formerly he was president of CPointe Associates, Inc., a Plano, Texas consulting group where he continues to serve as an advisor. Mr. Hirschman is a director of Datascension and Axion Power International where he serves on the Audit Committee. Prior to establishing CPointe Associates, he was Vice President Operations, Software Etc., Inc., a 396 retail store software chain, from 1989 until 1996. He has also held executive positions with T.J. Maxx, Gap Stores and Banana Republic. Mr. Hirschman is a member of the National Association of Corporate Directors, regularly participates in the KMPG Audit Committee Institute and is a graduate of the Harvard Business School Audit Committees in the New Era of Governance symposium. He is active in community affairs and serves on the Advisory Board of the Salvation Army Adult Rehabilitation Centers.

Merrick D. Okamoto. Mr. Okamoto has served Optex Systems Holdings as a Director since October 2008. In 2001, Mr. Okamoto co-founded Viking Asset Management, LLC and is the President and a Managing Member. Viking Asset manages the Longview Fund, LP and Longview Fund International, Ltd. Limited, partners in Viking's family of funds are comprised of institutions, private banks, family offices and high net worth individuals from around the world. Mr. Okamoto has completed financings for hundreds of public and private companies across a broad array of industries and sectors. In 1998, Mr. Okamoto co-founded and was the President of TradePortal.com, Inc. TradePortal.com, Inc. is a software development company and it's wholly owned subsidiary, TradePortal Securities, Inc., a direct access execution brokerage firm. Mr. Okamoto was instrumental in developing the proprietary Trade Matrix™ software platform. In 2000, TradePortal.com, Inc. sold a minority stake to Thomson Reuters (TRI:NYSE), a US \$12 billion revenue company. In 1995, he founded First Stage Capital, Inc. which specializes in investment banking and consulting to public and private companies. From 1983 to 1994, he was employed in the securities industry with Shearson Lehman Brothers, Prudential Securities and Paine Webber. Mr. Okamoto is widely recognized as an advanced trader specializing in short-term trading and has more than 25 years of extensive experience in technical market analysis techniques and has been a frequent speaker at national trading venues. From 1987 to 1990, he created and hosted the television program, The Income Report in Los Angeles . He has also appeared on CNN and The MacNeil-Lehrer Report.

Ronald F. Richards. Mr. Richards has been a director of Optex Systems Holdings since October 2008. Since January 2009, Mr. Richards has served Optex Systems Holdings as its Chairman of the Board. Mr. Richards is the founder and Managing Director of Gray Wolf Partners, LLC, a strategic and financial advisory firm. From February 2007 to October 2008, he served as a Managing Director of Viking Asset Management, LLC where his responsibilities included: (i) sourcing, conducting due diligence, and structuring potential investment opportunities and (ii) working with portfolio companies to enhance shareholder value. He previously served as Chief Financial Officer and Senior Vice President, Business Development of Biopure Corporation, a publicly traded biotechnology company developing oxygen therapeutics and as a Managing Director, Corporate Finance of Wells Fargo Van Kasper. Mr. Richards has over 20 years of experience working with public and private companies in the areas of investment banking, corporate finance, law and accounting. He has structured and executed numerous public offerings and private placements raising a total of more than \$660 million. He also co-authored *PIPES: A CEO's Guide to Successful Private Placements in Public Equities*. Mr. Richards holds JD, MBA and BA degrees from UCLA. He is a member of the State Bar of California and a retired Certified Public Accountant.

Danny Schoening. Mr. Schoening joined Optex Texas in January 2008. Upon the acquisition of the assets of Optex Texas by Optex Delaware, Mr. Schoening became the COO of Optex Delaware (as of September 28, 2008) and he commenced service with Optex Systems Holdings as its Chief Operating Officer as of the date of the reorganization, March 30, 2009. He has been instrumental in establishing the systems and infrastructure required to continue Optex System's rapid growth. This activity was rewarded with Optex System's recent ISO9001:2000 Certification. From February 2004 to January 2008, Danny was the Vice President of Operations for The Finisar Corporation AOC Division for 4 years where he led a team of up to 200 employees to produce vertical cavity lasers for the data communications industry at production rates of hundreds of thousands of units per week. Prior to Finisar, Danny was the Director of Operations for multiple divisions of Honeywell International. Serving the Automotive, Medical, Aerospace, and Consumer Commercial Markets. During this 17 year period, Danny was recognized with Honeywell's Lund Award, their highest award for developing employee resources. Danny has a broad experience level in the following technologies: Mechanical Assembly Processes, Micro-Electronic Assembly Processes, Laser Manufacturing, Plastic Molding, Metal Machining, Plating, Thick Film Printing, Surface Mount Technology, Hall Effect Technology and MEMS based Pressure Devices. Danny received a Bachelors of Science in Manufacturing Engineering Technology from the University of Nebraska, an MBA from Southern Methodist University, and holds three united States Patents.

Karen L. Hawkins. Ms. Hawkins has served Optex Systems Holdings as its Vice President, Finance and Controller, since the date of the reorganization, March 30, 2009 and was the controller of Optex Delaware effective September 28, 2009. She began her employment with Optex Texas in April , 2007. Ms. Hawkins is a Certified Public Accountant since 1992 with over 22 years experience in Financial Accounting and Management, primarily focused in the Defense and Transportation Industries. She has a strong background in both Financial & Cost Accounting, with extensive Government Pricing, Financial Analysis, and Internal Auditing experience. Her past history also includes Program Management, Materials Management and Business Development. She brings over 14 years direct experience in Government Contracting with a strong knowledge of Cost Accounting Standards Board and Federal Acquisition Regulation. Her previous employment includes General Dynamics – Ordinance and Tactical Division, Garland (formerly known as Intercontinental Manufacturing) for over 13 years from November, 1994 through March , 2007. During her tenure there she served in the roles of Controller (Accounting & IT), Program Manager over a \$250M 3 year Army Indefinite Delivery/Indefinite Quantity (Indefinite Delivery/Indefinite Quantity) type contract, as well as Materials Manager with oversight of Purchasing, Production Control & Warehousing functions. Prior to her employment at General Dynamics, Ms. Hawkins served in various finance and accounting positions at Luminator, a Mark IV Industries Co, and Johnson Controls, Battery Division - Garland. Karen received her Bachelors of Business Administration in Accounting from Stephen F. Austin State University in Texas in 1986.

Family Relationships

There are no family relationships among the officers and directors.

Our Directors' Terms and Meetings of Our Board of Directors

Each director who is elected at an annual meeting of shareholders, and each director who is elected in the interim to fill a vacancy or a newly created directorship, shall hold office until the next annual meeting of shareholders and until his successor has been elected and qualified. Sustut's board of directors did not hold any meetings during the fiscal year ended December 31, 2008. Optex's board of directors held 5 meetings during the nine months ended June 28, 2009.

Corporate Governance

Our board of directors believes that sound governance practices and policies provide an important framework to assist them in fulfilling their duty to stockholders. As we grow, our board of directors will work to adopt and implement many "best practices" in the area of corporate governance, including separate committees for the areas of audit and compensation, careful annual review of the independence of our Audit and Compensation Committee members, maintenance of a majority of independent directors, and written expectations of management and directors, among other things.

Code of Business Conduct and Ethics

Our board of directors has adopted a Financial Code of Ethics which has been distributed to all directors, and executive officers, and will be distributed to employees and will be given to new employees at the time of hire. The Financial Code of Ethics contains a number of provisions that apply principally to our CEO, Chief Financial Officer and other key accounting and financial personnel. A copy of our Code of Business Conduct and Ethics can be found under the "Investor Information" section of our website at www.optexsys.com. We intend to disclose any amendments or waivers of our Code on our website at www.optexsys.com.

Communications with the Board of Directors

Stockholders and other parties who are interested in communicating with members of our board of directors, either individually or as a group may do so by writing to Ronald F. Richards, Chairman, 1420 Presidential Drive, Richardson, TX 75081-2439. Mr. Richards will review all correspondence and forward to the appropriate members of the board of directors copies of all correspondence that, in the opinion of Mr. Richards, deals with the functions of the board of directors or its committees or that he otherwise determines requires their attention. Concerns relating to accounting, internal controls or auditing matters should be immediately brought to the attention of our Audit Committee and will be handled in accordance with procedures established by that committee.

Director Independence

Our board of directors has determined that one of our directors, Ronald Richards, would meet the independence requirements of the American Stock Exchange if such standards applied to Optex Systems Holdings. Mr. Hirschman, is the majority owner of Sileas, which is our major common shareholder, and Merrick Okamoto is the President and a Managing Member of Viking Asset Management, which is the investment advisor to the Longview Fund.

Board Committees

Audit Committee . Optex Systems Holdings intends to establish an audit committee of the board of directors, which will consist of to-be-nominated independent directors, which will be selected based upon a search to be conducted at the time it is determined to implement the audit committee. The audit committee's duties would be to recommend to Optex Systems Holdings' board of directors the engagement of an independent registered public accounting firm to audit Optex Systems Holdings' financial statements and to review Optex Systems Holdings' accounting and auditing principles. The audit committee would review the scope, timing and fees for the annual audit and the results of audit examinations performed by the internal auditors and independent registered public accounting firm, including their recommendations to improve the system of accounting and internal controls. The audit committee would at all times be composed exclusively of directors who are, in the opinion of Optex Systems Holdings' board of directors, free from any relationship which would interfere with the exercise of independent judgment as a committee member and who possess an understanding of financial statements and generally accepted accounting principles.

Mr. Richards is the board of directors' financial expert to be considered upon the formation of the audit committee.

Compensation Committee . Optex Systems Holdings intends to establish a compensation committee of the Board of Directors. The compensation committee would review and approve Optex Systems Holdings' salary and benefits policies, including compensation of executive officers.

We have no nominating committee and do not plan to establish one. – Given the relatively small size of our board of directors and the desire to involve the entire board of directors in nominating decisions, we have elected not to have a separate nominating committee, and the entire board of directors currently serves that function. With respect to director nominees, our board of directors will consider nominees recommended by stockholders that are submitted in accordance with our By-Laws. The process for receiving and evaluating director nominations from stockholders is described below. We do not have any specific minimum qualifications that our board believes must be met by a board recommended nominee for a position on our board of directors or any specific qualities or skills that our board believes are necessary for one or more of our directors to possess. We also do not have a specific process for identifying and evaluating nominees for director, including nominees recommended by security holders. The board has not paid fees to any third party to identify or evaluate potential board nominees.

Director Compensation

Optex Systems Holdings has paid its directors the following separate compensation in respect of their services on the board since January 1, 2009 -- June 28, 2009: Stanley Hirschman - \$17,500 and Ronald Richards - \$70,000.

Directors' and Officers' Liability Insurance

We currently have directors' and officers' liability insurance insuring our directors and officers against liability for acts or omissions in their capacities as directors or officers, subject to certain exclusions. The insurance also insures us against losses which we may incur in indemnifying our officers and directors. In addition, in the near future, we will enter into indemnification agreements with key officers and directors and such persons shall also have indemnification rights under applicable laws, and our certificate of incorporation and bylaws.

EXECUTIVE COMPENSATION

Executive Compensation

Summary Compensation Table

The following table sets forth, for the years indicated, all compensation paid, distributed or accrued for services, including salary and bonus amounts, rendered in all capacities by Optex Systems Holdings' chief executive officer, chief financial officer and all other executive officers who received or are entitled to receive remuneration in excess of \$100,000 during the stated periods. These officers are referred to herein as the "named executive officers." Except as provided below, none of our executive officers received annual compensation in excess of \$100,000 during the last two fiscal years.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	All Other Compensation (\$)	Total (\$)
Danny Schoening Chief Operating Officer	2009	\$ 182,932	\$ 11,000		\$ —	\$ 193,932
	2008(1,2)	122,646	10,300	7,500	—	140,446
	2007	N/A	N/A	N/A	N/A	N/A
Karen Hawkins VP Finance/Controller	2009	133,647	7,271	-0-	-0-	140,918
	2008	132,473	300	-0-	-0-	132,773
	2007(1)*	56,900	300	-0-	-0-	57,200
Stan Hirschman (5) President	2008	-	-	-	\$ 25,000	25,000
	2007	NA				
Andrey Oks (3) CEO, CFO, Treasurer, Secretary and Director	2009	-	-	-	-	-
	2008	-	-	10,000	-	10,000
	2007	-	-	-	-	-
Terry Hughes (4) CEO	2008	-	-	-	-	-
	2007	-	-	-	42,000	42,000

- The compensation depicted is not reflective of a full year's compensation as Danny Schoening did not begin employment until the second quarter of fiscal year 2008 and Karen Hawkins did not begin employment until the third quarter of fiscal year 2007. For Mr. Schoening and Ms. Hawkins, information is for service as an officer of Optex Texas and Optex Delaware.*
- Stock awards include issues of 10,000 common shares of Irvine Sensors Common Stock on January 16, 2008 at the then current market share price of \$0.75 per share.*
- Mr. Oks was appointed as an officer of Sustut as of September 15, 2008 and resigned as of March 29, 2009. Mr. Oks was given 10,000,000 shares of restricted stock as compensation for services which was forfeited to Sustut on the date of his resignation.*
- Mr. Hughes served as an officer of Sustut and resigned on September 12, 2008 and forfeited the 9,902,624 shares of Common Stock in Optex Systems Holdings he owned at that time. He received no other compensation during 2008. In 2007 Mr Hughes received \$42,500 in compensation, the nature of which is unspecified.*
- Stan Hirschman includes Director's Fees paid in 2009. He received no other compensation.*

Option Grants in Last Fiscal Year

There were no options granted to any of the named executive officers during the fiscal years ended September 28, 2008 and September 30, 2007.

Employment Agreement

Optex Systems Holdings entered into an employment agreement with Danny Schoening dated December 1, 2008. The term of the agreement commenced as of December 1, 2008 and shall continue through June 1, 2010. Thereafter, the term of the agreement shall be automatically extended for successive and additional 18 month periods, unless Optex Systems Holdings shall provide a written notice of termination at least ninety (90) days, or the Schoening shall provide a written notice of termination at least 90 days, prior to the end of the initial term or any extended term, as applicable. During the first eighteen months of the term of the agreement, Optex Systems Holdings shall pay to Schoening a base salary at the annual rate of One Hundred Ninety Thousand Dollars. Schoening was paid a one time bonus of \$10,000 at the commencement of the employment agreement in December 2008 and was granted 1,414,649 options to purchase common stock of Optex Systems Holdings at an exercise price of \$0.15 per share at the time of the closing of the reorganization.

On each renewal date of the commencement of employment, Schoening's base salary shall be reviewed by the Board and may be increased to such rate as the Board, in its sole discretion, may hereafter from time to time determine. During the term of the agreement, Schoening shall be entitled to receive bonuses of up to 30% of his base salary per year at the discretion of Optex Systems Holdings' Board of Directors pursuant to performance objectives to be determined by the Board of Directors. Any bonuses shall be payable in cash and shall be paid within ninety (90) days of any year anniversary of the date of the agreement. Upon closing of the reorganization, Optex Systems Holdings granted Schoening stock options equal to 1% of the issued and outstanding shares of Optex Systems Holdings immediately after giving effect to the reorganization, with 34% of the options vesting on March 30, 2010, and 33% of the options vesting on each of March 31, 2011 and March 31, 2012.

The employment agreement events of termination thereof: (i) death of Schoening; (ii) termination by Optex Systems Holdings for cause (including conviction of a felony, commission of fraudulent acts, willful misconduct by Schoening, continued failure to perform duties after written notice, violation of securities laws and breach of the employment agreement), (iii) termination without cause by Optex Systems Holdings and (iv) termination by Schoening for good reason (including breach by Optex Systems Holdings of its obligations under the agreement, the requirement for Schoening to move more than 100 miles away for his employment without consent, and merger or consolidation that results in more than 66% of the combined voting power of the then outstanding securities of Optex Systems Holdings or its successor changing ownership or a sale of all or substantially all of Optex Systems Holdings' assets, without the surviving entity assuming the obligations under the agreement). For a termination by Optex Systems Holdings for cause or upon death of Schoening, the Schoening shall be paid salary and bonus earned through the date of termination. For a termination by Optex Systems Holdings without cause or by the Schoening with good reason, the Schoening shall also be paid six months base salary in effect and all granted stock options shall remain exercisable for a period of two years after such termination, with all unvested stock options immediately vesting. The agreement contains a standard non-solicitation and non-compete agreement that extends for one year subsequent to termination thereof, and contains standard clauses for termination and the like.

Optex Systems Holdings does not have any other employment agreements with its executive officers and directors.

Equity Compensation Plan Information

Optex Systems Holdings currently has an option compensation plan covering the issuance of options for the purchase of up to 6,000,000 shares. The purpose of the Plan is to assist Optex Systems Holdings in attracting and retaining highly competent employees and to act as an incentive in motivating selected officers and other employees of Optex Systems Holdings and its subsidiaries, and directors and consultants of Optex Systems Holdings and its subsidiaries, to achieve long-term corporate objectives. There are 6,000,000 shares of common stock reserved for issuance under this Plan. As of June 28, 2009, Optex Systems Holdings had issued 2,681,649 share options under this Plan of which zero shares had vested as of June 28, 2009.

Nonqualified deferred compensation

We had no non-qualified deferred compensation plans during year ended September 28, 2008.

Post-Termination Compensation

We have not entered into change in control agreements with any of our named executive officers or other members of the executive management team, other than the provision with respect to Mr. Schoening described above. No awards of equity incentives under our 2009 Stock Option Plan provide for immediate vesting upon a change in control. However, our Board of Directors has the full and exclusive power to interpret the plans, including the power to accelerate the vesting of outstanding, unvested awards. A “change in control” is generally defined as (1) the acquisition by any person of 30% or more of the combined voting power of our outstanding securities or (2) the occurrence of a transaction requiring stockholder approval and involving the sale of all or substantially all of our assets or the merger of us with or into another corporation.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

On August 31, 2009, we had 141,994,940 shares of common stock, and 1,027 shares of Series A preferred stock issued and outstanding. The following table sets forth certain information with respect to the beneficial ownership of our securities as of August 31, 2009, for (i) each of our directors and executive officers; (ii) all of our directors and executive officers as a group; and (iii) each person who we know beneficially owns more than 5% of our common stock.

Beneficial ownership data in the table has been calculated based on Commission rules that require us to identify all securities that are exercisable for or convertible into shares of our common stock within 60 days of October 31, 2009 and treat the underlying stock as outstanding for the purpose of computing the percentage of ownership of the holder.

Except as indicated by the footnotes following the table, and subject to applicable community property laws, each person identified in the table possesses sole voting and investment power with respect to all capital stock held by that person. The address of each named executive officer and director, unless indicated otherwise by footnote, is c/o Optex Systems Holdings’ corporate headquarters.

Except as otherwise set forth below, the address of each of the persons listed below is Optex Systems Holdings’ address.

Title of Class	Name of Beneficial Owner	Number of Shares	Preferred Conversion (4)	Combined Ownership	Percentage of Outstanding Shares
Common Stock:					
5% Holders	Arland Holdings, Ltd. (1)	11,148,935		11,148,935	5.81%
	Sileas Corporation (2, 3)	102,184,347	37,040,000	139,224,347	72.54%
Directors and Officers:	Stanley Hirschman (2)	81,747,478	29,632,000	111,379,478	58.03%
	Ronald Richards	-	-	-	-
	Merrick Okamoto	-	-	-	-
	Danny Schoening (2, 5)	15,327,652	5,556,000	20,883,652	10.88%
	Karen Hawkins (2)	5,109,217	1,852,000	6,961,217	3.63%
Directors and officers as a group (3 Individuals)		102,184,347	37,040,000	139,224,347	72.54%
Preferred Stock:					
	Sileas Corporation (2,3)	926	37,040,000		19.30%

1 Represents shares held by Arland Holdings, Ltd., which is located at 551 5th Avenue, Suite 1601, New York, NY 10176. Arie Rabinowitz has voting control over the shares held by Arland Holdings, Ltd.

2 Represents shares held by Sileas of which each of Stanley Hirschman, a Director/Officer of the Company, Danny Schoening and Karen Hawkins has a controlling interest (80%, 15% and 5%, respectively); therefore, under Rule 13d-3 of the Exchange Act, Mr. Hirschman, Mr. Schoening and Ms. Hawkins are deemed to be the beneficial owner of those shares.

3 Sileas’ ownership interest in the Company has been pledged to Longview as security for a loan in connection with the acquisition of Longview’s interests in Optex Delaware by Sileas. Investment decisions for Longview are made by its investment advisor, Viking Asset Management, LLC. Mr. Peter Benz is the Chairman, Chief Executive Officer and a Managing Member of Viking Asset Management and may be deemed to control its business activities, including the

investment activities of Longview. Mr. Merrick Okamoto who is a director of the Company is the President and a Managing Member of Viking Asset Management and may be deemed to control its business activities, including the investment activities of Longview. In the event of a default by Sileas on its debt obligation to Longview, the shares held by Sileas may be returned to Longview. Viking and Longview each may be deemed to have shared voting and dispositive authority over the shares of the Company's common stock if they are returned to Longview. Mr. Benz and Mr. Okamoto, as control persons of Viking and/or Longview, may be deemed to beneficially own all such shares; however, they disclaim such beneficial ownership.

- 4 Represents shares of common stock issuable upon conversion of preferred stock held by the stockholder.
- 5 Represents shares issuable upon conversion of stock options and shares owned by Sileas that Mr. Schoening is deemed to be the beneficial ownership of due to his ownership of 15% of Sileas.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship between Optex Texas, IRSN and Longview and Alpha

Longview and Alpha were owed certain debt by IRSN including debt evidenced by (i) a December 29, 2006 Term Loan and Security Agreement executed by IRSN and Longview and Alpha, and (ii) a series of secured promissory notes purchased by them and issued to them on December 29, 2006, July 19, 2007 and November 28, 2007. As of August 24, 2008, the total amount due under all of the described notes was approximately \$18.4 million. Optex Texas, which was and is a wholly owned subsidiary of IRSN, was a guarantor of all of those notes, and pursuant to related security agreements Longview and Alpha had a validly perfected, fully enforceable security interest in all personal property of Optex Texas. On September 19, 2008, pursuant to an Assignment and Stock/Note Issuance Agreement, Alpha and Longview transferred and assigned to Optex Delaware \$15 million of their respective interests and rights in the aforesaid notes and obligations to Optex Delaware in exchange for 100% of the issued and outstanding stock of Optex Delaware.

Acquisition of Assets of Optex Texas by Optex Delaware on October 14, 2008

On October 14, 2008, in a purchase transaction that was consummated via public auction, Optex Delaware purchased all of the assets of Optex Texas in exchange for \$15 million of IRSN debt owned by it and the assumption of approximately \$3.8 million of certain Optex Texas liabilities. The \$15 million of IRSN debt was contributed by Longview and Alpha to Optex Delaware in exchange for a \$6 million note payable from Optex Delaware and a \$9 million equity interest in Optex Delaware. Longview and Alpha owned Optex Delaware until February 20, 2009, when Longview sold 100% of its interests in Optex Delaware to Sileas, as discussed below. In referring to these transactions, Optex Delaware is considered to be the successor entity to Optex Texas, the predecessor entity.

Secured Promissory Notes and Common Shares Issued in connection with Purchase by Optex Delaware

In connection with the public sale of the Optex Texas assets to Optex Delaware, Optex Delaware delivered to each of Longview and Alpha a Secured Promissory Note due September 19, 2011 in the principal amounts of \$5,409,762 and \$540,976, respectively. Each Note bears simple interest at the rate of 6% per annum, and the interest rate upon an event of default increases to 8% per annum. After 180 days from the Issue Date, the principal amount of the Notes and accrued and unpaid interest thereon may be converted into Optex Delaware common stock at a conversion price of \$1.80 per share (pre-split and pre-reorganization price). The Notes may be redeemed prior to maturity at a price of 120% of the then outstanding principal amount plus all accrued and unpaid interest thereon. The obligations of Optex Delaware under the Notes are secured by a lien of all of the assets of Optex Delaware in favor of Longview and Alpha. In addition, Optex Delaware issued common stock to each of Longview and Alpha in the quantities of 45,081,350 and 4,918,650, respectively. On October 30, 2008, Alpha sold its Optex Delaware common stock to Arland Holding, Ltd. On February 20, 2009, Longview sold its Note to Sileas (see below).

Acquisition by Sileas on February 20, 2009

On February 20, 2009, Sileas purchased 100% of the equity and debt interest held by Longview, representing 90% of Optex Delaware, in a private transaction (the "Acquisition"). The primary reason for the Acquisition was to eliminate shareholder control of Optex Systems Holdings by Longview and to limit any perception of control over the day-to-day operations of Optex Systems Holdings, whether or not such control actually existed. While Longview makes investments in a variety of companies, it strives to invest passively and leave the day-to-day operations of the companies in its investment portfolio to the management teams of those companies. In addition, the Acquisition allowed Optex Systems Holdings to avoid potential conflicts of interest or other related business issues that might have adversely affected Optex Systems Holdings' operations as a result of Longview's investments in other companies.

The purchase price for the Acquisition was \$13,524,405. Sileas issued a purchase money note to Longview for the full amount of the purchase price in exchange for 45,081,350 shares of common stock issued by Optex Systems Holdings (representing 90% of the outstanding shares) and transfer of a note dated December 2, 2008, issued by Optex Systems Holdings to Longview in the principal amount of \$5,409,762. No contingent consideration is due the seller in the transaction. The obligations of Sileas under the Note are secured by a security interest in Optex Systems Holdings' common and preferred stock owned by Sileas that was granted to Longview pursuant to a Stock Pledge Agreement delivered by Sileas to Longview and also by a lien on all of the assets of Sileas. On March 27, 2009, Sileas and Alpha exchanged the \$6,000,000 aggregate principal amount of notes, plus accrued and unpaid interest thereon, for 1,027 shares of Optex Delaware Series A preferred stock.

Sileas has no operations or business activities other than holding the Purchased Assets and has no revenues. The management of Sileas believes that the value of its common stock and preferred stock holdings in Optex Systems Holdings will increase over time. Sileas plans to repay Longview, no later than the maturity date, through some combination of a recapitalization of Sileas equity and debt and partial or full liquidation of its interests in Optex Systems Holdings.

Secured Promissory Note Due February 20, 2012/Longview Fund, LP

As a result of the transaction described above between Sileas and Longview Fund, LP on February 20, 2009, Sileas, the new majority owner of Optex Delaware, executed and delivered to Longview, a Secured Promissory Note due February 20, 2012 in the principal amount of \$13,524,405. The Note bears simple interest at the rate of 4% per annum, and the interest rate upon an event of default increases to 10% per annum. In the event that a Major Transaction occurs prior to the maturity date resulting in the Borrower receiving Net Consideration with a fair market value in excess of the principal and interest due under the terms of this Secured Note, then in addition to paying the principal and interest due, Sileas shall also pay an amount equal to 90% of the consideration. "Major Transaction" refers to a transaction whereby Optex Delaware would consolidate or merge into or sell or convey all or substantially all of its assets to a third party entity for more than nominal consideration, and "Net Consideration" refers to the fair market value of the consideration received in connection with a Major Transaction less all outstanding liabilities of Optex Delaware.

reorganization/Share Exchange

On March 30, 2009, a reorganization occurred whereby the then existing shareholders of Optex Delaware exchanged their shares of common stock with the shares of common stock of Optex Systems Holdings as follows: (i) the outstanding 85,000,000 shares of Optex Delaware common stock were exchanged by Optex Systems Holdings for 113,333,282 shares of Optex Systems Holdings common stock, (ii) the outstanding 1,027 shares of Optex Delaware Series A preferred stock were exchanged by Optex Systems Holdings for 1,027 shares of Optex Systems Holdings Series A preferred stock and (iii) the 8,131,667 shares of Optex Delaware common stock purchased in the private placement, which also occurred on March 30, 2009, were exchanged by Optex Systems Holdings for 8,131,667 shares of Optex Systems Holdings common stock. The per share price in the private placement was \$0.15 per share of common stock, and the closing date was March 30, 2009. Optex Delaware remains a wholly-owned subsidiary of Optex Systems Holdings.

At the time of the reorganization, 25,000,000 shares owned by Andrey Oks, the former CEO of Optex Systems Holdings, were cancelled. Immediately prior to the closing, 19,999,991 shares of Company common stock were outstanding. The 19,999,991 shares derives from the 17,999,995 shares outstanding as of December 31, 2008 plus the 26,999,996 shares issued in conjunct with the 2,5:1 forward stock split authorized by the Sustut Board and shareholders and effected on February 27, 2009 less retirement of Andrey Oks' 25,000,000 shares. The total outstanding common shares of Optex Systems Holdings subsequent to the closing of the reorganization is as follows:

Existing Sustut Shareholders	19,999,991
Optex Delaware shares exchanged	113,333,282
Optex Delaware Private Placement shares exchanged	<u>8,131,667</u>
Total Shares after reorganization	<u>141,464,940</u>
Cancellation of shares - American Capital Ventures	(700,000)
Private placement - June 29, 2009	750,000
Issuance of shares as consideration - ZA Consulting	<u>480,000</u>
Shares Outstanding on August 31, 2009	<u><u>141,994,940</u></u>

Short Term Note Payable/Longview Fund - On September 23, 2008 Optex Texas borrowed \$146,709 from Longview and issued a promissory note dated September 23, 2008, to Longview in connection therewith. The September 23, 2008 Note bears interest at the rate of 10% per annum with interest accruing until the maturity date of the September 23, 2008 Note, which was originally set as November 7, 2008. Pursuant to an Allonge No. 1 to Promissory Note, dated January 20, 2009, the Maturity Date was extended until March 31, 2009. On March 30, 2009 in conjunction with the reorganization and Private Placement, Longview purchased 3.25 units of the Private Placement using \$146,250 of the amount due under the Note as consideration for the purchase. The outstanding balance related to the original note issue of \$459 plus \$11,101 of accrued interest was paid in September 2009.

Transactions with Executive Management

See the "Executive Compensation" section for a discussion of the material elements of compensation awarded to, earned by or paid to our named executive officers. Other than as stated in the "Executive Compensation" section, we have not entered into any transactions with executive management.

THE SELLING STOCKHOLDERS AND PLAN OF DISTRIBUTION

This prospectus covers 11,784,177 shares of common stock held by the selling stockholders pursuant to the registration obligations of certain subscription agreements (for which all consideration owed was received by us on March 30, 2009) with the selling stockholders in order to permit the resale of these shares of common stock by the selling stockholders from time to time after the date of this prospectus. After completion of the offering, if all shares registered are sold, the selling stockholders will hold shares of our common stock, upon exercise of their warrants, as stated. We will not receive any of the proceeds from the sale by the selling stockholders of the shares of common stock covered by this prospectus. We will bear all fees and expenses incident to our obligation to register the shares of common stock.

Name of Selling Stockholder (18)	Amount beneficially owned by Selling Stockholder	Amount to be offered to Selling Stockholder's Account	Amount to be beneficially owned following completion of offering	Percent to be beneficially owned following completion of the offering
(1) Albert & Diane Gagnani	1,200,000	869,504 (600,000 shares of common stock and 269,504 shares underlying warrants)	330,496	0.17%
(2) Curio Holdings	600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(3) Daniel McDonald	300,000	217,377 (150,000 shares of common stock and 67,377 shares underlying warrants)	82,623	0.04%
(4) Eric Samuelson	1,500,000	1,086,878 (750,000 shares of common stock and 336,878 shares underlying warrants)	413,122	0.22%
(5) George Gummow	600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(6) Gerald Berkson	453,334	328,479 (226,667 shares of common stock and 101,812 shares underlying warrants)	124,855	0.07%
(7) Gerald Holland	600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(8) Kenneth and Irene Chaffin	300,000	217,376 (150,000 shares of common stock and 67,376 shares underlying warrants)	82,624	0.04%
(9) Lee Stambollis	360,000	260,851 (180,000 shares of common stock and 80,851 shares underlying warrants)	99,149	0.05%
(10) Longview Fund, LP	1,950,000	1,412,942 (975,000 shares of common stock and 437,942 shares underlying warrants)	537,058	0.28%
(11) Michael Peter Lee	600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(12) Robert E. Kraemer	600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%

		434,751 (300 shares of common stock and 134,751 shares underlying warrants)		
(13) Somasundaram Ilangovan	600,000	1,304,254 (900,000 shares of common stock and 404,254 shares underlying warrants)	165,249	0.09%
(14) Victor M. Dandridge III	1,800,000	2,608,508 (1,800,000 shares of common stock and 808,508 shares underlying warrants)	495,746	0.26%
(15) George Warburton	3,600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	991,492	0.52%
(16) Dr. Marc Medway	600,000	434,751 (300 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(17) Michael R. Ruffer	600,000	11,784,177 (8131,667 shares of common stock and 3,652,510 shares underlying warrants)	4,479,157	2.33%

- (1) Consists of 600,000 common shares outstanding and 600,000 warrants exercisable within 60 days of May 19, 2009. The address for Albert & Diane Gragnani is 478 Country Club Dr. San Francisco, CA 94132.
- (2) 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009 The address for Curio Holding, Inc. is 1630 York Avenue, New York, NY 10028, of which the sole stockholder is Inge L. Kerster, with the same address, who exercises voting and investment control with respect to shares of common stock held by that selling stockholder.
- (3) Consists of 150,000 common shares outstanding and 150,000 warrants exercisable within 60 days of May 19, 2009. The address for Daniel McDonald is 2615 Silverton Rd. Salem, OR 97303.
- (4) Consists of 750,000 common shares outstanding and 750,000 warrants exercisable within 60 days of May 19, 2009. The address for Eric Samuelson is Rear 320 South Clairmont Springfield, OH 45505.
- (5) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for George Gummow is 14821 Bartlett Ct. San Martin, CA 95046.
- (6) Consists of 226,667 common shares outstanding and 226,667 warrants exercisable within 60 days of May 19, 2009. The address for Gerald Berkson is 2222 Springfield Way San Mateo, CA 94403.
- (7) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for Gerald Holland is 3231 NE 59th St. Fort Lauderdale, FL 33308,
- (8) Consists of 150,000 common shares outstanding and 150,000 warrants exercisable within 60 days of May 19, 2009. The address for Kenneth and Irene Chaffin is 915 N. Road I West Chino Valley, AZ 86323.
- (9) Consists of 180,000 common shares outstanding and 180,000 warrants exercisable within 60 days of May 19, 2009. The address for Lee Stambollis is 300 26th Ave. San Mateo, CA 94403.
- (10) Consists of 975,000 common shares outstanding and 975,000 warrants exercisable within 60 days of May 19, 2009. The address of Longview Fund, L.P. is c/o Viking Asset Management, 505 Sansome Street, Suite 1275, San Francisco, CA 94111. Investment decisions for Longview are made by its investment advisor, Viking Asset Management, LLC. Mr. Peter Benz is the Chairman, Chief Executive Officer and a Managing Member of Viking Asset Management and may be deemed to control its business activities, including the investment activities of Longview. Mr. Merrick Okamoto who is a director of Optex Systems Holdings is the President and a Managing Member of Viking Asset Management and may be deemed to control its business activities, including the investment activities of Longview. Mr. Benz and Mr. Okamoto, as control persons of Viking and/or Longview, may be deemed to beneficially own all such shares; however, they disclaim such beneficial ownership.
- (11) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for Michael Peter Lee is Redwood House, Lodge Gardens, Great Carlton, Louth Lincolnshire LN11 8JY U. K.
- (12) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for Robert E. Kraemer is N6816 St RD 79 Menomonie, WI 54751.
- (13) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for Somasundaram Ilangovan is 229 Sydney Road Holland, PA 18966.

- (14) Consists of 900,000 common shares outstanding and 900,000 warrants exercisable within 60 days of May 19, 2009. The address for Victor M. Dandridge III is 695 Berkmar Court Charlottesville, VA 22901.
- (15) Consists of 1,800,000 common shares outstanding and 1,800,000 warrants exercisable within 60 days of May 19, 2009. The address for George Warburton is 19 The Citadel Fort George St. Peter Port Guernsey GY125X.
- (16) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for Dr. Marc Medway is 506 Hobby Horse Hills Ambler, PA 19002.

- (17) Consists of 300,000 common shares outstanding and 300,000 warrants exercisable within 60 days of May 19, 2009. The address for Michael R. Ruffer is 11809 Lyrac Ct Oakton, VA 22124.
- (18) All of the securities listed in this table were purchased as of March 30, 2009 when Optex Systems Holdings accepted subscriptions from accredited investors for a total 27.1 units for \$45,000.00 per unit, with each unit consisting of Three Hundred Thousand (300,000) shares of common stock, no par value of Optex Systems Holdings and warrants to purchase Three Hundred Thousand (300,000) shares of common stock at an exercise price of \$0.45 per share for a period of five (5) years from the date of closing.

The selling stockholders may sell all or a portion of the shares of common stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. The shares of common stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions:

- to purchasers directly;
- in ordinary brokerage transactions and transactions in which the broker solicits purchasers;
- through underwriters or dealers who may receive compensation in the form of underwriting discounts, concessions or commissions from such stockholders or from the purchasers of the securities for whom they may act as agent;
- by the pledge of the shares as security for any loan or obligation, including pledges to brokers or dealers who may effect distribution of the shares or interests in such securities;
- to purchasers by a broker or dealer as principal and resale by such broker or dealer for its own account pursuant to this prospectus;
- in a block trade in which the broker or dealer so engaged will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate a transaction;
- through an exchange distribution in accordance with the rules of the exchange or in transactions in the over-the-counter market;
- pursuant to Rule 144; or
- in any other manner not proscribed by law.

If the selling stockholders effect such transactions by selling shares of common stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholders or commissions from purchasers of the shares of common stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the shares of common stock or otherwise, the selling stockholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of common stock in the course of hedging in positions they assume. If the selling stockholders enter into an agreement to sell their shares to a broker-dealer and such broker-dealer is acting as an underwriter, we will file a post-effective amendment to the registration statement of which this prospectus forms a part for the purpose of updating this disclosure with respect to such broker-dealer and its related plan of distribution. The selling stockholders may also sell shares of common stock short and deliver shares of common stock covered by this prospectus to close out short positions. The selling stockholders may also loan or pledge shares of common stock to broker-dealers that in turn may sell such shares.

The selling stockholders and any broker-dealer participating in the distribution of the shares of common stock may be deemed to be “underwriters” within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act.

We have advised the selling stockholders that under current interpretations they may not use shares registered on this registration statement to cover short sales of our common stock made prior to the date on which this registration statement shall have been declared effective by the Commission. If the selling stockholders use this prospectus for any sale of our common stock, it will be subject to the prospectus delivery requirements of the Securities Act.

The selling stockholders and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of common stock by the selling stockholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of common stock to engage in market-making activities with respect to the shares of common stock. All of the foregoing may affect the marketability of the shares of common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of common stock.

Optex Systems Holdings has agreed to indemnify the selling stockholders against (i) any untrue statement of a material fact contained in any registration statement filed by Optex Systems Holdings on behalf of the selling stockholders, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation by Optex Systems Holdings of the Securities Act, the Exchange Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act made by Optex Systems Holdings in connection therewith,

Once sold under the registration statement, of which this prospectus forms a part, the shares of common stock will be freely tradable in the hands of persons other than our affiliates.

There can be no assurance that the selling stockholders will sell any or all of the shares of common stock registered pursuant to the registration statement, of which this prospectus forms a part.

Our common stock is quoted on the OTCBB under the symbol “OPXS”.

DESCRIPTION OF SECURITIES

Optex Systems Holdings is authorized to issue 200,000,000 shares of common stock and 5,000 shares of preferred stock of which 1,027 shares are designated as Series A preferred stock. As of August 31, 2009, there were 141,994,940 shares of common stock issued and outstanding and 1,027 Series A preferred stock issued and outstanding.

Common Stock

The holders of common stock are entitled to one vote per share. The holders of common stock are entitled to receive ratably such dividends, if any, as may be declared by the board of directors out of legally available funds. However, the current policy of the board of directors is to retain earnings, if any, for operations and growth. Upon liquidation, dissolution or winding-up, the holders of common stock are entitled to share ratably in all assets that are legally available for distribution. The holders of common stock have no preemptive, subscription, redemption or conversion rights. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of any series of preferred stock, which may be designated solely by action of the board of directors and issued in the future.

Preferred Stock

Series A preferred stock

On March 24, 2009, Optex Systems Holdings filed a Certificate of Designation with the Secretary of State of the State of Delaware authorizing a series of preferred stock, under its articles of incorporation, known as "Series A preferred stock". This Certificate of Designation was approved by Optex Systems Holdings' Board of Directors and Shareholders at a Board Meeting and Shareholders Meeting held on February 25, 2009. The Certificate of Designation sets forth the following terms for the Series A preferred stock as described in the table below.

Authorized Shares:	1,027
Per Share Stated Value:	\$6,000
Liquidation Preference:	Per share Stated Value
Conversion Price into common stock:	\$0.15 per share, as adjusted on a pro rata basis for stock splits, dividends, combinations or reclassifications and on a full ratchet basis for equity issuances at a price less than the then in effect exercise price.
Voting Rights:	The Series A Preferred Shares shall vote along with the common stock on an as converted basis and shall have one vote per share.
Dividends:	6% per annum payable quarterly payable quarterly in arrears.

Stock Options

As of the date of this prospectus, we have 2,681,649 outstanding stock options that represent potential future cash proceeds to our company of \$402,247. The company granted an officer at the consummation of the reorganization, 1,414,649 options, on March 29, 2009 with an exercise price of \$0.15 per share, vesting as follows: 34% of the options vesting one year following the date of grant, and 33% vesting on each of the second and third anniversaries following the date of grant. On May 14, 2009 the company issued 1,267,000 share options to Optex employees with an exercise price of \$0.15 per share and vesting equally at 25% per year at the end of each service year for four years. The holders of options are not required to exercise their rights at any time and we are unable to predict the amount and timing of any future option exercises. We reserve the right to temporarily reduce the exercise prices of our options from time to time in order to encourage the early exercise of the options. As of the date of this prospectus, none of the stock options had vested.

Delaware Anti-takeover Statute

We are subject to the provisions of section 203 of the Delaware General Corporation Law regulating corporate takeovers. In general, those provisions prohibit a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder, unless:

- the transaction is approved by the board of directors before the date the interested stockholder attained that status;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or

- on or after the date the business combination is approved by the board of directors and authorized at a meeting of stockholders by at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 defines “business combination” to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by any of these entities or persons.

A Delaware corporation may opt out of this provision either with an express provision in its certificate of incorporation or bylaws approved by its stockholders. However, we have not opted out, and do not currently intend to opt out, of this provision. The statute could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire us.

Certificate of Incorporation and By-laws

Our Certificate of Incorporation and by-laws include provisions that may have the effect of delaying or preventing a change of control or changes in our management. These provisions include:

- the right of the board of directors to elect a director to fill a vacancy created by the resignation of a director or the expansion of the board of directors;
- the requirement for advance notice for nominations of candidates for election to the board of directors or for proposing matters that can be acted upon at a stockholders’ meeting (as set forth in Article II Section IV of the Bylaws which require notice to be given least ten (10) and not more than sixty (60) days prior to each meeting, and notice of each special meeting shall also state the purpose or purposes for which it has been called.);
- the right of our board of directors to alter our bylaws without stockholder approval.

Also pursuant to the reorganization, we amended our bylaws which provided for a fiscal year end on December 31 to a fiscal year ending on the Sunday nearest September 30.

Transfer Agent

Our transfer agent is American Registrar & Transfer Co., 342 East 900 South, Salt Lake City, UT 84111.

LEGAL MATTERS

The legality of the shares of common stock offered by this prospectus will be passed upon for us by Jolie Kahn, Esq. of New York, NY.

EXPERTS

The financial statements as of September 28, 2008 and September 30, 2007 included in this prospectus have been so included in reliance on the report of EFP Rotenberg, LLP successor to Rotenberg & Co. LLP, an independent registered public accounting firm, given on the authority of said firm as experts in accounting and auditing.

On October 8, 2009, Optex Systems Holdings received notice that its current auditors, Rotenberg and Co., LLP, had resigned in connection with their merger with EFP Group, which was effective as of October 1, 2009. Optex Systems Holdings has engaged the new firm resulting from the merger, EFP Rotenberg, LLP, to continue as Optex Systems Holdings' independent registered public accounting firm. All of the partners and employees of Rotenberg and Co., LLP and EFP Group have joined the new firm, EFP Rotenberg, LLP. EFP Rotenberg, LLP is currently registered with the PCAOB.

Rotenberg and Co. LLP was engaged by Optex Systems Holdings on March 30, 2009 and has performed reviews for the quarters ended March 29, 2009 and June 28, 2009. Rotenberg and Co. LLP has not performed any audit services or rendered any audit report from the time of its engagement through the date of cessation of the client-auditor relationship on October 1, 2009. There have been no disagreements with Rotenberg and Co. LLP or reportable events since the date of their engagement on March 30, 2009 through the cessation of the client-auditor relationship on October 1, 2009.

On October 17, 2009, with the approval of Optex Systems Holdings' Board of Directors, EFP Rotenberg, LLP was engaged as Optex Systems Holdings' independent registered public accountant effective concurrent with the merger. Prior to such engagement, during the two most recent fiscal years, Optex Systems Holdings has not consulted with EFP Rotenberg, LLP on any matter.

Optex Systems Holdings provided Rotenberg and Co., LLP with a copy of this Current Report on Form 8-K/A prior to its filing with the Securities and Exchange Commission and requested that Rotenberg and Co., LLP furnish Optex Systems Holdings with a letter addressed to the SEC stating whether it agrees with the above statements and, if it does not agree, the respects in which it does not agree, a copy of which is filed as Exhibit 16.1 to Optex Systems Holdings' Current Report on Form 8-K/A, filed on October 19, 2009.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-1 with the Commission with respect to this offering. This prospectus, which is part of the registration statement, does not include all of the information contained in the registration statement. You should refer to the registration statement and its exhibits and schedules for additional information. Whenever we make reference in this prospectus to any of our contracts, agreements or other documents, the references are not necessarily complete and you should refer to the exhibits and schedules attached to the registration statement for copies of the actual contract, agreement or other document.

We also file annual, quarterly and current reports, proxy statements and other documents with the Commission under the Exchange Act. You may read and copy any materials that we may file without charge at the Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may call the Commission at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. You may obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the Commission at 100 F Street, N.E., Washington, D.C. 20549. The Commission also maintains an Internet site, <http://www.sec.gov>, which contains reports, proxy and information statements and other information regarding issuers that file electronically with the Commission. The other information we file with the Commission is not part of the registration statement of which this prospectus forms a part.

OPTEX SYSTEMS HOLDINGS, INC.
UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF JUNE 28, 2009 (Restated)

OPTEX SYSTEMS HOLDINGS, INC.

BALANCE SHEETS AS OF JUNE 28, 2009 (SUCCESSOR) (UNAUDITED) (RESTATED)
AND SEPTEMBER 28, 2008 (PREDECESSOR) (RESTATED) F-3

STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 28, 2009
(SUCCESSOR) AND JUNE 29, 2008 (PREDECESSOR) (UNAUDITED)
FOR THE PERIOD OCTOBER 15, 2008 THROUGH JUNE 28, 2009 (SUCCESSOR) AND
FOR THE PERIOD SEPTEMBER 29, 2008 THROUGH OCTOBER 14, 2008
(PREDECESSOR) (UNAUDITED) (RESTATED) F-5

STATEMENTS OF CASH FLOWS FOR THE PERIOD OCTOBER 15, 2008 THROUGH JUNE 28, 2009
(SUCCESSOR) AND FOR THE PERIOD SEPTEMBER 29, 2008
THROUGH OCTOBER 14, 2008 (PREDECESSOR) (UNAUDITED) (RESTATED) F-6

STATEMENTS OF STOCKHOLDERS' EQUITY FOR THE PERIOD OCTOBER 15, 2008
THROUGH JUNE 28, 2009 (SUCCESSOR) AND FOR THE PERIOD SEPTEMBER 29,
2008 THROUGH OCTOBER 14, 2008 (PREDECESSOR) (UNAUDITED) (RESTATED) F-8

FINANCIAL STATEMENT FOOTNOTES (UNAUDITED) (RESTATED) F-9

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Condensed Consolidated Balance Sheets

	Restated Successor June 28, 2009 (Unaudited)	Restated Predecessor September 28, 2008
ASSETS		
Current Assets		
Cash	\$ 492,325	\$ 170,183
Accounts Receivable	3,228,098	2,454,235
Net Inventory	6,843,017	4,547,726
Prepaid Expenses	158,797	307,507
Total Current Assets	10,722,237	7,479,651
Property and Equipment		
Property Plant and Equipment	1,341,271	1,314,109
Accumulated Depreciation	(1,073,745)	(994,542)
Total Property and Equipment	267,526	319,567
Other Assets		
Security Deposits	20,684	20,684
Intangibles	2,483,395	1,100,140
Goodwill	7,110,415	10,047,065
Total Other Assets	9,614,494	11,167,889
Total Assets	\$ 20,604,257	\$ 18,967,107

The accompanying notes are an integral part of these financial statements

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Balance Sheets – Continued

	Restated Successor June 28, 2009 (Unaudited)	Restated Predecessor September 28, 2008
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts Payable	\$ 3,223,278	\$ 1,821,534
Accrued Expenses	628,033	798,974
Accrued Warranties	314,446	227,000
Accrued Contract Losses	687,111	821,885
Loans Payable	459	373,974
Interest on Loans Payable	11,101	
Income Tax Payable	85,179	4,425
Total Current Liabilities	4,949,607	4,047,792
Other Liabilities		
Note Payable	-	\$ 2,000,000
Accrued Interest on Note	-	336,148
Due to Parent	-	4,300,151
Total Other Liabilities	-	6,636,299
Total Liabilities	4,949,607	\$ 10,684,091
Stockholders' Equity		
Optex Systems Holdings, Inc. – (par value \$0.001 per share, 200,000,000 shares authorized, 141,464,940 shares issued and outstanding as of June 28, 2009)	141,465	
Optex Systems Holdings, Inc. preferred stock (par value \$0.001 per share, 5,000 shares authorized, 1,027 Series A Preferred shares issued and outstanding as of June 28, 2009)	1	
Optex Systems, Inc. – Texas (predecessor) common stock (no par 100,000 shares authorized, 18,870 shares issued and 10,000 shares outstanding as of September 28, 2008)		164,834
Optex Systems, Inc. – Texas (predecessor) Treasury Stock (8,870 shares at cost as of September 28, 2008)	-	(1,217,400)
Additional Paid-in-capital	16,241,768	15,246,282
Retained Deficit	(728,584)	(5,910,700)
Total Stockholders' Equity	\$ 15,654,650	\$ 8,283,016
Total Liabilities and Stockholders' Equity	\$ 20,604,257	\$ 18,967,107

The accompanying notes are an integral part of these financial statements

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Condensed Consolidated Statements of Operations – Restated and Unaudited

	Successor Three Months ended June 28, 2009	Predecessor Three Months ended June 29, 2008	Successor For the period October 15, 2008 through June 28, 2009	Predecessor For the period September 29, 2008 through October 14, 2008	Predecessor Nine Months ended June 29, 2008
Revenues	\$ 6,983,930	\$ 3,881,053	\$ 20,084,362	\$ 871,938	\$ 13,925,073
Total Cost of Sales	6,417,926	2,851,287	18,135,020	739,868	11,716,785
Gross Margin	566,004	1,029,766	1,949,342	132,070	2,208,288
General and Administrative					
Salaries and Wages	176,869	253,594	502,883	22,028	744,119
Employee Benefits & Taxes	29,716	76,438	228,847	495	246,071
Employee Stock Bonus Plan	-	100,174	4,812	(4,812)	279,034
Amortization of Intangible	101,159	54,123	303,475	-	169,368
Rent, Utilities and Building Maintenance	50,838	69,959	150,780	12,493	160,999
Investor Relations	88,326	-	88,326	-	-
Legal and Accounting Fees	128,274	20,166	296,627	360	117,695
Consulting and Contract Service Fees	43,210	66,678	167,261	10,527	267,222
Travel Expenses	16,294	28,376	41,317	-	116,338
Corporate Allocations	-	508,275	-	-	1,450,905
Board of Director Fees	37,500	-	87,500	-	-
Other Expenses	87,749	47,127	167,531	16,155	124,729
Total General and Administrative	759,935	1,224,910	2,039,359	57,246	3,676,480
Operating Income (Loss)	(193,931)	(195,144)	(90,017)	74,824	(1,468,192)
Other Expenses					
Other (Income) and Expense	(351)	3	(1,434)	-	(499)
Interest (Income) Expense - Net	-	46,000	174,710	9,492	145,503
Total Other	(351)	46,003	173,276	9,492	145,004
Income (Loss) Before Taxes	(193,580)	(241,147)	(263,293)	65,332	(1,613,196)
Income Taxes (Benefit)	114,973	-	465,291	-	-
Net Income (Loss) After Taxes	\$ (308,553)	\$ (241,147)	\$ (728,584)	\$ 65,332	\$ (1,613,196)
Basic and diluted loss per share (1)	\$ (0.00)	\$ (24.11)	\$ (0.01)	\$ 6.53	\$ (161.32)
Weighted Average					

Common Shares					
Outstanding	141,464,940	10,000	122,744,977	10,000	10,000

The accompanying notes are an integral part of these financial statements

(1) Basic earnings per share is computed by dividing income available to common shareholders (the numerator) by the weighted-average number of common shares outstanding (the denominator) for the period. Diluted earnings per share is computed by assuming that any dilutive convertible securities outstanding were converted, with related preferred stock dividend requirements and outstanding common shares adjusted accordingly. In a loss year, the calculation for basic and diluted earnings per share is considered to be the same, as the impact of potential common shares is anti-dilutive.

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Statements of Cash Flows Restated and Unaudited

	Successor For the period October 15, 2008 through June 28, 2009	Predecessor For the period September 29, 2008 through October 14, 2008	Predecessor Nine months ended June 29, 2008
Cash flows from operating activities:			
Net Income (Loss)	\$ (728,584)	\$ 65,332	\$ (1,613,196)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	1,622,907	9,691	570,566
Provision for (use of) allowance for inventory valuation	158,273	27,363	
Noncash interest expense	170,882	9,500	145,503
Stock option compensation expense	15,174	-	
(Increase) decrease in accounts receivable	(1,823,665)	1,049,802	460,783
(Increase) decrease in inventory (net of progress billed)	(1,617,361)	(863,566)	321,273
(Increase) decrease in other current assets	317,669	18,541	(190,829)
Increase (decrease) in accounts payable and accrued expenses	1,416,854	(186,051)	(510,043)
Increase (decrease) in accrued warranty costs	87,446	-	
Increase (decrease) in due to parent	-	1,428	1,595,954
Increase (decrease) in accrued estimated loss on contracts	(119,470)	(15,304)	(1,021,761)
Increase (decrease) in income taxes payable	85,179	-	
Total adjustments	313,888	51,404	1,371,446
Net cash (used)/provided by operating activities	(414,696)	116,736	(241,750)
Cash flows from investing activities:			
Cash Received through Optex Texas acquisition	253,581	-	-
Purchased of property and equipment	(13,824)	(13,338)	(103,974)
Net cash used in investing activities:	239,757	(13,338)	(103,974)
Cash flows from financing activities:			
Private Placement net of stock issuance cost	874,529	-	
Repayment of Loans Payable – Qioptic	(207,265)	(20,000)	
Net cash used in financing activities:	667,264	(20,000)	-
Net increase (decrease) in cash and cash equivalents	492,325	83,398	(345,724)
Cash and cash equivalents at beginning of period	-	170,183	504,753
Cash and cash equivalents at end of period	\$ 492,325	\$ 253,581	\$ 159,029

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Statements of Cash Flows – Restated and Unaudited – continued

	Successor For the period October 15, 2008 through June 28, 2009	Predecessor For the period September 29, 2008 through October 14, 2008	Predecessor Nine months ended June 29, 2008
Noncash investing and financing activities:			
Optex Delaware (Successor) purchase of			
Optex Texas (Predecessor)			
Cash received	\$ 253,581	-	-
Accounts Receivable	1,404,434	-	-
Inventory	5,383,929	-	-
Intangibles	4,036,790	-	-
Other Assets	632,864	-	-
Accounts Payable	(1,953,833)	-	-
Other Liabilities	(1,868,180)	-	-
Debt	(6,000,000)	-	-
Goodwill	7,110,415	-	-
Issuance of Stock	\$ 9,000,000	-	-
Conversion of Debt to Series A preferred			
stock			
Additonal Paid in Capital (\$6,000,000 debt retirement plus accrued interest of \$159,780)	\$ 6,159,780	-	-
Issuance of Common shares in exchange			
for Investor Relations Services			
Additonal Paid in Capital (1,250,000 shares issued at \$0.001 par)	\$ 187,500	-	-
Supplemental cash flow information:			
Cash paid for interest	\$ 3,817	-	-
Cash paid for taxes	\$ 380,112	-	-

The accompanying notes are an integral part of these financial statements

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Statement of Stockholders' Equity and Comprehensive Income/(Loss) (Restated)

	<u>Common Shares Outstanding</u>	<u>Series A Preferred Shares</u>	<u>Common Stock</u>	<u>Preferred Series A Stock</u>	<u>Treasury Stock Optex Texas</u>	<u>Additional Paid in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholders Equity</u>
Predecessor Entity								
Balance at September 28, 2008	10,000		\$ 164,834		\$ (1,217,400)	\$15,246,282	\$(5,910,700)	\$ 8,283,016
Net Income							65,332	65,332
Balance at October 14, 2008	<u>10,000</u>	<u>-</u>	<u>\$ 164,834</u>	<u>\$ -</u>	<u>\$ (1,217,400)</u>	<u>\$15,246,282</u>	<u>\$(5,845,368)</u>	<u>\$ 8,348,348</u>
Successor Entity								
Balance at October 15, 2008	-	-	-	-	-	-	-	-
Issuance of common stock (1)	113,333,282	-	\$ 113,333	\$ -	-	\$ 8,886,667	\$ -	\$ 9,000,000
Conversion of 6,000,000 Debt and Interest to Series A Preferred shares	-	1,027	-	1	-	6,159,780	-	6,159,781
Sustut Exploration reorganization (2)	19,999,991	-	20,000	-	-	167,500	-	187,500
Stock Option Compensation Expense		-	-	-	-	15,174	-	15,174
Private Placement Sale of Stock (2)	8,131,667	-	8,132	-	-	1,012,647	-	1,020,779
Net Earnings (Loss) from continuing operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(728,584)</u>	<u>(728,584)</u>
Balance at June 28, 2009	<u>141,464,940</u>	<u>1,027</u>	<u>\$ 141,465</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$16,241,768</u>	<u>\$(728,584)</u>	<u>\$ 15,654,650</u>

The accompanying notes are an integral part of these financial statements

(1)After giving affect to the equivalent number of shares issued to existing Optex shareholders due to the reorganization.

(2)reorganization and private placement transactions which occurred on March 30, 2009.

OPTEX SYSTEMS HOLDINGS, INC.
(formerly known as Sustut Exploration, Inc.)
Notes to Condensed Consolidated Financial Statements

Note 1 - Organization and Operations

On March 30, 2009, Optex Systems Holdings, Inc., (formerly known as Sustut Exploration, Inc.), a Delaware corporation, along with Optex Systems, Inc., a privately held Delaware corporation which is Optex Systems Holdings' wholly-owned subsidiary (also known as Successor), entered into a reorganization agreement and Plan of reorganization, pursuant to which Optex Delaware was acquired by Optex Systems Holdings in a share exchange transaction. Optex Systems Holdings became the surviving corporation. At the closing, Optex Systems Holdings changed its name from Sustut Exploration Inc. to Optex Systems Holdings, Inc. and its year end from December 31 to a fiscal year ending on the Sunday nearest September 30.

On October 14, 2008, certain senior secured creditors of Irvine Sensors Corp., Longview Fund, L.P. and Alpha Capital Anstalt formed Optex Delaware, which acquired all of the assets and assumed certain liabilities of Optex Systems, Inc., a Texas corporation and wholly owned subsidiary of IRSN, (also known as Predecessor) in a transaction that was consummated via purchase at a public auction. Following this asset purchase, Optex Texas remained a wholly-owned subsidiary of IRSN.

In accordance with SFAS 141 "Business Combination" and EITF 98-3 "Determining Whether a Non-monetary Transaction Involves Receipt of Productive Assets or of a Business" Optex Delaware's purchase of substantially all of the assets and assumption of certain liabilities represented the acquisition of a business. EITF 98-3 outlines the guidance in determining whether a "business" has been acquired in a transaction. For a transferred set of activities and assets to be a business, it must contain all of the inputs and processes necessary for it to continue to conduct normal operations after the transferred set of assets is separated from the transferor, which include the ability to sustain a revenue stream by providing its outputs to customers. Optex Delaware obtained the inputs and processes necessary for normal operations.

Optex Texas was a privately held Subchapter "S" Corporation from inception in 1987 until December 30, 2005 when 70% of the issued and outstanding stock was acquired by IRSN, and Optex Texas was automatically converted to a Subchapter "C" Corporation. On December 29, 2006, the remaining 30% equity interest in Optex Texas was purchased by IRSN.

On February 20, 2009, Sileas Corp., a newly-formed Delaware corporation, owned by present members of the company's management, purchased 100% of Longview's equity and debt interest in Optex Delaware, representing 90% of the issued and outstanding common equity interests in Optex Delaware, in a private transaction (the "Acquisition"). See Note 4.

Optex Delaware operated as a privately-held Delaware corporation until March 30, 2009, when as a result of the reorganization agreement (described above and also in Note 5), it became a wholly-owned subsidiary of Optex Systems Holdings. Sileas is the majority owner (parent) of Optex Systems Holdings owning approximately 73% of Optex Systems Holdings. Optex Systems Holdings plans to carry on the business of Optex Delaware as its sole line of business and all of Optex Systems Holdings' operations are conducted by and through Optex Delaware. Accordingly, in subsequent periods the financial statements presented will be those of the accounting acquirer. The financial statements of Optex Systems Holdings represent subsidiary statements and do not include the accounts of its majority owner.

The Company's operations are based in Richardson, Texas in a leased facility comprising 49,100 square feet. As of June 28, 2009, Optex Systems Holdings operated with 107 full-time equivalent employees.

Optex Systems Holdings manufactures optical sighting systems and assemblies, primarily for Department of Defense applications. Its products are installed on a variety of U.S. military land vehicles such as the Abrams and Bradley fighting vehicles, light armored and advanced security vehicles and have been selected for installation on the Stryker family of vehicles. Optex Systems Holdings also manufactures and delivers numerous periscope configurations, rifle and surveillance sights and night vision optical assemblies. Optex Systems Holdings's products consist primarily of build to customer print products that are delivered both directly to the military and to other defense prime contractors.

In February 2009, Optex Systems Holdings' ISO certification status was upgraded from 9001:2000 to 9001:2008 bringing Optex Systems Holdings into compliance with the new ISO standards rewritten to align with ISO 14001.

Note 2 - Accounting Policies

Basis of Presentation

Principles of Consolidation: The consolidated financial statements include the accounts of Optex Systems Holdings and its wholly-owned subsidiary, Optex Delaware. All significant inter-company balances and transactions have been eliminated in consolidation.

The accompanying financial statements include the results of operations and cash flows of Optex Delaware, the accounting acquirer in the Sustut reorganization and the Successor in the October 14, 2008 Optex Texas asset purchase transaction, for the period from October 15, 2008 through June 28, 2009. The accompanying financial statements include the balance sheet at September 28, 2008 and the results of operations, changes in stockholders' equity and cash flows for the period from September 29, 2008 through October 14, 2008 of Optex Texas, Predecessor.

Although, Optex Texas (predecessor) has been majority owned by various parent companies described in the preceding paragraphs, no accounts of the parent companies or the effects of consolidation with any parent companies have been included in the accompanying financial statements. The Optex Texas accounts have been presented on the basis of push down accounting in accordance with Staff Accounting Bulletin No. 54 *Application of "Push Down" Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase*. SAB 54 states that the push down basis of accounting should be used in a purchase transaction in which the entity becomes wholly-owned. Under the push down basis of accounting certain transactions incurred by the parent company, which would otherwise be accounted for in the accounts of the parent, are "pushed down" and recorded on the financial statements of the subsidiary. Accordingly, items resulting from the Optex Texas purchase transaction such as goodwill, debt incurred by the parent to acquire the subsidiary and other costs related to the purchase have been recorded on the financial statements of Optex Systems Holdings.

Upon completing the business combination with Sustut on March 30, 2009, Optex Systems Holdings elected to change its fiscal year to match that of Optex Delaware. Accordingly, all activity of the combined companies was presented as of the quarter's end of the accounting acquirer, which was March 29, 2009.

Although the effective date of the merger was March 30, 2009, all transactions related to the business combination (and only those transactions), with Sustut have been reflected as if they had taken place one day prior (on March 29, 2009) so as to coincide with the accounting acquirer's quarter end of March 29, 2009. See Note 5 for details of the reorganization.

The condensed consolidated financial statements of Optex Systems Holdings included herein have been prepared by Optex Systems Holdings, without audit, pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures normally included in financial statements prepared in conjunction with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although Optex Systems Holdings believes that the disclosures are adequate to make the information presented not misleading. These condensed financial statements should be read in conjunction with the annual audited financial statements and the notes thereto included in Optex Systems Holdings' Forms 8-K and other reports filed with the SEC.

The accompanying unaudited interim financial statements reflect all adjustments of a normal and recurring nature which are, in the opinion of management, necessary to present fairly the financial position, results of operations and cash flows of Optex Systems Holdings for the interim periods presented. The results of operations for these periods are not necessarily comparable to, or indicative of, results of any other interim period or for the fiscal year taken as a whole. Certain information that is not required for interim financial reporting purposes has been omitted.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Inventory: Inventory is recorded at the lower of cost or market value, and adjusted as appropriate for decreases in valuation and obsolescence. Adjustments to the valuation and obsolescence reserves are made after analyzing market conditions, current and projected sales activity, inventory costs and inventory balances to determine appropriate reserve levels. Cost is determined using the first-in first-out method. Under arrangements by which progress payments are received against certain contracts, the customer retains a security interest in the undelivered inventory identified with these contracts. Payments received for such undelivered inventory are classified as unliquidated progress payments and deducted from the gross inventory balance. At June 28, 2009, and September 28, 2008 inventory included:

	Successor As of June 28, 2009	Predecessor As of September 28, 2008
Raw Materials	\$ 6,939,094	\$ 4,199,657
Work in Process	3,529,351	5,575,520
Finished Goods	780,828	28,014
Gross Inventory	\$11,249,273	\$ 9,803,191
Less:		
Unliquidated Progress Payments	(3,546,890)	(4,581,736)
Inventory Reserves	(859,366)	(673,729)
Net Inventory	\$ 6,843,017	\$ 4,547,726

Stock-Based Compensation: In December 2004, FASB issued SFAS No. 123R, *Share-Based Payment*. SFAS No. 123R establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. SFAS No. 123R focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. SFAS No. 123R requires that the compensation cost relating to share-based payment transactions be recognized in the financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued.

The Company's accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of EITF 96-18, "Accounting for Equity Instruments That are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services" and EITF 00-18, "Accounting Recognition for Certain Transactions Involving Equity Instruments Granted to Other Than Employees." The measurement date for the fair value of the equity instruments issued is determined at the earlier of (i) the date at which a commitment for performance by the consultant or vendor is reached or (ii) the date at which the consultant or vendor's performance is complete. In the case of equity instruments issued to consultants, the fair value of the equity instrument is recognized over the term of the consulting agreement. Stock-based compensation related to non-employees is accounted for based on the fair value of the related stock or options or the fair value of the services, which ever is more readily determinable in accordance with SFAS 123R.

Earnings per Share: Basic earnings per common share is computed by dividing net earnings by the weighted average number of common shares outstanding during each year presented. Diluted earnings per common share give the effect to the assumed exercise of stock options when dilutive. In a loss year, the calculation for basic and diluted earnings per share is considered to be the same, as the impact of potential common shares is anti-dilutive. For the period October 15, 2008 through June 28, 2009 there were 2,681,649 stock options issued and outstanding that could dilute future earnings. For the period September 29, 2008 through October 14, 2008 and for the nine months ended June 29, 2008, there were no stock options that could dilute future earnings

Note 3 - Recent Accounting Pronouncements

In June 2008, FASB issued FASB Staff Position EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities". FSP EITF 03-6-1 clarifies that share-based payment awards that entitle their holders to receive nonforfeitable dividends or dividend equivalents before vesting should be considered participating securities. As participating securities, we will be required to include these instruments in the calculation of our basic earnings per share, and we will need to calculate basic earnings per share using the "two-class method." Restricted stock is currently included in our dilutive earnings per share calculation using the treasury stock method. The two-class method of computing earnings per share is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared (or accumulated) and participation rights in undistributed earnings. FSP EITF 03-6-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the fiscal year ending October 3, 2010. Optex Systems Holdings does not expect adoption of FSP EITF 03-6-1 to have a material effect on Optex Systems Holdings' financial statements.

In May 2009, FASB issued SFAS No. 165, "Subsequent Events". SFAS 165 establishes principles and requirements for the reporting of events or transactions that occur after the balance sheet date, but before financial statements are issued or are available to be issued. SFAS 165 is effective for financial statements issued for fiscal years and interim periods ending after June 15, 2009. As such, Optex Systems Holdings adopted these provisions at the beginning of the interim period ended June 28, 2009. Adoption of SFAS 165 did not have a material effect on Optex Systems Holdings' financial statements.

In June 2009, FASB issued Statement of Financial Accounting Standard No. 168, "The FASB Accounting Standards Codification TM and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162". SFAS 168 replaces Statement 162 and establishes the FASB Accounting Standards CodificationTM (Codification) as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. SFAS 168 is effective for financial statements issued for fiscal years and interim periods ending after September 15, 2009. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the interim period ending September 27, 2009. Optex Systems Holdings does not expect adoption of SFAS 168 to have a material effect its financial statements.

In June 2006, FASB issued Interpretation No. 48 "*Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109*". This Interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB No. 109, "*Accounting for Income Taxes*". FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The adoption of FIN 48 did not have a material impact on Optex Systems Holdings' financial position, results of operations, or cash flows.

In September 2006, the FASB issued FASB Statement 157, "Fair Value Measurements". FASB No. 157 defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosures about fair value measurements. FASB No. 157 applies under other accounting pronouncements that require or permit fair value measurements. Accordingly, FASB No. 157 does not require any new fair value measurements. However, for some entities, the application of FASB No. 157 will change current practice. The changes to current practice resulting from the application of FASB No. 157 relate to the definition of fair value, the methods used to measure fair value and the expanded disclosures about fair value measurements. The provisions of FASB No. 157 are effective as of January 1, 2008, with the cumulative effect of the change in accounting principle recorded as an adjustment to opening retained earnings. However, delayed application of this statement is permitted for nonfinancial assets and nonfinancial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), until fiscal years beginning after November 15, 2008, and interim periods within those fiscal years. The adoption of FASB No. 157 did not have a material impact on Optex Systems Holdings' financial position, results of operations, or cash flows.

In February 2007, Statement of Financial Accounting Standards No. 159, “ *The Fair Value Option for Financial Assets and Financial Liabilities-Including an Amendment of FASB Statement No. 115* ,” was issued. This standard allows a company to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and financial liabilities on a contract-by-contract basis, with changes in fair value recognized in earnings. The provisions of this standard are effective as of the beginning of our fiscal year 2008, with early adoption permitted. The adoption of FASB No. 159 did not have a material impact on Optex Systems Holdings’ financial position, results of operations, or cash flows.

In March 2007, EITF Issue No. 06-10, "Accounting for Collateral Assignment Split-Dollar Life Insurance Agreements". EITF 06-10 provides guidance for determining a liability for the postretirement benefit obligation as well as recognition and measurement of the associated asset on the basis of the terms of the collateral assignment agreement. EITF 06-10 is effective for fiscal years beginning after December 15, 2007. The adoption of EITF 06-10 did not have a material impact on Optex Systems Holdings’ financial position, results of operations, or cash flows.

In December 2007, FASB issued SFAS No. 141(R), *Business Combinations* and SFAS No. 160, *Accounting and Reporting of Noncontrolling Interest in Consolidated Financial Statements, an amendment of ARB No. 51* . These new standards will significantly change the accounting for and reporting of business combinations and non-controlling (minority) interests in consolidated financial statements. Statement Nos. 141(R) and 160 are required to be adopted simultaneously and are effective for the first annual reporting period beginning on or after December 15, 2008. Earlier adoption is prohibited. Optex Systems Holdings is currently evaluating the impact of adopting SFAS Nos. 141(R) and SFAS 160 on its financial statements.

In December 2007, the SEC issued Staff Accounting Bulletin No. 110. SAB 110 permits companies to continue to use the simplified method, under certain circumstances, in estimating the expected term of “plain vanilla” options beyond December 31, 2007. SAB 110 updates guidance provided in SAB 107 that previously stated that the Staff would not expect a company to use the simplified method for share option grants after December 31, 2007. Optex Systems Holdings does not have any outstanding stock options issued before December 31, 2007.

In March 2008, FASB issued SFAS No. 161, " *Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133* ". SFAS 161 requires enhanced disclosures about an entity’s derivative and hedging activities. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008 with early application encouraged. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the fiscal year ended September 30, 2009. Optex Systems Holdings is currently evaluating the impact of SFAS 161 on its financial statements but does not expect it to have a material effect

In May 2008, FASB issued SFAS No. 162, "*The Hierarchy of Generally Accepted Accounting Principles* ". SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with GAAP in the United States. SFAS 162 is effective 60 days following the SEC’s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*. The adoption of FASB No. 162 did not have a material impact on Optex Systems Holdings’ financial position, results of operations, or cash flows.

In May 2008, FASB issued SFAS No. 163, "*Accounting for Financial Guarantee Insurance Contracts—an interpretation of FASB Statement No. 60* ". SFAS 163 interprets Statement 60 and amends existing accounting pronouncements to clarify their application to the financial guarantee insurance contracts included within the scope of that Statement. SFAS 163 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. As such, Optex Systems Holdings is required to adopt these provisions at the beginning of the fiscal year ended September 30, 2011. Optex Systems Holdings is currently evaluating the impact of SFAS 163 on its financial statements but does not expect it to have a material effect.

Note 4 — Acquisition of Substantially All of the Assets of Optex Texas

Acquisition of Assets of Optex Texas by Optex Delaware on October 14, 2008

On October 14, 2008, in a purchase transaction that was consummated via public auction, Optex Delaware (Successor) purchased all of the assets of Optex Texas (Predecessor) in exchange for \$15 million of IRSN debt owned by it and the assumption of approximately \$3.8 million of certain Optex Texas liabilities. The \$15 million of IRSN debt was contributed by Longview and Alpha to Optex Delaware, Arland Holdings, Ltd. as discussed below, in exchange for a \$6 million note payable from Optex Delaware and a \$9 million equity interest in Optex Delaware (which consisted of the issuance by Optex Delaware of 45,081,350 and 4,918,650 shares of its common stock to each of Longview Fund and Alpha, respectively). On October 30, 2008, Alpha sold its Optex Delaware common stock to Arland Holdings, Ltd. There was no contingent consideration associated with the purchase. Longview and Arland Holdings, Ltd., owned Optex Delaware until February 20, 2009, when Longview sold 100% of its equity interests in Optex Delaware to Sileas, as discussed below.

Optex Delaware purchased all of the assets of Optex Texas, including: intellectual property, production processes and know-how, and outstanding contracts and customer relationships. Optex Delaware also assumed certain liabilities of Optex Texas consisting of accounts payable and accrued liabilities. Optex Systems Holdings's management intends to improve the business's ability to serve its existing customers and to attract new customers by providing quality products and superior service which will be achieved by improving Optex Systems Holdings' working capital availability as opposed to the limited working capital that was available during the time period in which the assets were owned by IRSN.

Optex Delaware has allocated the consideration for its acquisition of the Purchased Assets among tangible and intangible assets acquired and liabilities assumed based upon their fair values. Assets that met the criteria for recognition as intangible assets apart from goodwill were also valued at their fair values.

The purchase price was assigned to the acquired interest in the assets and liabilities of Optex Systems Holdings as of October 14, 2008 as follows:

Assets:	
Current assets, consisting primarily of inventory of \$5,383,929 and accounts receivable of \$1,404,434	\$ 7,330,910
Identifiable intangible assets	4,036,789
Purchased Goodwill	7,110,416
Other non-current assets, principally property and equipment	<u>343,898</u>
Total assets	<u>\$18,822,013</u>
Liabilities:	
Current liabilities, consisting of accounts payable of \$1,953,833 and accrued liabilities of \$1,868,180	<u>3,822,013</u>
Acquired net assets	<u>\$15,000,000</u>

The following table summarizes the estimate of the fair values of the intangible assets as of the asset transfer date:

	Total
Contracted Backlog - Existing Orders	\$ 2,763,567
Program Backlog - Forecasted Indefinite Delivery/Indefinite Quantity awards	<u>1,273,222</u>
Total Intangible Asset to be amortized	<u>\$ 4,036,789</u>

Identifiable intangible assets primarily consist of customer and program backlog and will be amortized between general and administrative expenses and costs of sales according to their respective estimated useful lives as follows:

	2009	2010	2011	2012	2013
Contracted backlog amortized by delivery schedule	\$ 1,666,559	\$ 718,289	\$ 126,158	\$ 19,614	\$ 4,762
COS					
Contracted backlog amortized by delivery schedule	149,990	64,646	11,354	1,765	429
G&A					
Program backlog amortized straight line across 5 years	254,645	254,645	254,645	254,645	254,645
G&A					
Total Amortization by Year	\$ 2,071,194	\$ 1,037,580	\$ 392,157	\$ 276,024	\$ 259,834

The accompanying unaudited pro forma financial information for the consolidated predecessor and successor three and nine months ended June 28, 2009 and successor three and nine months ended June 29, 2008 present the historical financial information of the accounting acquirer. The pro forma financial information is presented for informational purposes only. Such information is based upon the standalone historical results of each entity and does not reflect the actual results that would have been reported had the acquisition been completed when assumed, nor is it indicative of the future results of operations for the combined enterprise.

Pro forma revenue and earnings per share information is presented cumulatively in Note 5.

Secured Promissory Note Issued in Connection with Purchase by Optex Delaware (Successor)

In connection with the public sale of the Optex Texas (Predecessor) assets to Optex Delaware (Successor), Optex Delaware delivered to Longview and Alpha Secured Promissory Notes, due September 19, 2011, in the principal amounts of \$5,409,762 and \$540,976, respectively. On February 20, 2009, Longview sold its Optex Delaware promissory note to Sileas, as described below. On March 27, 2009, Sileas and Alpha exchanged their Notes plus accrued and unpaid interest thereon for 1,027 shares of Optex Delaware Series A preferred stock.

Acquisition by Sileas on February 20, 2009

On February 20, 2009, Sileas purchased 100% of the equity and debt interest held by Longview, representing 90% of Optex Delaware, in the "Acquisition". As of the date of this transaction, Sileas is the majority owner of Optex Systems Holdings.

Secured Promissory Note Due February 20, 2012/Longview Fund, LP

As a result of the transaction described above between Sileas and Longview Fund, LP on February 20, 2009, Sileas, currently majority owner of Optex Systems Holdings, executed and delivered to Longview, a Secured Promissory Note due February 20, 2012 in the principal amount of \$13,524,405. The Note bears simple interest at the rate of 4% per annum, and the interest rate upon an event of default increases to 10% per annum. In the event Optex Systems Holdings sells or conveys all or substantially all its assets to a third party entity for more than nominal consideration, other than a reorganization into Sileas or reincorporation in another jurisdiction, then this Note shall be immediately due and owing without demand. In the event that a Major Transaction occurs prior to the maturity date resulting in the Borrower receiving Net Consideration with a fair market value in excess of the principal and interest due under the terms of this Secured Note, (the "Optex Consideration"), then in addition to paying the principal and interest due, Sileas shall also pay an amount equal to 90% of the Optex Consideration. The obligations of Sileas under the Note are secured by a security interest in Optex Systems Holdings' common and preferred stock owned by Sileas that was granted to Longview pursuant to a Stock Pledge Agreement delivered by Sileas to Longview and also by a lien on all of the assets of Sileas.

Optex Systems Holdings has not guaranteed the note and Longview is not entitled to pursue Optex Systems Holdings in the event of a default by Sileas. Therefore, there are no actual or potential cash flow commitments from Optex Systems Holdings. In the event of default by Sileas on its obligations under the note, Longview would only be entitled to receive Optex Systems Holdings common and preferred stock held by Sileas.

Note 5 –reorganization Plan and Private Placement

reorganization/Share Exchange

On March 30, 2009, the reorganization occurred whereby the then existing shareholders of Optex Delaware exchanged their shares of common stock with the shares of common stock of Optex Systems Holdings as follows: (i) the outstanding 85,000,000 shares of Optex Delaware common stock were exchanged by Optex Systems Holdings for 113,333,282 shares of Company common stock, (ii) the outstanding 1,027 shares of Optex Delaware Series A preferred stock were exchanged by Optex Systems Holdings for 1,027 shares of Company Series A preferred stock and (iii) the 8,131,667 shares of Optex Delaware common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Company common stock. Following the reorganization, Optex Delaware remained a wholly-owned subsidiary of Optex Systems Holdings.

Shares outstanding of Optex Systems Holdings just prior to the close consisted of 19,999,991 shares of which 1,250,000 shares were issued on March 27, 2009 as payment for Investor Relations Services, of which 700,000 were surrendered to Optex Systems Holdings upon termination of one of the Investor Relations contracts in June 2009. See Note 11 – “Subsequent Events” for a further discussion of the termination of the relationship with one of Optex Systems Holdings’ investor relations firms and appointment of a replacement service provider.

Private Placement

Prior to the closing of the reorganization agreement, as of March 30, 2009, Optex Systems Holdings accepted subscriptions from accredited investors for a total of 27.1 units, for \$45,000 per unit, with each unit consisting of 300,000 shares of common stock, of Optex Systems Holdings and warrants to purchase 300,000 shares of common stock for \$0.45 per share for a period of five years from the initial closing, which were issued by Optex Systems Holdings after the closing referenced above. Gross proceeds to Optex Systems Holdings were \$1,219,750, and after deducting (i) a cash finder’s fee of \$139,555, (ii) non-cash consideration of indebtedness owed to an investor of \$146,250, and (iii) stock issuance costs of \$59,416, net proceeds were \$874,529. The finder also received five year warrants to purchase 2.39 units, at an exercise price of \$49,500 per unit.

The following table represents the reorganization and Private Placement transactions which occurred on March 30, 2009 reflected in March 29, 2009 statements due to the election to report as of the accounting acquirers’ period end:

Optex Systems Holdings, Inc.**Balance Sheet Adjusted for reorganization and Private Placement**

	Unaudited Quarter Ended March 29, 2009	reorganization Adjustments (1)	Private Placement Adjustments	Unaudited Quarter Ended March 29, 2009
Assets				
Current Assets	\$ 8,880,436	\$ 187,500	\$ 929,738	\$ 9,997,674
Non current Assets	<u>10,422,425</u>	<u>-</u>	<u>-</u>	<u>10,422,425</u>
Total Assets	\$ 19,302,861	\$ 187,500	\$ 929,738	\$ 20,420,099
Liabilities				
Loans Payable	146,709		(146,250)	459
Other Current Liabilities	<u>4,416,403</u>	<u>-</u>	<u>55,209</u>	<u>4,471,612</u>
Total Liabilities	\$ 4,563,112	\$ -	\$ (91,041)	\$ 4,472,071
Equity				
Optex Systems Holdings, Inc. – (par \$0.001 per share, 200,000,000 shares authorized, 141,464,940 shares issued and outstanding as of March 29, 2009)	113,333	20,000	8,132	141,465
Optex Systems Holdings, Inc. preferred stock (par value \$0.001 per share, 5,000 shares authorized, 1027 shares of Series A Preferred issued and outstanding)	1			1
Additional Paid in Capital	15,046,446	167,500	1,012,647	16,226,593
Retained Earnings	<u>(420,031)</u>	<u>-</u>	<u>-</u>	<u>(420,031)</u>
Total Stockholders Equity	\$ 14,739,749	\$ 187,500	\$ 1,020,779	\$ 15,948,028
Total Liabilities and Stockholders Equity	\$ 19,302,861	\$ 187,500	\$ 929,738	\$ 20,420,099

(1) Sustut Exploration, Inc. Balance Sheet as of the March 30, 2009 reorganization. Other assets include \$187,500 in prepaid expenses for investor relation services to be realized over the next 12 months. The services were prepaid by the issue of 1,250,000 Sustut shares issued by Sustut prior to March 30, 2009. The prepaid expense covers April 2009 through April 2010 and will be reflected on the consolidated Statement of Operations for Optex Systems Holdings as expensed. See Note 11 - Subsequent Events. 700,000 of these shares were returned to Optex Systems Holdings subsequent to the quarter end.

The expenses reflected by Optex Systems Holdings on its Statement of Operations for the period from April 1, 2009 through March 31, 2010 will be increased by \$46,875 per calendar quarter (as a non-cash expense) as a result of the issuance of the 1,250,000 shares for Investor Relations Services by Sustut and are carried on the Sustut Balance Sheet as a prepaid expense. The same Investor Relations agreements also call for an aggregate cash payment of \$8,000 per month which will increase the expense by an additional \$24,000 per quarter. Therefore, the total impact of the agreements for Investor Relations Services is \$70,875 per quarter (pretax) including both the current cash expense and the amortization of the prepaid expense which is carried on the Condensed Consolidated Balance Sheet of Optex Systems Holdings. See Note 11 - Subsequent Events. 700,000 of these shares were returned to Optex Systems Holdings subsequent to the quarter end.

The accompanying unaudited pro forma financial information for the consolidated successor and predecessor nine months ended June 28, 2009 and successor nine months ended June 29, 2008 present the historical financial information of the accounting acquirer. The pro forma financial information is presented for information purposes only. Such information is based upon the standalone historical results of each company and does not reflect the actual results that would have been reported had the acquisition been completed when assumed, nor is it indicative of the future results of operations for the combined enterprise.

The following represents condensed pro forma revenue and earnings information for the three and six months ended June 28, 2009 and June 29, 2008 as if the acquisition of Optex Texas and reorganization Plan had occurred on the first day of each of the years.

	Unaudited		Unaudited	
	Three Months Ended		Nine Months Ended	
	June 28, 2009	June 29, 2008	June 28, 2009	June 29, 2008
Revenues	6,983,930	3,881,053	20,956,300	13,925,073
Net Income (Loss)	(308,553)	35,877	(653,750)	(780,016)
Diluted earnings per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
<i>Weighted Average Shares Outstanding</i>	<i>141,464,940</i>	<i>141,464,940</i>	<i>141,464,940</i>	<i>141,464,940</i>

The pro forma information depicted above reflect the impacts of reduced interest expense, increased intangible amortization expenses, the elimination of corporate allocation costs from IRSN and the elimination of employee stock bonus compensation previously allocated from IRSN to reflect the costs of the ongoing entity. There is no expected tax effect of the proforma adjustments for the periods affected in 2008 due to net loss and accumulated retained deficit of IRSN.

Note 6 Commitments and Contingencies

Leases

Optex Systems Holdings leases its office and manufacturing facilities under two non-cancellable operating leases expiring November 2009 and February 2010 in addition to maintaining several non-cancellable operating leases for office and manufacturing equipment. Optex Systems Holdings is in negotiation to enter into new leases for the facilities; however, in the event the negotiations are not successful, Optex Systems Holdings believes it can secure replacement facilities upon similar terms in the surrounding vicinity. Total expenses under these facility lease agreements for the three and nine months ended June 28, 2009 was \$77,350 and 232,343 respectively. Total expenses for manufacturing and office equipment for the three and nine months ended June 28, 2009 was \$796 and \$2,464, respectively. At June 28, 2009, the remaining minimum lease payments under non-cancelable operating leases for equipment, office and facility space are as follows:

Fiscal Years ending September	Operating Leases
2009	\$ 119,461
2010	79,867
2011	16,753
2012	-
2013	-
Thereafter	-
Total minimum lease payments	\$ 216,081

Note 7 - Debt Financing

Non-Related parties

Short Term Note Payable/Longview Fund - On September 23, 2008, Optex Delaware borrowed \$146,709 from Longview and issued a promissory note dated September 23, 2008, to Longview in connection therewith. Pursuant to an Allonge No. 1 to Promissory Note, dated January 20, 2009, the Maturity Date was extended until March 31, 2009. On March 30, 2009 in conjunction with the reorganization and Private Placement, Longview Fund purchased 3.25 units of the Private Placement using \$146,250 of the outstanding Note Payable as consideration for the purchase. (See Note 5).

Short term note payable (Qioptic) - On November 20, 2008, Optex Delaware issued a promissory note to Qioptic Limited in the amount of \$117,780. The Note originated as a trade payable as of September 28, 2008 in the amount of \$227,265, and was paid in full as of March 29, 2009.

Note 8 – Stockholders Equity

common stock:

Stock Split

On March 26, 2009, Optex Delaware’s Board of Directors reconfirmed a 1.7:1 forward split of its common stock to holders of record as of February 23, 2009. Accordingly, as a result of the forward split, the 45,081,350 shares of common stock held by Sileas was split into 76,638,295 shares, and the 4,918,650 shares of common stock held by Arland Holdings, Ltd. was split into 8,361,705 shares.

As of March 30, 2009, Optex Delaware was authorized to issue 200,000,000 shares of \$0.001 par value common stock, of which 85,000,000 shares were issued and outstanding as follows:

Sileas Corporation	76,638,295
Arland Holdings, Ltd.	8,361,705
Total Outstanding	<u>85,000,000</u>

reorganization & Private Placement:

On March 29, 2009, as a result of the reorganization agreement and private placement, the 85,000,000 outstanding shares of Optex Delaware as of March 30, 2009 were exchanged for 113,333,282 shares of Optex Systems Holdings (formerly Sustut Exploration, Inc.). An additional 8,131,667 shares were issued as a result of the private placement closed prior to the reorganization.

Each share of stock entitles the holder to one vote on matters brought to a vote of the shareholders.

The company granted an officer at the consummation of the reorganization, options: to purchase 1,414,649 shares with exercise price of \$0.15 per share. The options vest 34% one year following the date of grant, and 33% on each of the second and third anniversaries following the date of grant. See Note 10 - Stock Based Compensation.

Series A preferred stock

On March 24, 2009, Optex Systems Holdings filed a Certificate of Designation with the Secretary of State of the State of Delaware authorizing a series of preferred stock, under its articles of incorporation, known as “Series A preferred stock”. This Certificate of Designation was approved by Optex Systems Holdings’ Board of Directors and Shareholders at a Board Meeting and Shareholders Meeting held on February 25, 2009. The Certificate of Designation sets forth the following terms for the Series A preferred stock: (i) number of authorized shares: 1,027; (ii) per share stated value: \$6,000; (iii) liquidation preference per share: stated value; (iv) conversion price: \$0.15 per share as adjusted from time to time; and (v) voting rights: votes along with the common stock on an as converted basis with one vote per share.

The Series A preferred stock entitles the holders to receive cumulative dividends at the rate of 6% per annum payable in cash at the discretion of Board of Directors. Each share of preferred stock is immediately convertible into common shares at the option of the holder which entitles the holder to receive the equivalent number of common shares equal to the stated value of the preferred shares divided by the conversion price, which was initially set at \$0.15 per share.

Holders of preferred shares receive preferential rights in the event of liquidation. Additionally the preferred stock shareholders are entitled to vote together with the common stock on an “as-converted” basis.

On March 27, 2009, Sileas and Alpha exchanged their promissory notes in the total amount of \$6,000,000 plus accrued and unpaid interest thereon into 1,027 shares of Series A preferred stock. On March 30, 2009 shares of Optex Systems, Inc. Series A preferred stock was exchanged on a 1:1 basis for Series A preferred stock of Optex Systems Holdings.

Note 9—Earnings/Loss Per Share

Basic earnings per share is computed by dividing income available to common shareholders (the numerator) by the weighted-average number of common shares outstanding (the denominator) for the period. Diluted earnings per share is computed by assuming that any dilutive convertible securities outstanding were converted, with related preferred stock dividend requirements and outstanding common shares adjusted accordingly. In a loss year, the calculation for basic and diluted earnings per share is considered to be the same, as the impact of potential common shares is anti-dilutive. At June 28, 2009 there were 2,681,649 stock options that could dilute future earnings, as compared to zero stock options at June 29, 2008.

The following table sets forth the computation of basic and diluted net loss attributable to common stockholders per share for the three and nine months ended June 28, 2009, and June 29, 2008.

	Successor	Predecessor	Successor	Predecessor	Predecessor
	Three Months ended June 28, 2009	Three Months ended June 29, 2008	For the period October 15, 2008 through June 28, 2009	For the period September 29, 2008 through October 14, 2008	Nine Months ended June 29, 2008
Numerator:					
Net loss	\$ (308,553)	\$ (241,147)	\$ (728,584)	\$ 65,332	\$ (1,613,196)
Denominator:					
Weighted average shares	141,464,940	10,000	122,744,977	10,000	10,000
Basic and diluted net loss per share	\$ (0.00)	\$ (24.11)	\$ (0.01)	\$ 6.53	\$ (161.32)

Note 10-Stock Based Compensation

On March 26, 2009, the Board of Directors and Shareholders of Sustut adopted the 2009 Stock Option Plan providing for the issuance of up to 6,000,000 shares to Company officers, directors, employees and to independent contractors who provide services to Optex Systems Holdings.

Options granted under the 2009 Stock Option Plan vest as determined by the Board of Directors of Optex Systems Holdings or committee set up to act as a compensation committee of the Board of Directors and terminate after the earliest of the following events: expiration of the option as provided in the option agreement, 90 days subsequent to the date of termination of the employee, or ten years from the date of grant (five years from the date of grant for incentive options granted to an employee who owns more than 10% of the total combined voting power of all classes of Optex Systems Holdings stock at the date of grant). In some instances, granted stock options are immediately exercisable into restricted shares of common stock, which vest in accordance with the original terms of the related options. Optex Systems Holdings recognizes compensation expense ratably over the requisite service period.

The option price of each share of common stock shall be determined by the Board of Directors or compensation committee (when one is established), provided that with respect to incentive stock options, the option price per share shall in all cases be equal to or greater than 100% of the fair value of a share of common stock on the date of the grant, except an incentive option granted under the 2009 Stock Option Plan to a shareholder that owns more than 10% of the total combined voting power of all classes of Optex Systems Holdings stock, shall have an exercise price of not less than 110% of the fair value of a share of common stock on the date of grant. No participant may be granted incentive stock options, which would result in shares with an aggregate fair value of more than \$100,000 first becoming exercisable in one calendar year.

On March 30, 2009, 1,414,649 stock options with an exercise price of \$0.15 were granted to an officer of Optex Systems Holdings which vest as follows: 34% after the first year, and 33% each after the second and third years. These options carry a grant expiration date of seven years after issuance. On May 14, 2009, 1,267,000 stock options were issued to other Company employees, including 250,000 shares to one Company officer. These stock options vest 25% per year after each year of employment and carry a grant expiration date of seven years after issuance. For shares granted as of May 14, 2009, Optex Systems Holdings anticipates an annualized employee turnover rate of 3% per year, and as such anticipate that only 1,174,786 of the 1,267,000 shares will vest as of the end of the contract term. As of June 28, 2009 none of the stock options had vested.

For the three months and nine months ended June 28, 2009, Optex Systems Holdings recorded compensation costs for options and shares granted under the plan amounting to \$15,174. There were no stock options or shares granted or outstanding prior to September 28, 2008, therefore no compensation expense was recorded in 2008. The impact of this expense was immaterial to the basic and diluted net loss per share for the three months and nine months ended June 28, 2009. A deduction is not allowed for income tax purposes until nonqualified options are exercised. The amount of this deduction will be the difference between the fair value of Optex Systems Holdings' common stock and the exercise price at the date of exercise. For the three months ended June 28, 2009 estimated deferred tax assets were deemed immaterial and have not been recorded for the tax effect of the financial statement expense. The tax effect of the income tax deduction in excess of the financial statement expense, if any, will be recorded as an increase to additional paid-in capital. No tax deduction is allowed for incentive stock options. Accordingly no deferred tax asset is recorded for GAAP expense related to these options.

Management has valued the options at their date of grant utilizing the Black Scholes option pricing model. The fair value of the underlying shares was determined based on the closing price of Optex Systems Holdings' publicly-traded shares as of June 26, 2009. Further, the expected volatility was calculated using the historical volatility of a diversified index of companies in the defense, homeland security, and space industry in accordance with Question 6 of SAB Topic 14.D.1. In making this determination and trying to find another similar company, Optex Systems Holdings considered the industry, stage of life cycle, size and financial leverage of such other entities. Based on the development stage of Optex Systems Holdings, similar companies with enough historical data were not available. Optex Systems Holdings utilized the three year volatility of the SPADE Defense Index, which is a diversified index of 58 companies in the same industry as Optex Systems Holdings. The risk-free interest rate is based on the implied yield available on U.S. Treasury issues with an equivalent term approximating the expected life of the options depending on the date of the grant and expected life of the options. The expected life of options used was based on the contractual life of the option granted. Optex Systems Holdings determined the expected dividend rate based on the assumption and expectation that earnings generated from operations are not expected to be adequate to allow for the payment of dividends in the near future. The following weighted-average assumptions were utilized in the fair value calculations for options granted:

	Nine months Ended June 28, 2009
Expected dividend yield	0 %
Expected stock price volatility	27.8 %
Risk-free interest rate (1)	2.8%-4.07 %
Expected life of options	4.5 to 7 Years

(1) 2.8% for grant expected life less than 7 years

(2) 4.07% for grant expected life of 7 years.

Optex Systems Holdings has granted stock options to officers and employees as follows:

Date of Grant	Shares Granted	Exercise Price	Shares Outstanding As of 06/28/09	Expiration Date	Vesting Date
03/30/09	480,981	\$ 0.15	480,981	03/29/2016	03/30/2010
03/30/09	466,834	0.15	466,834	03/29/2016	03/30/2011
03/30/09	466,834	0.15	466,834	03/29/2016	03/30/2012
05/14/09	316,750	0.15	316,750	05/13/2016	05/14/2010
05/14/09	316,750	0.15	316,750	05/13/2016	05/14/2011
05/14/09	316,750	0.15	316,750	05/13/2016	05/14/2012
05/14/09	316,750	0.15	316,750	05/13/2016	05/14/2013
Total			<u>2,681,649</u>		

The following table summarizes the status of Optex Systems Holdings' aggregate stock options granted under the incentive stock option plan:

Subject to Exercise	Number of Shares Remaining Options	Weighted Average Intrinsic Price	Weighted Average Life (Years)	Aggregate Value
Outstanding as of June 29, 2008	-	\$ -	-	-
Granted – 2009	2,681,649	\$ 0.09	5.38	\$ 233,049
Forfeited – 2009	-	\$ -	-	-
Exercised – 2009	-	\$ -	-	-
Outstanding as of June 28, 2009	<u>2,681,649</u>	\$ 0.09	5.38	\$ 233,049
Exercisable as of June 28, 2009	<u>0</u>	\$ -	-	\$ -

The weighted-average grant date fair value of options granted during the nine months ended June 28, 2009 was \$0.14. The total intrinsic value of options exercised during the nine months June 28, 2009 was \$ 0.0

The following table summarizes the status of Optex Systems Holdings' aggregate non-vested shares granted under the 2009 Stock Option Plan (See Note 9):

	Number of Non- vested Shares Subject to Options	Weighted- Average Grant- Date Fair Value
Non-vested as of June 28, 2009	-	\$ -
Non-vested granted — nine months ended June 28, 2009	2,681,649	\$ 0.14
Vested — nine months ended June 28, 2009	-	\$ 0.00
Forfeited — nine months ended June 28, 2009	-	\$ -
Non-vested as of June 28, 2009	<u>2,681,649</u>	<u>\$ 0.14</u>

As of June 28, 2009, the unrecognized compensation cost related to non-vested share based compensation arrangements granted under the plan that was approximately \$357,196. These costs are expected to be recognized on a straight line basis from March 30, 2009 through May 13, 2013. The total fair value of options and shares vested during the year period ended June 28, 2009 was \$0.0.

Note 11-Subsequent Events

On June 26, 2009, Optex Systems Holdings terminated its Investor Relations Agreement with American Capital Ventures, Inc., and pursuant to this termination, American Capital Ventures returned 700,000 of the 1,000,000 restricted shares of Company common stock it received pursuant to the agreement.

Effective as of June 29, 2009, Optex Systems Holdings entered into a Consulting Agreement with ZA Consulting, Inc. for the provision of consulting services to Optex Systems Holdings' management including investor support; broker relations; conducting due diligence meetings with brokers, analysts, institutional money managers and financial media companies; attendance at investor conferences and trade shows; and assistance in the preparation and dissemination of press releases and stockholder communications. ZA Consulting will also assist Optex Systems Holdings with corporate communications involving brand, product, and corporate awareness. The term of the Agreement is for one year terminating June 30, 2010. For services rendered, ZA Consulting was paid \$150,000 upon execution of the Agreement and will receive \$5,000 per month for the duration of the agreement, and it received 480,000 shares of common stock which vest at the rate of 40,000 shares per month..

The expenses reflected by Optex Systems Holdings on its Statement of Operations for the period from June 29, 2009 through June 27, 2010 will be increased by \$36,000 over the next twelve months due to amortization of the prepaid expense of \$150,000 and non cash related stock issues as a result of the change in firms.

Subsequent events were evaluated through November 12, 2009, the date the financial statements were issued.

Note 12-Restatement of September 28, 2008 financial statements

The financial statements have been reissued for the correction of an error to properly reflect the following:

Optex Systems Holdings reclassified the asset impairment of goodwill from other expenses to an operating expense. This reclassification increased the loss from operations by \$1,586,416 to \$4,653,743 with no change to the net loss.

Note 2 has been restated to accurately reflect Optex Systems Holdings' revenue recognition policy.

Note 7 has been restated to reflect the estimated general and administrative expenses assuming Optex Texas was operated on a stand alone basis for each of the year presented.

The above restatements have no affect on the balance sheet, statements of stockholders' equity, net loss or cash flows for the year ended September 28, 2008.

Note 13-Restatement of June 28, 2009 financial statements

The presentation of the October 14, 2008 Optex Delaware acquisition of all the assets and certain liabilities of Optex Texas has been restated to properly reflect Optex Delaware as the successor entity and Optex Texas as the predecessor entity. The acquisition of the assets and certain liabilities of Optex Texas was deemed a business acquisition (See Note 1) therefore the activity of Optex Texas is presented as the predecessor.

The effect of the restatement is a reclassification of stockholders' equity as follows:

	Originally Reported	Restatement
Additional Paid-in-Capital	22,087,136	16,241,768
Retained Earnings	(6,573,952)	(728,584)

Assets and liabilities remained unchanged. There is no effect on overall net income and cash flows however the Statements of Operations and Cash Flows have been restated to present the breakdown for the period between successor and predecessor.

Note 5 have been restated to reflect the estimated general and administrative expenses assuming Optex Texas was operated on a stand alone basis.

OPTEX SYSTEMS, INC.
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Optex Systems, Inc.
Richardson, Texas

As successor by merger, effective October 1, 2009, the registered public accounting firm Rotenberg & Co., llp, we have audited the accompanying balance sheets of Optex Systems, Inc. (the Company) as of September 28, 2008 and September 30, 2007, and the related statements of operations, stockholders' equity, and cash flows for the years then ended. Optex Systems Holdings's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 15 to the financial statements, the Company restated the previously issued financial statements for September 28, 2008 and September 30, 2007 to properly classify the asset impairment of goodwill from other expenses to an operating expense, accurately reflect their revenue recognition policy and to reflect only those transactions related to the predecessor entity. The restatements have no affect to the balance sheet, statements of stockholders' equity, net loss or cash flows for the year ended September 28, 2008.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Optex Systems, Inc. as of December September 28, 2008 and September 30, 2007, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

EFP Rotenberg, LLP
Rochester, New York
April 3, 2009 except for Note 15, as to which the date is November 12, 2009

Optex Systems, Inc.
Balance Sheets

September 28, 2008 **September 30, 2007**

ASSETS

Current Assets

Cash	\$ 170,183	\$ 504,753
Accounts Receivable	2,454,235	2,043,634
Net Inventory	4,547,726	6,112,565
Prepaid Expenses	<u>307,507</u>	<u>17,072</u>

Total Current Assets	7,479,651	8,678,024
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Property and Equipment

Property Plant and Equipment	1,314,109	1,196,543
Accumulated Depreciation	<u>(994,542)</u>	<u>(830,108)</u>

Total Property and Equipment	319,567	366,435
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Other Assets

Security Deposits	20,684	20,684
Intangibles	1,100,140	1,696,507
Goodwill	<u>10,047,065</u>	<u>11,633,481</u>

Total Other Assets	11,167,889	13,350,672
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Total Assets	<u>\$ 18,967,107</u>	<u>\$ 22,395,131</u>
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The accompanying notes are an integral part of these financial statements

Optex Systems, Inc.
Balance Sheets - continued

	<u>September 28, 2008</u>	<u>September 30, 2007</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	\$ 1,821,534	\$ 3,381,508
Accrued Expenses	798,974	371,320
Accrued Warranties	227,000	-
Accrued Contract Losses	821,885	1,377,348
Loans Payable	373,974	-
Income Tax Payable	4,425	25,969
Total Current Liabilities	4,047,792	5,156,145
Other Liabilities		
Note Payable	2,000,000	2,000,000
Accrued Interest on Note	336,148	136,148
Due to IRSN (Parent)	4,300,151	1,987,870
Total Other Liabilities	6,636,299	4,124,018
Total Liabilities	10,684,091	9,280,163
Stockholders' Equity		
common stock (no par 100,000 authorized, 18,870 shares issued and 10,000 shares outstanding)	164,834	164,834
Treasury Stock (8,870 shares at cost)	(1,217,400)	(1,217,400)
Additional Paid-in-capital	15,246,282	15,246,282
Retained Earnings (Deficit)	(5,910,700)	(1,078,748)
Total Stockholders' Equity	8,283,016	13,114,968
Total Liabilities and Stockholders' Equity	\$ 18,967,107	\$ 22,395,131

The accompanying notes are an integral part of these financial statements

Optex Systems, Inc.
Statements of Operations

	Restated Year Ended September 28, 2008	Year Ended September 30, 2007
Revenues	\$ 20,017,209	\$ 15,406,186
Cost of Goods Sold	<u>18,145,211</u>	<u>17,361,378</u>
Gross Margin	1,871,998	(1,955,192)
General and Administrative		
Salaries and Wages	910,854	876,366
Employee Benefits	190,489	222,433
Employee Stock Bonus Plan	378,716	388,756
Amortization of Intangibles	223,491	223,835
Rent, Utilities and Building Maintenance	228,694	210,936
Legal and Accounting Fees	223,715	374,845
Consulting and Contract Service Fees	325,723	212,925
Corporate Allocations	2,076,184	2,010,027
Asset Impairment of Goodwill	1,586,416	-
Other Expenses	<u>381,459</u>	<u>361,932</u>
Total General and Administrative	\$ 6,525,741	\$ 4,882,055
Operating Loss	\$ (4,653,743)	\$ (6,837,247)
Other Expenses		
Interest Expense – Net	<u>199,753</u>	<u>136,148</u>
Total Other	199,753	136,148
Loss Before Taxes	(4,853,496)	(6,973,395)
Income Taxes (Benefit)	<u>(21,544)</u>	<u>(162,541)</u>
Net Loss After Taxes	\$ (4,831,952)	\$ (6,810,854)
Basic and diluted loss per share	<u>\$ (483.20)</u>	<u>\$ (681.09)</u>
Weighted Average Common Shares Outstanding	10,000	10,000

The accompanying notes are an integral part of these financial statements

Optex Systems, Inc.
Statements of Cash Flows

	Year Ended September 28, 2008	Year Ended September 30, 2007
Cash flows from operating activities:		
Net Loss	<u>\$ (4,831,952)</u>	<u>\$ (6,810,854)</u>
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	760,801	1,068,938
Provision for (use of) allowance for inventory valuation	(102,579)	701,308
Noncash interest expense	200,000	136,148
(Gain) loss on disposal and impairment of assets	1,586,416	-
(Increase) decrease in accounts receivable	(410,602)	688,023
(Increase) decrease in inventory (net of unliquidated progress payments)	1,667,418	(1,124,352)
(Increase) decrease in other current assets	(290,435)	(757)
(Increase) decrease in other assets	-	(530)
Increase (decrease) in accounts payable and accrued expenses	(1,132,319)	61,917
Increase (decrease) in accrued warranty costs	227,000	-
Increase (decrease) in due to parent	2,312,280	2,385,105
Increase (decrease) in accrued estimated loss on contracts	(555,462)	1,377,348
Increase (decrease) in income taxes payable	(21,544)	30,558
Total adjustments	<u>4,240,974</u>	<u>5,323,706</u>
Net cash (used)/provided by operating activities	<u>(590,978)</u>	<u>(1,487,149)</u>
Cash flows from investing activities:		
Purchase of property and equipment	<u>(117,566)</u>	<u>(61,465)</u>
Net cash used in investing activities	<u>(117,566)</u>	<u>(61,465)</u>
Cash flows from financing activities:		
Proceeds from Notes Payable	373,974	2,000,000
Net cash provided by financing activities	<u>373,974</u>	<u>2,000,000</u>
Net increase (decrease) in cash and cash equivalents	(334,570)	451,385
Cash and cash equivalents at beginning of period	504,753	53,367
Cash and cash equivalents at end of period	<u>\$ 170,183</u>	<u>\$ 504,753</u>
Noncash investing and financing activities:		
Irvine Sensors purchase of remaining 30% interest in Optex Texas pushed down to subsidiary's equity		
Intangible Assets	-	954,000
Goodwill	-	3,223,633
Other	-	(10,093)
Additional Paid in Capital	<u>\$ -</u>	<u>\$ 4,167,540</u>
Supplemental cash flow information:		
Cash paid for interest	-	-
Cash paid for taxes	-	\$ 6,681

The accompanying notes are an integral part of these financial statements

Optex Systems, Inc.
Statements of Stockholders' Equity

	<u>Number of Outstanding Shares</u>	<u>Common Stock</u>	<u>Treasury Stock</u>	<u>Additional Paid in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholders Equity</u>
Balance at September 30, 2006	10,000	\$ 164,834	\$ (1,217,400)	\$ 11,078,742	\$ 5,732,106	\$ 15,758,282
Net Earnings (Loss) from continuing operations					(6,810,854)	(6,810,854)
30% acquisition of Optex by Irvine Sensors pushed down to subsidiary's equity				4,167,540		4,167,540
Balance at September 30, 2007	10,000	\$ 164,834	\$ (1,217,400)	\$ 15,246,282	\$ (1,078,748)	\$ 13,114,968
Net Earnings (Loss) from continuing operations					(4,831,952)	(4,831,952)
Balance at September 28, 2008	<u>10,000</u>	<u>\$ 164,834</u>	<u>\$ (1,217,400)</u>	<u>\$ 15,246,282</u>	<u>\$ (5,910,700)</u>	<u>\$ 8,283,016</u>

The accompanying notes are an integral part of these financial statements

Note 1 - Organization and Operations

Optex Systems, Inc. (“Optex Texas”) was a privately held Texas Subchapter “S” Corporation from inception in 1987 until December 30, 2005 when 70% of the issued and outstanding stock was acquired by Irvine Sensors Corp and Optex Texas was automatically converted to a Subchapter “C” Corporation. On December 29, 2006, the remaining 30% equity interest in Optex Texas was purchased by IRSN.

On October 14, 2008, certain senior secured creditors of IRSN, Longview Fund, L.P. and Alpha Capital Anstalt formed Optex Systems, Inc., a Delaware Corporation, (“Optex Delaware” or “Successor”), which acquired all of the assets and assumed certain liabilities of Optex Texas in a transaction that was consummated via purchase at a public auction. After this asset purchase, Optex Texas remained a wholly-owned subsidiary of IRSN.

Optex Texas’ operations are based in Richardson, Texas in a leased facility comprising 49,100 square feet. As of fiscal year ended September 28, 2008 Optex Texas operated with 109 full-time equivalent employees.

Optex Texas manufactures optical sighting systems and assemblies primarily for Department of Defense applications. Its products are installed on a variety of U.S. military land vehicles such as the Abrams and Bradley fighting vehicles, Light Armored and Advanced Security Vehicles and have been selected for installation on the Future Combat Systems Stryker vehicle. Optex Texas also manufactures and delivers numerous periscope configurations, rifle and surveillance sights and night vision optical assemblies. Optex Texas’s products consist primarily of build to customer print products that are delivered both directly to the military services and to other defense prime contractors.

In May 2008, Optex Texas was awarded ISO9001:2000 certification.

Note 2 - Accounting Policies

Basis of Presentation

The accompanying financial statements include the historical accounts of Optex Texas. The financial statements have been presented as subsidiary-only financial statements, reflecting the balance sheets, results of operations and cash flows of the subsidiary as a stand-alone entity.

Although, Optex Texas was majority-owned by IRSN during the fiscal periods presented, no accounts of IRSN or the effects of consolidation with IRSN have been included in the accompanying financial statements.

The financial statements have been presented on the basis of push down accounting in accordance with Staff Accounting Bulletin No. 54 *Application of “Push Down” Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase*. SAB 54 states that the push down basis of accounting should be used in a purchase transaction in which the entity becomes wholly-owned. Under the push down basis of accounting certain transactions incurred by the parent company, which would otherwise be accounted for in the accounts of the parent, are “pushed down” and recorded on the financial statements of the subsidiary. Accordingly, items resulting from the purchase transaction such as goodwill, debt incurred by the parent to acquire the subsidiary and other cost related to the purchase have been recorded on the financial statements of Optex Texas.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Segment Reporting: Management has determined that Optex Texas is organized, managed and internally reported as one business segment. Segments are determined based on differences in products, internal reporting and how operational decisions are made.

Fiscal Year: Optex Texas' fiscal year ends on the Sunday nearest September 30. Fiscal year 2008 ended on September 28, 2008 and included 52 weeks. Fiscal year 2007 ended on September 30 and included 52 weeks.

Fair Value of Financial Instruments: FASB No. 107, "Disclosures about Fair Value of Financial Instruments," requires disclosure of fair value information about certain financial instruments, including, but not limited to, cash and cash equivalents, accounts receivable, refundable tax credits, prepaid expenses, accounts payable, accrued expenses, notes payable to related parties and convertible debt-related securities. Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of fiscal years ended September 28, 2008 and September 30, 2007. The carrying value of the balance sheet financial instruments included in Optex Texas's consolidated financial statements approximated their fair values.

Cash and Cash Equivalents: For financial statement presentation purposes, Optex Texas considers those short-term, highly liquid investments with original maturities of three months or less to be cash or cash equivalents.

Concentration of Credit Risk: Optex Texas's cash and cash equivalents are on deposit with banks. Only a portion of the cash and cash equivalents would be covered by deposit insurance and the uninsured balances are substantially greater than the insured amounts. Although cash and cash equivalent balances exceed insured deposit amounts, management does not anticipate non-performance by the banks.

Most of Optex Texas's accounts receivable are derived from sales to U.S. government agencies or prime government contractors. Optex Texas does not believe that this concentration increases credit risks because of the financial strength of the payees.

Accounts Receivable: Optex Texas records its accounts receivable at the original sales invoice amount less shipment liquidations for previously collected advance/progress bills and an allowance for doubtful accounts. An account receivable is considered to be past due if any portion of the receivable balance is outstanding beyond its scheduled due date. On a quarterly basis, Optex Texas evaluates its accounts receivable and establishes an allowance for doubtful accounts, based on its history of past write-offs and collections, and current credit conditions. No interest is accrued on past due accounts receivable. As the customer base is primarily U.S. government and government prime contractors, Optex Texas has concluded that there is no need for an allowance for doubtful accounts for the years ended September 28, 2008 and September 30, 2007.

Inventory: Inventory is recorded at the lower of cost or market value, and adjusted as appropriate for decreases in valuation and obsolescence. Adjustments to the valuation and obsolescence reserves are made after analyzing market conditions, current and projected sales activity, inventory costs and inventory balances to determine appropriate reserve levels. Cost is determined using the first-in first-out method. Under arrangements by which progress payments are received against certain contracts, the customer retains a security interest in the undelivered inventory identified with these contracts. Payments received for such undelivered inventory are classified as unliquidated progress payments and deducted from the gross inventory balance. As of years ended September 28, 2008, and September 30, 2007 inventory included:

	<u>As of</u> <u>September 28, 2008</u>	<u>As of</u> <u>September 30, 2007</u>
Raw Materials	\$ 4,199,657	\$ 6,812,810
Work in Process	5,575,520	6,423,902
Finished Goods	28,014	157,389
Gross Inventory	\$ 9,803,191	\$ 13,394,101
Less:		
Unliquidated Progress Payments	(4,581,736)	(6,505,228)
Inventory Reserves	(673,729)	(776,308)
Net Inventory	\$ 4,547,726	\$ 6,112,565

Warranty Costs: Optex Texas warrants the quality of its products to meet customer requirements and be free of defects for twelve months subsequent to delivery. In the year ended September 28, 2008, Optex Texas incurred \$227,000 of warranty expenses representing the estimated cost of repair or replacement for specific customer returned products still covered under warranty as of the return date and awaiting replacement, in addition to estimated future warranty costs for shipments occurring during the fifteen months proceeding September 28, 2008. Future warranty costs are based on the estimated cost of replacement for expected returns based upon our most recent experience rate of defects as a percentage of sales. Prior to fiscal year 2008, all warranty expenses were incurred as product was replaced with no reserve for warranties against deliveries in the covered period.

Property and Equipment: Property and equipment are recorded at cost. Depreciation is computed using the straight line method over the estimated useful lives of the assets, ranging from three to seven years. Expenditures for renewals and betterments are capitalized. Expenditures for minor items, repairs and maintenance are charged to operations as incurred. Gain or loss upon sale or retirement due to obsolescence is reflected in the operating results in the period the event takes place.

Goodwill and Other Intangible Assets: Goodwill represents the cost of acquired businesses in excess of fair value of the related net assets at acquisition. (See also notes 9 and 14). Optex Texas does not amortize goodwill, but tests it annually for impairment using a fair value approach during the fiscal fourth quarter and between annual testing periods, if circumstances warrant. Goodwill of Optex Texas was reviewed as of September 30, 2007 and based on the assessment, it was determined that no impairment was required. Goodwill was reviewed as of September 28, 2008, and it was determined that an impairment charge of \$1,586,416 was required. The fair values assigned to the assets of Optex Texas and the goodwill was based upon the most recent value of Optex Texas as determined by the sale to third party purchasers on October 14, 2008.

Optex Texas amortizes the cost of other intangibles over their estimated useful lives, unless such lives are deemed indefinite. Amortizable intangible assets are tested for impairment based on undiscounted cash flows and, if impaired, written down to fair value based on either discounted cash flows or appraised values. The identified amortizable intangible assets at September 28, 2008 and September 30, 2007 derived from the acquisition of Optex Texas by Irvine Sensors and consisted of non-competition agreements and customer backlog, with initial useful lives ranging from two to eight years. (See Note 9). Intangible assets with indefinite lives are tested annually for impairment, as of the first day of Optex Texas's fourth fiscal quarter and between annual periods, if impairment indicators exist, and are written down to fair value as required.

Impairment or Disposal of Long-Lived Assets: Optex Texas adopted the provisions of FASB No. 144, “*Accounting for the Impairment or Disposal of Long-lived Assets*.” This standard requires, among other things, that long-lived assets be reviewed for potential impairment whenever events or circumstances indicate that the carrying amounts may not be recoverable. The assessment of possible impairment is based on the ability to recover the carrying value of the asset from the expected future pre-tax cash flows (undiscounted and without interest charges) of the related operations. If these expected cash flows are less than the carrying value of such asset, an impairment loss is recognized for the difference between estimated fair value and carrying value. The primary measure of fair value is based on discounted cash flows. The measurement of impairment requires management to make estimates of these cash flows related to long-lived assets, as well as other fair value determinations.

Revenue Recognition:

Optex Systems recognizes revenue based on the modified percentage of completion method utilizing the units-of-delivery method, in accordance with SOP 81-1:

- The units-of-delivery method recognizes as revenue the contract price of units of a basic production product delivered during a period and as the cost of earned revenue the costs allocable to the delivered units; costs allocable to undelivered units are reported in the balance sheet as inventory or work in progress. The method is used in circumstances in which an entity produces units of a basic product under production-type contracts in a continuous or sequential production process to buyers' specifications.

Optex Texas's contracts are fixed price production type contracts whereas a defined order quantity is delivered to the customer during in a continuous or sequential production process to buyers specifications (build to print). Our deliveries against these contracts generally occur in monthly increments across fixed delivery periods spanning from 3 to 36 months.

Estimated Costs at Completion and Accrued Loss on Contracts: Optex Texas reviews and reports on the performance of its contracts and production orders against the respective resource plans for such contracts/orders. These reviews are summarized in the form of estimates at completion . estimates at completion include Optex Texas's incurred costs to date against the contract/order plus management's current estimates of remaining amounts for direct labor, material, other direct costs and subcontract support and indirect overhead costs based on the completion status and future contractual requirements for each order. If an estimate at completion indicates a potential overrun (loss) against a fixed price contract/order, management generally seeks to reduce costs and /or revise the program plan in a manner consistent with customer objectives in order to eliminate or minimize any overrun and to secure necessary customer agreement to proposed revisions.

If an estimates at completion indicates a potential overrun against budgeted resources for a fixed price contract/order, management first attempts to implement lower cost solutions to still profitably meet the requirements of the fixed price contract. If such solutions do not appear practicable, management makes a determination whether to seek renegotiation of contract or order requirements from the customer. If neither cost reduction nor renegotiation appears probable, an accrual for the contract loss/overrun is recorded against earnings and the loss is recognized in the first period the loss is identified based on the most recent estimates at completion of the particular contract or product order.

For years ended September 28, 2008 and September 30, 2007, estimated loss reserves were estimated as \$821,885 and \$1,377,348, respectively. Decreases in estimated loss reserves from 2007 to 2008 of \$555,463 were primarily attributable to the successful negotiation of an equitable price adjustment for technical issues related to our US Government M187 program and several negotiated price increases in exchange for accelerated schedule deliveries on US Government periscope contracts.

Government Contracts: Virtually all of our contracts are prime or subcontracted directly with the Federal government and as such, are subject to Federal Acquisition Regulation (Federal Acquisition Regulation) Subpart 49.5, "Contract Termination Clauses" and more specifically Federal Acquisition Regulation clauses 52.249-2 "Termination for Convenience of the Government (Fixed-Price)", and 49.504 "Termination of fixed-price contracts for default". These clauses are standard clauses on our prime military contracts and are generally, "flowed down" to us as subcontractors on other military business. It has been our experience that the termination for convenience is rarely invoked, except where it has been mutually beneficial for both parties. We are currently not aware of any pending terminations for convenience or default on our existing contracts.

In the event a termination for convenience were to occur, these Federal Acquisition Regulation clause 52.249-2 provides for full recovery of all contractual costs and profits reasonably occurred up to and as a result of the terminated contract. In the event a termination for default were to occur, Optex could be liable for any excess cost incurred by the government to acquire supplies from another supplier similar to those terminated from Optex. Optex would not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the company as defined by Federal Acquisition Regulation clause 52.249-8. In addition, the Government may require Optex to transfer title and deliver to the Government any completed supplies, partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that Optex has specifically produced or acquired for the terminated portion of this contract. The Government shall pay contract price for completed supplies delivered and accepted, and Optex and the Government would negotiate an agreed upon amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree on an amount for manufacturing materials is subject to the Federal Acquisition Regulation Disputes clause 52.233-1.

In some cases, Optex Texas may receive orders subject to subsequent price negotiation on contracts exceeding the \$650,000 federal government simplified acquisition threshold. These “undefinitized” contracts are considered firm contracts but as Cost Accounting Standards Board covered contracts, they are subject to the Truth in Negotiations Act disclosure requirements and downward only price negotiation. As of September 28, 2008 and September 30, 2007 approximately \$4.0 million and \$10.0 million of booked orders fell under this criteria. Our experience has been that the historically negotiated price differentials have been immaterial and accordingly, we do not anticipate any significant downward adjustments on these booked orders.

Shipping and Handling Costs: All shipping and handling costs are included as a component of Cost of Goods sold.

Income Taxes: Optex Texas accounts for income taxes in accordance with SFAS No. 109, Accounting for Income Taxes. Under the asset and liability method of SFAS No. 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SFAS No. 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that Optex Texas will not realize tax assets through future operations.

Earnings per Share: Basic earnings per common share is computed by dividing net earnings by the weighted average number of common shares outstanding during each year presented. Diluted earnings per common share gives effect to the assumed exercise of stock options when dilutive. There were no dilutive stock options during 2008 or 2007.

Note 3 - Recent Accounting Pronouncements

In June 2006, The FASB issued Interpretation No. 48 “*Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109*”. This Interpretation clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements in accordance with FASB No. 109, “*Accounting for Income Taxes*”. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The adoption of FIN 48 did not have a material impact on Optex Texas's consolidated financial position, results of operations, or cash flows.

In September 2006, the FASB issued FASB No. 157, “*Fair Value Measurements*” which establishes a framework for measuring fair value, and expands disclosures about fair value measurements. While FASB No. 157 does not apply to transactions involving share-based payment covered by FASB No. 123, it establishes a theoretical framework for analyzing fair value measurements that is absent from FASB No. 123. We have relied on the theoretical framework established by FASB No. 157 in connection with certain valuation measurements that were made in the preparation of these financial statements. FASB No. 157 is effective for years beginning after November 15, 2007. Subsequent to the Standard’s issuance, the FASB issued an exposure draft that provides a one year deferral for implementation of the Standard for non-financial assets and liabilities. Optex Texas is currently evaluating the impact FASB No. 157 will have on its financial statements.

In February 2007, Statement of Financial Accounting Standards No. 159, “*The Fair Value Option for Financial Assets and Financial Liabilities-Including an Amendment of FASB Statement No. 115*”, was issued. This standard allows a company to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and financial liabilities on a contract-by-contract basis, with changes in fair value recognized in earnings. The provisions of this standard are effective as of the beginning of our fiscal year 2008, with early adoption permitted. Optex Texas is currently evaluating what effect the adoption of FASB 159 will have on its financial statements.

In March 2007, the Financial Accounting Standards Board ratified Emerging Issues Task Force Issue No. 06-10, "Accounting for Collateral Assignment Split-Dollar Life Insurance Agreements". EITF 06-10 provides guidance for determining a liability for the postretirement benefit obligation as well as recognition and measurement of the associated asset on the basis of the terms of the collateral assignment agreement. EITF 06-10 is effective for fiscal years beginning after December 15, 2007. Optex Texas is currently evaluating the impact of EITF 06-10 on its financial statements, but does not expect it to have a material effect.

In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations* and SFAS No. 160, *Accounting and Reporting of Noncontrolling Interest in Consolidated Financial Statements, an amendment of ARB No. 51*. These new standards will significantly change the accounting for and reporting of business combinations and non-controlling (minority) interests in consolidated financial statements. Statement Nos. 141(R) and 160 are required to be adopted simultaneously and are effective for the first annual reporting period beginning on or after December 15, 2008. Earlier adoption is prohibited. Optex Texas is currently evaluating the impact of adopting SFAS Nos. 141(R) and SFAS 160 on its financial statements.

In December 2007, the SEC issued Staff Accounting Bulletin No. 110 ("SAB 110"). SAB 110 permits companies to continue to use the simplified method, under certain circumstances, in estimating the expected term of "plain vanilla" options beyond December 31, 2007. SAB 110 updates guidance provided in SAB 107 that previously stated that the Staff would not expect a company to use the simplified method for share option grants after December 31, 2007. Optex Texas does not have any outstanding stock options.

In March 2008, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 161, "*Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133*". SFAS 161 requires enhanced disclosures about an entity's derivative and hedging activities. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008 with early application encouraged. As such, Optex Texas is required to adopt these provisions at the beginning of the fiscal year ended September 30, 2009. Optex Texas is currently evaluating the impact of SFAS 161 on its financial statements but does not expect it to have a material effect.

In May 2008, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 162, "*The Hierarchy of Generally Accepted Accounting Principles*". SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. SFAS 162 is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles*. Optex Texas is currently evaluating the impact of SFAS 162 on its consolidated financial statements but does not expect it to have a material effect.

In May 2008, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard No. 163, "*Accounting for Financial Guarantee Insurance Contracts—an interpretation of FASB Statement No. 60*". SFAS 163 interprets Statement 60 and amends existing accounting pronouncements to clarify their application to the financial guarantee insurance contracts included within the scope of that Statement. SFAS 163 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. As such, Optex Texas is required to adopt these provisions at the beginning of the fiscal year ended September 30, 2011. Optex Texas is currently evaluating the impact of SFAS 163 on its financial statements but does not expect it to have a material effect.

Note 4 - Property and Equipment

A summary of property and equipment at September 28, 2008 and September 30, 2007 is as follows:

		Year Ended	Year Ended
	Estimated Useful Life	September 28, 2008	September 30, 2007
Property and Equipment			
Office Furniture/Equipment	3-5yrs	\$ 145,071	\$ 127,502
Machinery and Equipment	5 yrs	1,026,250	926,253
Leasehold Improvements	7 yrs	142,788	142,788
Less: Accumulated Depreciation		(994,542)	(830,108)
Net Property & Equipment		\$ (319,567)	\$ (366,435)
Depreciation Expense			
		\$ 164,434	\$ 129,069

Depreciation expense included in cost of goods sold and general and administrative expense for 2008 is \$104,837 and 59,597, respectively. Depreciation expense included in cost of goods sold and general and administrative expense for 2007 is \$68,663 and \$60,406, respectively.

Note 5 – Accrued Liabilities

The components of accrued liabilities for years ended September 28, 2008 and September 30, 2007 are summarized below:

	Year Ended	Year Ended
	September 28, 2008	September 30, 2007
Customer Advance Payments	\$ -	\$ 62,784
Deferred Rent Expense	84,435	119,073
Accrued Vacation	94,311	69,803
Property Taxes	17,557	13,031
Contract Settlement	351,217	-
Operating Expenses	128,717	-
Payroll & Payroll Related	122,737	106,629
Total Accrued Expenses	<u>\$ 798,974</u>	<u>\$ 371,320</u>

Contract Settlement Costs represent amounts due to the US government in relation to a progress billed contract that was cancelled prior to completion. The remaining government-owned (progress billed) materials on the contract were subsequently used to satisfy other existing and new contracts at full value, although the unliquidated progress payments for the original contract have yet to be refunded. Optex Texas expects to settle the contract overpayment with the customer by third quarter of fiscal year 2009. Accrued operating expenses include additional operating costs for estimated costs not yet invoiced or invoices not vouched into accounts payable as of year-end period close.

Note 6 - Commitments and Contingencies

Leases

Optex Texas leases its office and manufacturing facilities under two non-cancellable operating leases expiring November 2009 and February 2010 in addition to maintaining several non-cancellable operating leases for office and manufacturing equipment. Total expenses under these facility lease agreements for the year ended September 28, 2008 was \$313,032 and total expenses for manufacturing and office equipment was \$21,830. At September 28, 2008, the minimum lease payments under non-cancellable operating leases for equipment, office and facility space are as follows:

	Operating Leases
Years ended December 31,	
2009	\$ 364,260
2010	79,867
2011	16,753
2012	-
2013	-
Thereafter	-
Total minimum lease payments	\$ 460,880

Note 7 - Transactions with a Related Party

Corporate Cost Allocations: In accordance with government contracting regulations, IRSN was required to allocate some portion of its corporate general and administrative expense to operating subsidiaries, such as Optex. IRSN elected to use Cost Accounting Standards 403.40, a recognized government contract allocation methodology, to satisfy this requirement in which the proportional contribution of Optex to IRSN's total revenues, payroll expense and net book value of tangible assets determined a percentage of corporate general and administrative expense for allocation to Optex. The Cost Accounting Standards Board allocation methodology was chosen as the most reasonable method because adequate historical information was not available at the time to allow for alternative allocation methodologies to be used.

The estimated total General and Administrative expenses assuming Optex-Texas was operated on a stand alone basis:

	Year- Ended September 28, 2008	Year-Ended September 30, 2007
Accounting & Auditing Fees	\$ 250,000	\$ 250,000
Legal Fees	60,000	60,000
Consulting Fees	60,000	60,000
Workers Comp & General Insurance	70,000	70,000
Total	\$ 440,000	\$ 440,000

Due to IRSN (Parent): Due to Parent relates to expenses of Optex Systems, incurred by or shared with IRSN and pushed down to Optex Systems through an intercompany payable account "Due to Parent". The ending amounts reflected as of September 28, 2008 and September 30, represent the cumulative amount of expenses incurred, net of any cash transfers made to/from IRSN since inception at January 2006. Significant amounts charged through this account include IRSN corporate cost allocations, legal expenses, accounting and audit fees, travel expenses, consulting fees, and insurance costs.

Note 8 - Debt Financing

Related Parties

Note Payable/Timothy Looney - In January 2007, IRSN amended its earn-out agreement with Timothy Looney in consideration for Mr. Looney providing Optex Texas with a secured subordinated term note providing for advances of up to \$2 million, bearing interest at 10% per annum and maturing on the earlier of February 2009 or sixty days after retirement of IRSN's senior debt. Aggregate advances of \$2 million were provided to Optex Texas in January 2007 pursuant to the secured subordinated term note, and the advances and accrued interest were outstanding at September 28, 2008 and September 30, 2007. This Note is secured by the assets of Optex Texas, but subordinated to the liens of Alpha and Longview. Following the public sale of the assets of Optex Texas to Optex Delaware on October 14, 2008, the entire \$2,000,000 Note Payable with accrued interest of \$345,648 remained a liability of Optex Texas.

Note 9 – Intangible Assets and Goodwill

On December 30, 2005, IRSN entered into an agreement with Optex Texas pursuant to which IRSN purchased 70% of the issued and outstanding common stock of Optex Texas, thereby becoming its majority shareholder. On December 29, 2006, IRSN exercised a buyer option to acquire the remaining 30% ownership interest in Optex Texas.

Optex Texas has allocated the purchase consideration for the purchase to tangible and intangible assets acquired and liabilities assumed based on the valuation determinations made in connection with the Initial Acquisition of Optex Texas in December 2005 and the purchase of the remaining minority in December 2006 as shown in the following table, which sets forth the estimated amounts related to the acquisition of all of the issued and outstanding stock of Optex Texas by IRSN. The excess of the purchase price over such values is presented as goodwill in the accompanying balance sheet.

Assets:	
Current assets, consisting primarily of inventory of \$5,734,500 and accounts receivable of \$2,191,800	\$ 8,070,300
Identifiable intangible assets	3,180,000
Other non-current assets, principally property and equipment	455,100
Total assets	<u>11,705,400</u>
Liabilities:	
Current liabilities, consisting of accounts payable of \$1,638,600, tax liabilities of \$112,800 and accrued liabilities of \$682,100	2,433,481
Acquired net assets	<u>9,271,919</u>
Purchase price	
Total consideration to seller	\$ 19,865,400
Direct acquisition costs	<u>1,040,000</u>
	<u>20,905,400</u>
Excess purchase price reported as goodwill	<u><u>\$ 11,633,481</u></u>

Goodwill related to the IRSN acquisition of Optex Texas was reviewed as of September 30, 2008 and it was determined that an impairment charge of \$1,586,416 was required. The fair values assigned to the assets of Optex Texas and the goodwill was based upon the most recent value of Optex Texas as determined by the asset sale via public auction to third party purchasers on October 14, 2008.

Identifiable intangible assets included non-competition agreements and customer backlog, and is amortized over the respective estimated useful lives as follows:

	<u>Useful Life in Years</u>	<u>Acquired Fair Value</u>
Non-competition agreement	2	\$ 80,000
Contractual backlog	2	\$ 1,570,000
Program backlog	8	\$ 1,530,000

The amortization of identifiable intangible assets associated with the Optex Texas acquisition in fiscal 2008 and fiscal 2007 was \$596,367 and, \$949,962, respectively. The identifiable intangible assets and recorded goodwill are not deductible for income tax purposes. As of the year ended September 28, 2008, the total unamortized balance of intangible assets was \$1,100,140. As of the year ended September 30, 2007, the total unamortized balance of intangible assets was \$1,696,507.

The September 28, 2008 unamortized balance of intangible assets is estimated to be amortized as follows:

	Annual Amortization
2009	266,365
2010	204,490
2011	204,490
2012	204,490
2013	186,837
2014	33,468
Total	<u><u>\$ 1,100,140</u></u>

Note 10 – Stockholders Equity

common stock: Optex Texas is authorized to issue 100,000 shares of no par common stock. At September 28, 2008 and 2007, there were 18,870 and 10,000 shares issued and outstanding, respectively.

The common stock, treasury stock and additional paid in capital accounts have been presented to reflect the ownership structure of Optex Texas as it existed prior to the acquisition by IRSN, since Optex Texas is presenting its financial statements as a separate entity.

Note 11 - Equity Compensation

Total stock-based compensation expense of Optex Texas associated with IRSN stock grants during fiscal years 2008 and 2007 was \$378,716 and \$388,756, respectively. These amounts were pushed down by IRSN and charged to general and administrative expense for each of the periods. There were no stock options issued to Optex Texas employees or equity instruments issued to consultants and vendors in either 2007 or 2008.

Note 12 - Income Taxes

As of September 28, 2008, and September 30, 2007, Optex Texas had generated net losses for financial accounting purposes in the amounts of approximately \$4,831,952 and \$6,810,854, respectively. During these periods Optex Texas was a member of a consolidated entity for tax reporting purposes. As such, any losses that would have qualified as Net Operating Losses for Federal Income Taxes purposes as potential deductions were available to the consolidated entity. Such losses may have been utilized by the consolidated entity and are not available to Optex Delaware to offset its future taxable income. Additionally, since Optex Texas was acquired in a transaction effected as an asset purchase, Optex Delaware would only be entitled to tax deductions generated after the date of the acquisition. Accordingly, no deferred tax assets have been recorded in the accompanying financial statements for net operating losses generated by Optex Texas.

No current provision for income taxes for the fiscal years ended September 28, 2008 is required, except for minimal state taxes, since Optex Texas incurred losses during each year. There was no provision for income taxes in fiscal 2008 or 2007.

Prior to January 2006, Optex Texas had elected to be a “S” corporation. “S” corporations pass through all items of profits, losses and tax credits to the stockholders of Optex Texas who are responsible for taxes other than annual state franchise taxes. Effective December 30, 2005, concurrent with the sale of Optex Texas to IRSN, Optex Texas terminated its “S” corporation election and, as a result, is now treated as a “C” corporation for both Federal and State corporation income tax purposes. Profits, losses, and tax credits are reported by the corporation on its tax return and the Corporation pays taxes accordingly. “S” corporation retained earnings were \$6,711,750. The “C” corporation retained deficit is \$7,790,534.

Note 13—Earnings/Loss Per Share

Basic earnings per share is computed by dividing income available to common shareholders (the numerator) by the weighted-average number of common shares outstanding (the denominator) for the period. Diluted earnings per share is computed by assuming that any dilutive convertible securities outstanding were converted, with related preferred stock dividend requirements and outstanding common shares adjusted accordingly. For all periods presented herein, there are no dilutive convertible securities.

The following table sets forth the computation of basic and diluted net loss attributable to common stockholders per share for the years ended September 28, 2008, and September 30, 2007.

	<u>2008</u>	<u>2007</u>
Numerator:		
Net loss	\$(4,831,952)	\$(6,810,854)
Denominator:		
Weighted average shares	<u>10,000</u>	<u>10,000</u>
Basic and diluted net loss per share	<u>\$ (483.20)</u>	<u>\$ (681.09)</u>

Note 14 — Subsequent Events

On October 14, 2008, in a purchase transaction that was consummated via public auction, Optex Delaware (Successor) purchased all of the assets of Optex Texas (Predecessor) in exchange for \$15 million of IRSN debt owned by it and the assumption of approximately \$3.8 million of certain Optex Texas liabilities.

Optex Delaware purchased all of assets from Optex Texas including intellectual property, production processes and know how, and outstanding contracts and customer relationships. Optex Delaware also assumed certain liabilities of Optex Texas consisting of accounts payable and accrued liabilities.

Note 15-Restatement

The financial statements have been reissued for the correction of an error to properly reflect the following:

- Optex Systems Holdings reclassified the asset impairment of goodwill from other expenses to an operating expense. This reclassification increased the loss from operations by \$1,586,416 to \$4,653,743 with no change to the net loss.
- Note 2 has been restated to accurately reflect the Company's revenue recognition policy.
- Note 5 has been restated to properly state the pro forma earnings as if the acquisition of Optex – Texas was reorganization plan had occurred on the first day of each of the years.
- Note 7 has been restated to reflect the estimated general and administrative expenses assuming Optex Texas was operated on a stand alone basis.
- Note 14 has been revised to reflect only those transactions related to the predecessor entity.

The above restatements have no affect to the balance sheet, statements of stockholders' equity, net loss or cash flows for the year ended September 28, 2008.



PART II – INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

We estimate that our expenses in connection with this offering, other than underwriting discounts and commissions, will be as follows:

Securities and Exchange Commission registration fee	\$ 1,447
Printing and engraving expenses	1,000
Legal fees and expenses	-
Accountant fees and expenses	2,500
Total	\$ 4,947

Item 14. Indemnification of Directors and Officers

Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law provides, in general, that a corporation incorporated under the laws of the State of Delaware, such as Optex Systems Holdings, may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than a derivative action by or in the right of the corporation) by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. In the case of a derivative action, a Delaware corporation may indemnify any such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification will be made in respect of any claim, issue or matter as to which such person will have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or any other court in which such action was brought determines such person is fairly and reasonably entitled to indemnity for such expenses.

Item 15. Recent Sales of Unregistered Securities

On March 30, 2009, in reliance upon Section 4(2) of the Securities Act, a reorganization occurred whereby the then existing shareholders of Optex Delaware exchanged their shares of common stock with the shares of common stock of Optex Systems Holdings, Inc. as follows: (i) the outstanding 85,000,000 shares of Optex Delaware common stock were exchanged by Optex Systems Holdings for 113,333,282 shares of Company common stock, (ii) the outstanding 1,027 shares of Optex Delaware Series A preferred stock were exchanged by Optex Systems Holdings for 1,027 shares of Company Series A preferred stock and (iii) the 8,131,667 shares of Optex Delaware common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Company common stock. Optex Delaware will remain a wholly-owned subsidiary of Optex Systems Holdings.

Immediately prior to the closing of the reorganization agreement (and the shares are included above), as of March 30, 2009, in a transaction exempt from registration pursuant to Regulation D, for which a Form D was filed with the Commission on December 16, 2008, Optex Delaware accepted subscriptions from accredited investors for a total 27.1 units, for \$45,000 per unit, with each unit consisting of 300,000 shares of common stock, no par value of Optex and warrants to purchase 300,000 shares of common stock for \$0.45 per share for a period of five years from the initial closing. Gross proceeds were \$1,219,750, and after deducting (i) a cash finder's fee of \$139,555, (ii) non-cash consideration of indebtedness owed to an investor of \$146,250, and (iii) stock issuance costs of \$59,416, the net proceeds were \$874,529. The finder also received five year warrants to purchase 2.39 units, at an exercise price of \$49,500 per unit.

Neither Optex Systems Holdings nor Optex Delaware had any options or warrants to purchase shares of capital stock outstanding immediately prior to or following the reorganization, except for 8,941,667 warrants issued in the private placement. Immediately prior to the closing, Optex Systems Holdings adopted the 2009 Stock Option Plan providing for the issuance of up to 6,000,000 shares for the purpose of having shares available for the granting of options to officers, directors, employees and to independent contractors who provide services. Each share of stock entitles the holder to one vote on matters brought to a vote of the shareholders.

Optex Systems Holdings granted an officer at the consummation of the reorganization, options to purchase 1,414,649 shares at an exercise price of \$0.15 per share that vest as follows: 34% of the options vesting one year following the date of grant, and 33% vesting on each of the second and third anniversaries following the date of grant

Series A preferred stock

On March 24, 2009, Optex Systems Holdings filed a Certificate of Designation with the Secretary of State of the State of Delaware authorizing a series of preferred stock, under its articles of incorporation, known as "Series A preferred stock". The terms and provisions of the Series A preferred stock are set forth in "Description of Securities" – "preferred stock" above.

On March 27, 2009, Sileas and Alpha exchanged their promissory notes in the total amount of \$6,000,000 plus accrued and unpaid interest thereon into 1,027 shares of Series A preferred stock. On March 30, 2009, the shares of Optex Delaware preferred stock were exchanged on a 1:1 basis for Series A preferred stock of Optex Systems Holdings.

All of the above equity transactions were made in reliance on Section 4(2) of the Securities Act, with the exception of the equity sale completed just prior to the closing of the reorganization agreement, which was exempt from registration pursuant to Regulation D and for which a Form D was filed with the Commission on December 16, 2008.

Investor Relations Issuances

American Capital Ventures, Inc. with offices at 2875 N.E. 191st Street, Suite 904, Aventura, Florida 33180 was issued 1,000,000 shares of Optex Systems Holdings' common stock for services to be provided from April 1, 2009 through March 31, 2010. On June 26, 2009, Optex Systems Holdings terminated its Investor Relations Agreement with American Capital Ventures, Inc., and pursuant to this termination, American Capital Ventures returned 700,000 of the 1,000,000 restricted shares of Company common stock it received pursuant to the agreement.

ECON Corporate Services, Inc. was issued 250,000 shares of restricted stock for services to be rendered.

Effective as of June 29, 2009, Optex Systems Holdings entered into a Consulting Agreement with ZA Consulting, Inc. for the provision of consulting services to Optex Systems. For services rendered, ZA Consulting received 480,000 shares of restricted common stock with 40,000 shares vesting per month.

Private Placement

On June 29, 2009, Optex Systems Holdings sold 750,000 shares of its common stock to private investors at a price of \$0.20 per share for a total purchase price of \$150,000 in a transaction exempt from registration under Section 4(2) of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules

<u>Exhibit No.</u>	<u>Description</u>
2.1	Agreement and Plan of reorganization, dated as of the March 30, 2009, by and between registrant, a Delaware corporation and Optex Systems, Inc., a Delaware corporation (1).
3.1	Certificate of Incorporation, as amended, of Optex Systems Holdings, Inc.

3.2 Bylaws of Optex Systems Holdings Cor1).

5.1 Opinion as to Legality of the Shares

10.1 Lease for 1420 Presidential Blvd., Richardson, TX (1).

- 10.2 Employment Agreement with Danny Schoening (1).
- 10.3 2009 Stock Option Plan (1).
- 10.4 Form of Warrant (1)
- 10.5 Specimen Stock Certificate (1)
- 10.6 Contract W52H0905D0248 with TACOM, dated July 27, 2005
- 10.7 Contract W52H0909D0128 with TACOM, dated March 24, 2009
- 10.8 Contract W52H0905D0260 with TACOM, dated August 3, 2005
- 10.9 PO# 40050551 with General Dynamics, dated June 8, 2009
- 10.10 Contract 9726800650 with General Dynamics, dated April 9, 2007
- 10.11 Form of Subscription Agreement
- 10.12 Single Source Supplier Purchase Orders with TSP Inc.
- 10.13 Single Source Supplier Purchase Orders with SWS Trimac
- 10.14 Single Source Supplier Purchase Orders with Danaher Controls
- 10.15 Single Source Supplier Purchase Orders with Spartech Polytech
- 14.1 Code of Ethics (1)
- 16 Letter re: Change in Certifying Accountant (1)
- 21.1 List of Subsidiaries – Optex Systems, Inc. (1).
- 23.1 Consent of Rotenberg, LLP

* Portions of this exhibit have been omitted pursuant to a confidential treatment request, and information regarding this confidential treatment request is being separately submitted to the Commission.

(1) Incorporated by reference from our Current Report on Form 8-K dated April 3, 2009.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - i. To include any prospectus required by section 10(a)(3) of the Securities Act;
 - ii. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.
 - iii. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
4. That, for the purpose of determining liability under the Securities Act to any purchaser:
 - i. If the registrant is relying on Rule 430B (Section 430B of this chapter):
 - A. Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

- B. Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or
- ii. If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.
5. That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
- i. Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
- ii. Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
- iii. The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
- iv. Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

6. Item 512(h) Undertaking:

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in Richardson, TX, on the 25th day of September, 2009.

OPTEX SYSTEMS HOLDINGS, INC.

By: /s/ Stanley A. Hirschman

Stanley A. Hirschman, Principal Executive Officer and Director

Date: November 12, 2009

By: /s/ Karen Hawkins

Karen Hawkins, Principal Financial Officer and Principal Accounting Officer

Date: November 12, 2009

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated, constituting the Principal Executive Officer and Principal Financial Officer of registrant and a majority of the Board of Directors of registrant:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Stanley A. Hirschman</u> Stanley A. Hirschman	Principal Executive Officer and Director	November 12, 2009
<u>/s/ Karen Hawkins</u> Karen Hawkins	Principal Financial Officer and Principal Accounting Officer	November 12, 2009
<u>/s/ Ronald F. Richards</u> Ronald F. Richards	Director	November 12, 2009
<u>/s/ Merrick Okamoto</u> Merrick Okamoto	Director	November 12, 2009

AWARD/CONTRACT	1. This Contract Is A Rated Order Under DPAS (15 CFR 700) ▶	Rating DOAS	Page 1 Of 5
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2. Contract (Proc. Inst. Ident) No. W52H09-05-D-0248	3. Effective Date 2005JUL27	4. Requisition/Purchase Request/Project No. SEE SCHEDULE
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5. Issued By TACOM-ROCK ISLAND AMSTA-LC-CFA-C LINDA M MAES (309)782-3657 ROCK ISLAND IL 61299-7630 e-mail address: LINDA.MAES@US.ARMY.MIL	Code	W52H09	6. Administered By (If Other Than Item 5) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	Code	S4402A
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SCD A PAS S4402A5601AFC ADP PT HQ0339

7. Name And Address Of Contractor (No. Street, City, County, State, And Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S.	8. Delivery <input type="checkbox"/> FOB Origin <input checked="" type="checkbox"/> Other (See Below) SEE SCHEDULE
9. Discount For Prompt Payment	
10. Submit Invoices (4 Copies Unless Otherwise Specified) ▶ Item 12 To The Address Shown In:	

11. Ship To/Mark For SEE SCHEDULE	Code		Facility Code		12. Payment Will Be Made By DPAS COLUMBUS CENTER DPAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381	Code	HQ0339
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13. Authority For Using Other Than Full And Open Competition: <input type="checkbox"/> 10 U.S.C. 2304(c)() <input type="checkbox"/> 41 U.S.C. 253(c)()	14. Accounting And Appropriation Data
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15A. Item No. SEE SCHEDULE	15B. Schedule Of Supplies/Services CONTRACT TYPE: Firm-Fixed-Price	15C. Quantity	15D. Unit	15E. Unit Price	15F. Amount
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Contract Expiration Date: 2010JUN30	15G. Total Amount Of Contract ▶ \$0.00
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16. Table Of Contents							
(X)	Section	Description	Page(s)	(X)	Section	Description	Page(s)
Part I - The Schedule				Part II - Contract Clauses			
X	A	Solicitation/Contract Form	1	I	Contract Clauses		
X	B	Supplies or Services and Prices/Costs	3	Part III - List Of Documents, Exhibits, And Other Attachments			
	C	Description/Specs./Work Statement		X	J	List of Attachments	5
	D	Packaging and Marking		Part IV - Representations And Instructions			
	E	Inspection and Acceptance		K	Representations, Certifications, and Other Statements of Offerors		
	F	Deliveries or Performance		L	Instrs., Conds., and Notices to Offerors		
	G	Contract Administration Data		M	Evaluation Factors for Award		
	H	Special Contract Requirements					

Contracting Officer Will Complete Item 17 Or 18 As Applicable

17. <input type="checkbox"/> Contractor's Negotiated Agreement (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)	18. <input checked="" type="checkbox"/> Award (Contractor is not required to sign this document.) Your offer on Solicitation Number <u>W52H0905R0050</u> including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.
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19A. Name And Title Of Signer (Type Or Print)	20A. Name Of Contracting Officer VICKI AHLGRIM VICKI.AHLGRIM@US.ARMY.MIL (309)782-3220
19B. Name of Contractor	20B. United States Of America
By _____ (Signature of person authorized to sign)	By _____ /SIGNED/ (Signature of Contracting Officer)
19c. Date Signed	20C. Date Signed 2005JUL27

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 5
	PIIN/SIIN W52H09-05-D-0248	MOD/AMD	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

1. CONTRACT W52H09-05-D-0248 IS AWARDED TO OPTEX SYSTEMS, INC. THIS CONTRACT IS A 5-YEAR, FIRM FIXED PRICE, INDEFINITE DELIVERY/INDEFINITE QUANTITY (IDIQ) CONTRACT (SEE FAR 16.504) FOR THE FOLLOWING ITEM:

CLIN 0001, M187A1 MOUNT TELESCOPE, NSN: 1240-01-483-5324, P/N: 12984689

- 2. THIS CONTRACT CONTAINS A REQUIREMENT FOR FIRST ARTICLE TESTING (SEE CLAUSES ES6016 AND IF7116).
- 3. FOR ADMINISTRATIVE PURPOSES, WHEN MULTIPLE APPROPRIATION/FUND TYPES ARE USED ON THE SAME DELIVERY ORDER, THE CLIN STRUCTURE SHALL BE AS FOLLOWS:

- CLIN 0001AB - PRODUCTION QTY WITH FAT
- CLIN 0001AC - PRODUCTION QTY WITH FAT
- CLIN 0001AD - PRODUCTION QTY WITH FAT, ETC.

- 4. THE PERIOD OF PERFORMANCE UNDER THIS IDIQ CONTRACT IS FIVE YEARS. THE ORDERING PERIODS (OP) ARE AS FOLLOWS:

- ORDERING PERIOD (OP) 1: AWARD DATE - 30 JUN 2006
- ORDERING PERIOD (OP) 2: 1 JUL 2006 - 30 JUN 2007
- ORDERING PERIOD (OP) 3: 1 JUL 2007 - 30 JUN 2008
- ORDERING PERIOD (OP) 4: 1 JUL 2008 - 30 JUN 2009
- ORDERING PERIOD (OP) 5: 1 JUL 2009 - 30 JUN 2010

- 5. THE FIRM FIXED PRICES FOR ALL PERFORMANCE PERIODS ARE REFLECTED ON ATTACHMENT 001, DATED JULY 18, 2005.
- 6. ALL DELIVERIES ARE TO BE FOB DESTINATION. EACH DELIVERY ORDER WILL PROVIDE THE SHIPPING DESTINATION(S). EACH DELIVERY ORDER WILL REFLECT THE PRICE FOR THE QUANTITY RANGE THAT APPLIES. ALL DELIVERY ORDERS WILL BE ISSUED UNILATERALLY BY THE GOVERNMENT WITH FIRM DELIVERY DATES.
- 7. ALL TERMS AND CONDITIONS OF REQUEST FOR PROPOSAL W52H09-05-R-0050, AMENDMENTS THERETO, AND THE CONTRACTOR'S FINAL PROPOSAL REVISION, SUBMITTED JULY 21, 2005, ARE HEREBY INCORPORATED.

*** END OF NARRATIVE A 003 ***

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248 MOD/AMD	Page 3 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	SECURITY CLASS: Unclassified				
0001AA	<p><u>DATA ITEM</u></p> <p>NOUN: FIRST ARTICLE TEST REPORT</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 3 DEL REL CD QUANTITY DAYS AFTER AWARD 001 * 0300</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (255555) TACOM-ROCK ISLAND ATTN AMSTA-LC-CFA ROCK ISLAND IL 61299-7630</p>	1	LO	\$ ** NSP **	\$ ** NSP **
0001AB	<p><u>PRODUCTION QUANT W/ FAT</u></p> <p>NOUN: M187A1 TELESCOPE MOUNT</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12984689</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU W0K8 USA OSC ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p>		EA	\$ ** N/A **	

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN WS2H09-05-D-0248 MOD/AMD	Page 4 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002	<p>MARK FOR: ATTN: DAVE HERRERA</p> <p><u>DATA ITEM</u></p> <p>SECURITY CLASS: Unclassified</p> <p>CONTRACTOR WILL PREPARE AND DELIVER THE TECHNICAL DATA IN ACCORDANCE WITH THE REQUIREMENTS, QUANTITIES AND SCHEDULES SET FORTH IN THE CONTRACT DATA REQUIREMENTS LISTS (DD FORM 1423), EXHIBIT A. IT IS REQUIRED THAT DATA ITEMS BE DELIVERED USING ELECTRONIC MEDIA. REFER TO THE DD FORM 1423 FOR MORE SPECIFIC ELECTRONIC DELIVERY INFORMATION</p> <p>A DD250 IS NOT REQUIRED</p> <p style="text-align: center;">(End of narrative A001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination</p>			\$ ** NSP **	\$ ** NSP **

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page s of s
	PIIN/SIIN W52H09-05-D-0248	MOD/AMD	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Exhibit A	CONTRACT DATA REQUIREMENTS LIST	01-MAR-2005	002	
Attachment 001	PRICING EVALUATION SHEET		001	
Attachment 002	DOCUMENT SUMMARY LIST		001	
Attachment 003	STATEMENT OF WORK		001	
Attachment 004	ECP H04A2085 NOR 27		001	

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code **Firm-Fixed-Price** Page 1 Of 3

2. Amendment/Modification No. **P00001** 3. Effective Date **2006APR25** 4. Requisition/Purchase Req No. **SEE SCHEDULE** 5. Project No. (If applicable)

6. Issued By **TACOM-ROCK ISLAND
AMSTA-LC-CFA-C
CHRISTINE CARSON (309)782-4301
ROCK ISLAND IL 61299-7630
EMAIL: CHRISTINE.CARSON@US.ARMY.MIL** Code **WS2H09** 7. Administered By (If other than Item 6) **DCMA DALLAS
600 NORTH PEARL STREET
SUITE 1630
DALLAS TX 75201-2843** Code **S4402A**

SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) **OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769**

9A. Amendment Of Solicitation No.

9B. Dated (See Item 11)

10A. Modification Of Contract/Order No. **WS2H09-05-D-0248**

10B. Dated (See Item 13) **2005JUL27**

Code **09K64** Facility Code

TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8

It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: _____ The Changes Set Forth In Item 14 Are Made In _____
The Contract/Order No. In Item 10A.

B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).

C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)		16A. Name And Title Of Contracting Officer (Type or print) VICKI AHLGRIM VICKI.AHLGRIM@US.ARMY.MIL (309) 782-3220	
15B. Contractor/Officer (Signature of person authorized to sign)	15C. Date Signed	16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)	16C. Date Signed 2006APR25

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CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SIN W52H09-05-D-0248 MOD/AMD P00001	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION TO CONTRACT W52H09-05-D-0248 IS TO :

- 1) INCORPORATE AN ASSIGNMENT OF CLAIMS PER FAR 32.801:

PAYMENTS SHALL BE MADE ELECTRONICALLY TO:

SQUARE 1 BANK CAGE 47C05
406 BLACKWELL ST. #240
DURHAM, NC 27701

- 2) DELETE ALL REFERENCE TO QAPS AND AIE.

- 3) REMOVE ALL REFERENCE TO TRITIUM.

- 4) Amend MIL-M-70742:

a. Paragraph 4.6.1.4 should be replaced with: "Vibration "B". This test shall be performed as outlined in MIL-F-13926, however the frequency and duration shall be as specified in 3.5.4.2. At the conclusion of the test the mount shall meet the Performance and Illumination requirements of this specification."

b. The +150 degrees F temperature in paragraph 4.6.1.1 should be replaced by +145 degrees F. The cold storage temperature in the same paragraph (the second reference to -50 degrees F) should be replaced by -60 degrees F.

c. In table IV, replace "AQL 0.65% DEFECTIVE" with "VERIFICATION LEVEL IV"

5. On all drawings where Finish 4.10 is called out as a cleaning operation, any method of vapor degreasing or solvent cleaning that leaves a clean and water break free surface, and removes any organic contaminants or other interfering films is acceptable.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 004 ***

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248 MOD/AMD P00001	Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION I - CONTRACT CLAUSES

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
I-1 ADDED	52.232-23	ASSIGNMENT OF CLAIMS	JAN/1986

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00002 3. Effective Date 2006JUL26 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code WS2H09 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OFTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2K09-05-D-0240 10B. Dated (See Item 13) 2005JUL27 Code 0BK64 Facility Code TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30 Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2006JUL26 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248 MOD/AMD P00002	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P0002 TO W52H09-05-D-0248 IS TO:

- 1) INCORPORATE THE FOLLOWING ECPS INTO THE BASIC AWARD, ECP H05A2036, ECP H06A2004, ECP H06A5004, ECP H06A2048.
- 2) AS A RESULT OF THE INCORPORATION OF THE ABOVE ECPS, THERE IS NO COST IMPACT FOR INCORPORATING ECPS H05A2036, H06A2004, OR H06A5004. HOWEVER THE COST IMPACT FOR INCORPORATING ECP H06A2048 IS \$202.54 PER UNIT FOR EXISTING DELIVERY ORDERS 0001 AND 0002. THE COST IMPACT FOR SUBSEQUENT DELIVERY ORDERS ISSUED AGAINST THIS CONTRACT IS \$102.70 PER UNIT. A REVISED PRICING SPREADSHEET IS ATTACHED FOR SUBSEQUENT DELIVERY ORDERS.
- 3) ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 005 ***

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248 MOD/AMD P00002	Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 005	ECP H05A2036			
Attachment 006	ECP H06A2004			
Attachment 007	ECP H06A5004			
Attachment 008	ECP H06A2048			

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code **Firm-Fixed-Price** Page 1 Of 3

2. Amendment/Modification No. **P00003** 3. Effective Date **2006AUG18** 4. Requisition/Purchase Req No. **SEE SCHEDULE** 5. Project No. (If applicable)

6. Issued By **TACOM-ROCK ISLAND
AMSTA-LC-CFA-C
CHRISTINE CARSON (309)782-4301
ROCK ISLAND IL 61299-7630
EMAIL: CHRISTINE.CARSON@US.ARMY.MIL** Code **WS2H09** 7. Administered By (If other than Item 6) **DCMA DALLAS
600 NORTH PEARL STREET
SUITE 1630
DALLAS TX 75201-2843** Code **S4402A**

SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
**OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769**

9A. Amendment Of Solicitation No.

9B. Dated (See Item 11)

10A. Modification Of Contract/Order No.
WS2H09-05-D-0248

10B. Dated (See Item 13)
2005JUL27

Code **DBK64** Facility Code

TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G

It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: _____ The Changes Set Forth In Item 14 Are Made In _____
The Contract/Order No. In Item 10A.

B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).

C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)		16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541	
15B. Contractor/Offeror (Signature of person authorized to sign)	15C. Date Signed	16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)	16C. Date Signed 2006AUG18

NSN 7540-01-152-8070
PREVIOUS EDITIONS UNUSABLE

30-105-02

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 3
	PIIN/SIIN W52H09-05-D-0248	MOD/AMD P00003	
Name of Offeror or Contractor: OPTEX SYSTEMS INC			

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00003 TO W52H09-05-D-0248 IS TO:

- 1) INCORPORATE ECPS H05A5004, AND H06A2049 (SEE ATTACHMENTS 009, AND 010).

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 006 ***

A 14

CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SHN W52H09-05-D-0248 MOD/AMD P00003	Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 009	ECP H05A5004	22-DEC-2005		
Attachment 010	ECP H06A2049	07-AUG-2006		

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00004 3. Effective Date 2007JAN25 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL Code WS2H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2H09-05-D-0248 10B. Dated (See Item 13) 2005JUL27 Code 08K64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order Is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007JAN25 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 3
	PIIN/SIIN W52H09-05-D-0248	MOD/AMD P00004	
Name of Offeror or Contractor: OPTEX SYSTEMS INC			

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00004 TO W52H0905D0248 IS TO INCORPORATE THE FOLLOWING:

1) IN PREVIOUSLY INCORPORATED ECP H05A2036 WHICH UPDATES MIL-M-70742, MAKE THE FOLLOWING CHANGES:

Replace:

3.6.4.4 Correction counter. The correction counter shall be checked at plus and minus readings of 5 and 9 mils. The angle of the Gunner's Quadrant seat shall correspond to the correction values within 0.2 mil when the elevation counter is reset to zero reading.

With:

3.6.4.4 Correction Counter - Affect on Elevation Level Bubble. Any change in position of the elevation level vial bubble shall not be greater than the thickness of a graduation line when the +9 and -9 mil values are set into the correction counter.

Replace:

4.6.2.8 Correction counter. With the mount and fixture set as outlined in 4.6.2.1, rotate the correction counter to the minimum setting specified in 3.6.4.4. Return the elevation counter to zero. By means of the fixture, level the elevation level vial of the mount. Do not override this level position. Place the inspection aid on the quadrant seat assembly and set the inspection aid vial to indicate level. Read the angle on the inspection aid. This reading to be identical to the correction counter reading within the limits of 3.6.4.4. Repeat this procedure at the setting specified in 3.6.4.4 each side of zero correction.

With:

4.6.2.8 Correction Counter - Affect on Elevation Level Bubble. The position of the elevation level bubble shall conform to the requirements of 3.6.4.4 when observed during the test specified in 4.6.2.3.

2) APPROVED RFDs H06A6050, H06A6055, H06A6056, H06A6057, H06A6052, H06A6081, H06A6082, H06A6089, H06A7049, H06A7050, H06A7051, H06A7054, H06A7055, H06A7062, H06A7063, H06A7064, H06A7065, H06A7066, H06A7067.

3) APPROVED ECPs H06A2065, H06A2087.

ALL OF THE ABOVE IS DONE AT NO ADDITIONAL COST TO THE GOVERNMENT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0007 ***

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 3 of 3
	PIIN/SIIN W52H09-05-D-0248	MOD/AMD P00004	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 011	RFD H06A6050			
Attachment 012	RFD H06A6056			
Attachment 013	RFD H06A6057			
Attachment 014	RFD H06A6062			
Attachment 015	RFD H06A6081			
Attachment 016	RFD H06A6082			
Attachment 017	RFD H06A6089			
Attachment 018	RFD H06A7049			
Attachment 019	RFD H06A7050			
Attachment 020	RFD H06A7051			
Attachment 021	RFD H06A7054			
Attachment 022	RFD H06A7055			
Attachment 023	RFD H06A7062			
Attachment 024	RFD H06A7063			
Attachment 025	RFD H06A7064			
Attachment 026	RFD H06A7065			
Attachment 027	RFD H06A7066			
Attachment 028	RFD H06A7067			
Attachment 029	ECP H06A2065			
Attachment 030	ECP H06A2087			
Attachment 031	RFD H06A6055			

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00005 3. Effective Date 2007MAY01 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0248 10B. Dated (See Item 13) 2005JUL27 Code 08X64 Facility Code TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007MAY01 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SIN W52H09-05-D-0248 MOD/AMD P00005	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00005 IS TO FORMALLY INCORPORATE THE FOLLOWING OUTSTANDING ECPS, RFDs, AND RFWs:

H07A2006, H06A2083, H07A5001, H07A6001, H07A6002, H07A6005, H07A6015

ALL OF THE ABOVE CONFIGURATION CHANGES ARE INCORPORATED AT NO ADDITIONAL COST, WITH THE EXCEPTION OF ECP H07A2006.

THE FOLLOWING COST IMPACT IS ASSOCIATED WITH INCORPORATION OF ECP H07A2006:

FOR ALL UNITS DUE TO BE DELIVERED AFTER AUGUST 30, 2007, THAT ARE CURRENTLY ON CONTRACT, THE ADDITIONAL PRICE WILL BE \$774.00 PER UNIT.

FOR ALL UNITS WITH A SCHEDULED DELIVERY DATE ON OR BEFORE AUGUST 30 2007, THE ADDITIONAL PRICE WILL BE * PER UNIT.
THIS ADDITIONAL COST IS TO COVER ALL COSTS ASSOCIATED WITH RETROFITTING THE NEW GEARS INTO THE M187.

FUTURE ORDERS ON THIS CONTRACT WILL BE AT AN ADDITIONAL COST OF * PER UNIT.

A REVISED PRICING EVALUATION SHEET IS ATTACHED.

THE OLD GEARS THAT HAVE BEEN PURCHASED FOR THIS CONTRACT, AND/OR REPLACED WITH NEW GEARS SHALL BE SHIPPED TO THE GOVERNMENT UPON REQUEST. SHIPPING INSTRUCTIONS WILL BE PROVIDED AT TIME OF REQUEST.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0008 ***

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 3 of 3
	PIIN/SIIN W52H09-05-D-0248	MOD/AMD P00005	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 032	H07A2006			
Attachment 033	H06A2083			
Attachment 034	H07A5001			
Attachment 035	H07A6001			
Attachment 036	H07A6002			
Attachment 037	H07A6005			
Attachment 038	H07A6015			

1792 Base

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm-Fixed-Price

Page 1 Of 3

2. Amendment/Modification No.

P00006

3. Effective Date

2008JUL17

4. Requisition/Purchase Req No.

SEE SCHEDULE

5. Project No. (If applicable)

6. Issued By

TACOM-ROCK ISLAND
AMSTA-LC-IBC
CHRISTINE CARSON (309)782-4301
ROCK ISLAND IL 61299-7630

Code W52H09

7. Administered By (If other than Item 6)

DCMA TEXAS
600 NORTH PEARL STREET
SUITE 1630
DALLAS TX 75201-2843

Code S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL

SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)

OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769

9A. Amendment Of Solicitation No.

9B. Dated (See Item 11)

10A. Modification Of Contract/Order No.

W52H09-05-D-0248

10B. Dated (See Item 13)

2005JUL27

Code 0BK64

Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8

- A. This Change Order is Issued Pursuant To: _____ The Changes Set Forth In Item 14 Are Made In _____
The Contract/Order No. In Item 10A.
- B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
- C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: _____
- D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)		16A. Name And Title Of Contracting Officer (Type or print)	
		LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541	
15B. Contractor/Officer	15C. Date Signed	16B. United States Of America	16C. Date Signed
(Signature of person authorized to sign)		By _____ /SIGNED/	2008JUL17
		(Signature of Contracting Officer)	

NSN 7540-01-152-8070
PREVIOUS EDITIONS UNUSABLE

30-105-02

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA FAR (48 CFR) 53.243

1792 Base 7 do

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 3
2. Amendment/Modification No. 3. Effective Date 4. Requisition/Purchase Req No. 5. Project No. (If applicable)

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code 84402A
TACOM-ROCK ISLAND DCMA TEXAS
AMSTA-LC-IBC 600 NORTH PEARL STREET
CHRISTINE CARSON (309)782-4301 SUITE 1630
ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843
EMAIL: CHRISTINE.CARSON@US.ARMY.MIL SCD A PAS 84402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
OPTX SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769
9A. Amendment Of Solicitation No.
9B. Dated (See Item 11)
10A. Modification Of Contract/Order No.
W52H09-05-D-0248
10B. Dated (See Item 13)
2005JUL27
Code 0BK64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers
is extended, is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:
(a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8
A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) Contract Administrator
16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN
LISA.DEVLIN@US.ARMY.MIL (309)782-5541
15B. Contractor/Officer Signature of person authorized to sign
15C. Date Signed 7/14/08
16B. United States Of America
16C. Date Signed
By (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued	Page 2 of 3
	PIN/SIN M52H09-05-D-0248	MOD/AMD P00006

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00006 TO M52H0905D0248 IS TO:

- 1) Incorporate the following approved engineering actions: H07A2045, H07A2071, H07A5014, H07A6022, H07A6030, H07A6039, H07A6040, H07A6042, H07A6043, H07A6091, H07A7020, H07A7026, H07A7034

PART NUMBER 8261858, REPLACE 20 degrees +/- 15 minutes WITH 19 degrees +/- 15

- 2) Settle a Request for Equitable Adjustment due to ongoing technical data problems. The negotiated equitable adjustment resulted in lump sum payment of * to be paid on delivery order 0001; a unit price adjustment of * each to be paid on delivery order 0001, and a unit price increase of * to be paid on delivery orders 0002, 0003, 0004, and any future delivery orders. A revised pricing sheet is attached.

THE ENTIRE EQUITABLE ADJUSTMENT AMOUNT REPRESENTS A FULL AND COMPLETE SETTLEMENT OF ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION RAISED IN AND ASSOCIATED WITH ITS REQUEST FOR EQUITABLE ADJUSTMENT, DATED 4 MARCH 2008. IN ADDITION, BECAUSE OPTEX' REA WAS SUBMITTED ON A TOTAL COST BASIS, THE PARTIES INTEND THIS MODIFICATION TO ADDRESS ALL OF THE PAST ISSUES ON THIS CONTRACT AS OF 4 MARCH 2008. THEREFORE, THE MODIFICATION REPRESENTS A COMPLETE AND FULL SETTLEMENT OF ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION THAT OPTEX MAY RAISE FOR ANY INCIDENTS, DIRECTED/CONSTRUCTIVE CHANGES, AND ANY OTHER MATTERS, OCCURRING ON OR BEFORE 4 MARCH 2008, INCLUDING ANY CLAIMS FOR DELAY, UNREALIZED OVERHEAD, ATTORNEY'S FEES, AND ANY OTHER CAUSES OF ACTION, KNOWN OR UNKNOWN TO OPTEX, WHETHER ASSERTED AT THIS TIME OR NOT, ARISING UNDER THIS CONTRACT.

THIS MODIFICATION WILL NOT AFFECT ANY CLAIMS OR CAUSES OF ACTION PERTAINING TO INCIDENTS, DIRECTED/CONSTRUCTIVE CHANGES, OR OTHER MATTERS WHICH OCCUR AFTER 4 MARCH 2008.

- 2) REVISE THE DELIVERY SCHEDULE ON EACH INDIVIDUAL DELIVERY ORDER.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

*** END OF NARRATIVE A0009 ***

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 3 of 3
	PIIN/SIN W52H09-05-D-0248	MOD/AMD P00006	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 0039	H07A2045			
Attachment 0040	H07A2071			
Attachment 0041	H07A5014			
Attachment 0042	H07A6022			
Attachment 0043	H07A6030			
Attachment 0044	H07A6039			
Attachment 0045	H07A6040			
Attachment 0046	H07A6042			
Attachment 0047	H07A6043			
Attachment 0048	H07A6091			
Attachment 0049	H07A7020			
Attachment 0050	H07A7026			
Attachment 0051	H07A7034			

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. W52H09-05-D-0248	2. DELIVERY ORDER/CALL NO. 0001	3. DATE OF ORDER/CALL (YYYYMMDD) 2005JUL27	4. REQUISITION/PURCH REQUEST NO. SEE SCHEDULE	5. PRIORITY DOAS
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6. ISSUED BY TACOM-ROCK ISLAND AMSTA-LC-CFA-C LINDA M MAES (309)782-3657 ROCK ISLAND IL 61299-7630 EMAIL: LINDA.MAES@US.ARMY.MIL	CODE W52H09	7. ADMINISTERED BY (If other than 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	CODE S4402A	8. DELIVERY FOB <input checked="" type="checkbox"/> DESTINATION <input type="checkbox"/> OTHER (See Schedule if other)
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9. CONTRACTOR OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 NAME AND ADDRESS	CODE DBK64	FACILITY	18. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) SEE SCHEDULE	11. X IF BUSINESS IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED
TYPE BUSINESS: Other Small Business Performing in U.S.			12. DISCOUNT TERMS	13. MAIL INVOICES TO THE ADDRESS IN BLOCK See Block 15

14. SHIP TO SEE SCHEDULE	CODE	15. PAYMENT WILL BE MADE BY DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381	CODE HQ0339	MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2
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16. TYPE OF ORDER DELIVERY/ CALL <input checked="" type="checkbox"/> PURCHASE	THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT. Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____, furnish the following on terms specified herein. ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.			
---	---	--	--	--

NAME OF CONTRACTOR	SIGNATURE	TYPED NAME AND TITLE	DATE SIGNED (YYYYMMDD)
<input type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:			

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE SEE SCHEDULE

18. ITEM NO.	19. SCHEDULE OF SUPPLIES/SERVICE	20. QUANTITY ORDERED/ACCEPTED*	21. UNIT	22. UNIT PRICE	23. AMOUNT
	SEE SCHEDULE CONTRACT TYPE: Firm-Fixed-Price KIND OF CONTRACT: Supply Contracts and Priced Orders				

* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.	24. UNITED STATES OF AMERICA VICKI AHLGRIM /SIGNED/ VICKI.AHLGRIMBUS.ARMY.MIL (309) 782-3220 BY: _____ CONTRACTING/ORDERING OFFICER	25. TOTAL \$1,401,734.11	26. DIFFERENCES
--	--	-----------------------------	-----------------

27a. QUANTITY IN COLUMN 20 HAS BEEN
 INSPECTED RECEIVED ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED

b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	c. DATE (YYYYMMDD)	d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
--	--------------------	---

e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	28. SHIP. NO.	29. D.O. VOUCHER NO.	30. INITIALS
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f. TELEPHONE NUMBER	g. E-MAIL ADDRESS	<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL 31. PAYMENT	32. PAID BY	33. AMOUNT VERIFIED CORRECT FOR
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34. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.

a. DATE (YYYYMMDD)	b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	<input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	34. CHECK NUMBER	35. BILL OF LADING NO.
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37. RECEIVED AT	38. RECEIVED BY (Print)	39. DATE RECEIVED (YYYYMMDD)	40. TOTAL CONTAINERS	41. S/R ACCOUNT NUMBER	42. S/R VOUCHER NO.
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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0248/0001 MOD/AMD	Page 2 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SUPPLEMENTAL INFORMATION

1. This Delivery Order 0001 formalizes and incorporates the letter award issued to Optex Systems Inc. on July 27, 2005, for the following items:

CLIN 0001AA - First Article Test Report (Not Separately Priced)

CLIN 0001AB - * each, M187A1 Mount Telescope, NSN: 1240-01-483-5324, P/N: 12984689, unit price * , total *

CLIN 0001AC - * each, M187A1 Mount Telescope, NSN: 1240-01-483-5324, P/N: 12984689, unit price * , total *

*Delivery Order 0001 is issued during Ordering Period (OP) 1. The unit price for the M187A1 Mount Telescope for the applicable quantity range in Ordering Period 1 is *. The price for First Article Test (\$4,800.00) has been amortized over the 329 units being awarded in this Delivery order 0001, resulting in a unit price of *.

2. In accordance with the terms and conditions of W52H09-05-D-0248, this Delivery Order 0001 obligates the guaranteed minimum quantity of * each M187A1 Mount Telescope.

3. CLIN 0001AB includes the First Article Test requirement (3 each for first article test/2 each for first article confirmatory test).

4. See Section B for delivery schedule.

5. The total dollar value of this Delivery Order is corrected, from the \$1,401,734.10 stated in the letter award of July 27, 2005, to \$1,401,734.11.

6. All terms and conditions of the Basic Contract W52H09-05-D-0248 apply.

*** END OF NARRATIVE A 001 ***

***Confidential Treatment Requested**

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	<p>SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p>NSN: 1240-01-483-5324 FSCN: 19200 PART NR: 12984689 SECURITY CLASS: Unclassified</p>				
0001AA	<p><u>DATA ITEM</u></p> <p>NOUN: FIRST ARTICLE TEST REPORT</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30</p> <p><u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 3 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-MAY-2006</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (255555) TACOM-ROCK ISLAND ATTN AMSTA-LC-CPA ROCK ISLAND IL 61299-7630</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p>	*	LO	\$ ** NSP **	\$ ** NSP **
0001AB	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 02 ACRN: AA AMS CD: 33104540041</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u></p>	*	EA	\$ *	\$ 762,645.61

*Confidential Treatment Requester

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CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SHN W52H09-05-D-0248/0001 MOD/AMD	Page 4 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	INSPECTION: Origin ACCEPTANCE: Origin				
	<u>Deliveries or Performance</u>				
	DOC SUPPL				
	REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD				
	001 W52H0951817700 W52H1C J 1				
	PROJ CD BRK BLK PT				
	G19				
	DEL REL CD QUANTITY DEL DATE				
	001 * 25-OCT-2006				
	002 * 27-NOV-2006				
	003 * 27-DEC-2006				
	004 * 25-JAN-2007				
	005 * 26-FEB-2007				
	006 * 26-MAR-2007				
	007 * 25-APR-2007				
	008 * 25-MAY-2007				
	009 * 25-JUN-2007				
	010 * 25-JUL-2007				
	011 * 24-AUG-2007				
	POB POINT: Destination				
	SHIP TO: <u>FREIGHT ADDRESS</u>				
	(W52H1C) XU W0K8 USA OSG ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000				
	<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001				
0001AC	<u>PRODUCTION QUANTITY</u>	*	EA	\$ *	\$ 639,088.50
	NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 02 ACRN: AB AMS CD: 060011				
	<u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A				
	<u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin				

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD	Page 5 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
<u>Deliveries or Performance</u>					
DOC SUPPL					
REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD					
001 W52H0951802900 W52H1C J 1					
DEL REL CD QUANTITY DEL DATE					
001 * 25-OCT-2006					
002 * 27-NOV-2006					
003 * 27-DEC-2006					
004 * 25-JAN-2007					
005 * 26-FEB-2007					
FOB POINT: Destination					
SHIP TO: <u>FREIGHT ADDRESS</u>					
(W52H1C) XU W0K8 USA OSC ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000					
<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001					
DOC SUPPL					
REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD					
002 W52H0952082901 W25G1U J 1					
DEL REL CD QUANTITY DEL DATE					
001 * 26-FEB-2007					
002 * 26-MAR-2007					
003 * 25-APR-2007					
004 * 25-MAY-2007					
005 * 25-JUN-2007					
FOB POINT: Destination					
SHIP TO: <u>FREIGHT ADDRESS</u>					
(W25G1U) XU TRANSPORTATION OFFICER EDSP NEW CUMBERLAND FACILITY BUILDING MISSION DOOR 113 134 NEW CUMBERLAND PA 17070-5001					
<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001					

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 6 of 6
	PIN/SIIN	W52H09-05-D-0248/0001	MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM	ACRN	STAT	OBLG	ACCOUNTING CLASSIFICATION	S11116	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
0001AB	W15AAC06M1 33104540041 W15N378791M1	AA	2	21	52033000056D6D02P33104526KB	S11116	576C06	W52H09	\$ *
0001AC	M151R095M1 060011	AB	2	97	X4930AC9G 6D	26KB S11116		W52H09	\$ *
TOTAL									\$ *

SERVICE NAME	TOTAL BY ACRN	ACRN	STAT	OBLG	ACCOUNTING CLASSIFICATION	S11116	ACCOUNTING STATION	OBLIGATED AMOUNT
Army	AA	21	52033000056D6D02P33104526KB	S11116		W52H09	\$ *	
Army	AB	97	X4930AC9G 6D	26KB S11116		W52H09	\$ *	
TOTAL								\$ 1,401,734.11

*Confidential Treatment Requeste

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 2

2. Amendment/Modification No. 01 3. Effective Date 2006MAY18 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code S4402A
TACOM-ROCK ISLAND DCMA DALLAS
AMSTA-LC-CFA-C 600 NORTH PEARL STREET
CHRISTINE CARSON (309)782-4301 SUITE 1630
ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843
EMAIL: CHRISTINE.CARSON@US.ARMY.MIL SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769
TYPE BUSINESS: Other Small Business Performing in U.S.
Code OBK64 Facility Code
9A. Amendment Of Solicitation No.
9B. Dated (See Item 11)
10A. Modification Of Contract/Order No. W52H09-05-D-0248/0001
10B. Dated (See Item 13) 2005AUG01

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers
 is extended, is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:
(a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8
 A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
 B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
 C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
 D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print)
VICKI AHLGRIM
VICKI.AHLGRIM@US.ARMY.MIL (309)782-3220
15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed
By _____ /SIGNED/ 2006MAY18
(Signature of person authorized to sign) (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0248/0001 MOD/AMD 01	Page 2 of 2
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION TO DELIVERY ORDER 0001 TO BASIC AWARD W52H09-05-D-0248 IS TO:

- 1) ALLOW FOR THE PURCHASE OF LONG LEAD ITEMS PRIOR TO FIRST ARTICLE APPROVAL TO FACILITATE ON-TIME DELIVERY, in accordance with clause I-80 of the contract, FAR 52.209-3, First Article Approval - Contractor Testing, Alternate I and Alternate II.

The following items are hereby authorized as long lead items. The cost associated with these items may include the purchase of materials as well as production to the extent essential to meet the delivery schedule.

Material	PO Amount	Delivery
Bearings	*	8-10 weeks
Castings	*	14-16 weeks
Circuit Card	*	16 weeks
Connectors	*	6 weeks
Counter	*	16 weeks
Fiber Optic	*	8 weeks
Gear	*	12-20 weeks
Hardware	*	6-12 weeks
ID Plate	*	6 weeks
Level	*	8 weeks
Machined Components	*	6-16 weeks
Optics	*	12-14 weeks
Spring	*	8-12 weeks
Valve	*	8-12 weeks

TOTAL \$886,119.23

In accordance with the DOD Progress Payments clause, DFARS 252.232-7004, by reference clause I-59 of the contract, payment requests may be submitted for no more than 90% of the above amount, or *, accompanied by supporting documentation.

- 2) As a result of number 1 above, FAR 52.232-4506 Progress Payment Limitation, is hereby superceded by the above.
- 3) Payments shall be made in sequential ACRN order.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 002 ***

***Confidential Treatment Requested**

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code **Firm-Fixed-Price** Page 1 Of 6

2. Amendment/Modification No. 02	3. Effective Date 2006JUL26	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)
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6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	Code	W52H09	7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	Code	S4402A
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S.	<input type="checkbox"/>	9A. Amendment Of Solicitation No.
	<input type="checkbox"/>	9B. Dated (See Item 11)
	<input checked="" type="checkbox"/>	10A. Modification Of Contract/Order No. W52H09-05-D-0248/0001
	<input type="checkbox"/>	10B. Dated (See Item 13) 2005AUG01

Code 0BK64 **Facility Code**

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: B

<input type="checkbox"/>	A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.	The Changes Set Forth In Item 14 Are Made In
<input checked="" type="checkbox"/>	B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).	
<input type="checkbox"/>	C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:	
<input type="checkbox"/>	D. Other (Specify type of modification and authority)	

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)	16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309) 782-5541		
15B. Contractor/Offoror (Signature of person authorized to sign)	15C. Date Signed	16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)	16C. Date Signed 2006JUL26

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 02	Page 2 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 02 TO W52H0905D0248 DELIVERY ORDER 0001 IS TO:

- 1) INCREASE THE UNIT PRICE OF CLINS 0001AB AND 0001AC BY * EACH, DUE TO THE INCORPORATION OF A COST IMPACTING ECP (H06A2048). THIS ECP INVOLVES RETROFITTING A NEW QUICK DISCONNECT TO UNITS CURRENTLY IN PRODUCTION (329), BUT ALLOWING FIRST ARTICLE TO BE APPROVED WITH THE ORIGINAL CONFIGURATION.
- 2) THIS IS A TOTAL INCREASE TO THIS DELIVERY ORDER OR *
- 3) REVISE THE DELIVERY DATE FOR THE FIRST ARTICLE TEST REPORT FROM 30-MAY-2006 TO 30-AUG-2006. THIS IS DONE AT NO COST DUE TO TECHNICAL REVISIONS WHICH WERE NO FAULT OF THE CONTRACTOR.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 003 ***

—*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 02	Page 3 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AA	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>DATA ITEM</u></p> <p>NOUN: FIRST ARTICLE TEST REPORT</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 3 DEL REL CD QUANTITY DEL DATE 001 * 30-AUG-2006</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (Z55555) CONTRACT/DELIVERY ORDER NUMBER W52H09-05-D-0248/0001</p>	*	LO	\$ ** NSP **	\$ ** NSP **
0001AB	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 02 ACRN: AA AMS CD: 33104540041</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 W52H095181T700 W52H1C J 1 PROJ CD BRK BLK PT G19 DEL REL CD QUANTITY DEL DATE 001 * 25-OCT-2006</p>	*	EA	\$ *	\$ 802,122.27

*Confidential Treatment Requested

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																														
	002 * 27-NOV-2006																																		
	003 * 27-DEC-2006																																		
	004 * 25-JAN-2007																																		
	005 * 26-FEB-2007																																		
	006 * 26-MAR-2007																																		
	007 * 25-APR-2007																																		
	008 * 25-MAY-2007																																		
	FOB POINT: Destination SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU W0X8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001																																		
0001AC	<u>PRODUCTION QUANTITY</u>	*	EA	\$ *	\$ 672,169.50																														
	NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 02 ACRN: AB AMS CD: 060011 <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>REL CD</u></th> <th style="text-align: left;"><u>MILSTRIP</u></th> <th style="text-align: left;"><u>ADDR</u></th> <th style="text-align: left;"><u>SIG CD</u></th> <th style="text-align: left;"><u>MARK FOR</u></th> <th style="text-align: left;"><u>TP CD</u></th> </tr> </thead> <tbody> <tr> <td>001</td> <td>W52H095180Z900</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> </tbody> </table> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>DEL REL CD</u></th> <th style="text-align: left;"><u>QUANTITY</u></th> <th style="text-align: left;"><u>DEL DATE</u></th> </tr> </thead> <tbody> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>25-OCT-2006</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>27-NOV-2006</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>27-DEC-2006</td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>25-JAN-2007</td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td>26-FEB-2007</td> </tr> </tbody> </table>					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095180Z900	W52H1C	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	25-OCT-2006	002	*	27-NOV-2006	003	*	27-DEC-2006	004	*	25-JAN-2007	005	*	26-FEB-2007
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																														
001	W52H095180Z900	W52H1C	J		1																														
<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																																	
001	*	25-OCT-2006																																	
002	*	27-NOV-2006																																	
003	*	27-DEC-2006																																	
004	*	25-JAN-2007																																	
005	*	26-FEB-2007																																	

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0248/0001 MOD/AMD 02	Page 5 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																						
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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SHN W52H09-05-D-0248/0001 MOD/AMD 02	Page 6 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	FROM/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AB	W15AAC06M1 33104540041 W15M378791M1	AA	2 576C06	\$ *	\$ *	\$ *
0001AC	M151R095M1 060011	AB	2	\$ *	\$ *	\$ *
				NET CHANGE	\$ *	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT	
Army	AA	21 52033000056D6D02P33104526KB S11116	W52H09	\$ *	
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	\$ *	
				NET CHANGE	\$ *

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$ *	\$ *	\$ 1,474,291.77

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 8

2. Amendment/Modification No. 03 3. Effective Date 2006NOV28 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code WS2K09 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2K09-05-D-0248/0001 10B. Dated (See Item 13) 2005AUG01 Code 0BK64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2006NOV28 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 8
	PIIN/SIIN W52H09-05-D-0248/0001	MOD/AMD 03	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION IS TO PROVIDE GOVERNMENT FURNISHED MATERIAL (GFM) TO BE USED TOWARDS FIRST ARTICLE TESTING, IF THE CONTRACTOR DESIRES, CONSISTING OF THE FOLLOWING:

1. FOUR (4) EACH HOUSING P/N 8261799, WILL BE PROVIDED AS GFM.
2. GFM SHALL BE SHIPPED TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR.
RICHARDSON, TX 75081
3. AS A RESULT OF THE ABOVE, THE DUE DATE FOR THE FIRST ARTICLE TEST REPORT (CLIN 0001AA) IS REVISED
FROM: 30 AUG 2006 TO: 12 Jan 2007
4. FIRST ARTICLE INSPECTION, TEST AND ENVIRONMENTAL, SHALL BE RECONDUCTED UPON RECEIPT OF CONTRACTOR PRODUCED PART, 8261799. NO DELIVERIES OF M187A1 MOUNTS SHALL BE ACCEPTED BY THE GOVERNMENT USING CONTRACTOR MANUFACTURED PART, PN: 8261799, UNLESS FIRST ARTICLE TESTING IS CONDUCTED ON BOTH THE PART AND THE ENTIRE M187A1 MOUNT SYSTEM.
4. THE PRODUCTION SCHEDULES ARE ALSO REVISED ACCORDINGLY. SEE SCHEDULE B.
5. THIS IS DONE AT NO COST TO EITHER PARTY, DUE TO ONGOING TECHNICAL CLARIFICATIONS AND OMISSIONS THAT HAVE BEEN ENCOUNTERED UP TO THIS POINT.
6. REPLACEMENT PARTS WILL BE RETURNED TO THE GOVERNMENT, UPON RECEIPT BY OPTEX OF ACCEPTABLE PARTS FROM THEIR SUPPLIER. THE REPLACEMENT PARTS SHALL BE RETURNED TO:
TACOM - ROCK ISLAND
ATTN: AMSTA-LC-QAMC-B/CHRIS CARSON
BLDG 104, 2ND FLOOR SE
1 ROCK ISLAND ARSENAL
ROCK ISLAND, IL 61299-7630
7. The contractor hereby waives all rights and claims for equitable adjustment to such facts and circumstances giving rise to the incorporation of the above stated changes. The contractor specifically waives any and all types of claims which it has or may have against the government related to any delay resulting from the incorporation of the stated changes in the contract.
8. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0004 ***

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																								
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS																												
0001	MSN: 1240-01-483-5324 PSCM: 19200 PART NR: 12984689 SECURITY CLASS: Unclassified																												
0001AA	<u>DATA ITEM</u> NOUN: FIRST ARTICLE TEST REPORT <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30 <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDER</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>001</td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">3</td> </tr> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td colspan="2" style="border-bottom: 1px solid black;">DEL DATE</td> <td colspan="2"></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td colspan="2">12-JAN-2007</td> <td colspan="2"></td> </tr> </table> FOB POINT: Destination SHIP TO: (255555) <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001	REL CD	MILSTRIP	ADDER	SIG CD	MARK FOR	TP CD	001					3	DEL REL CD	QUANTITY	DEL DATE				001	*	12-JAN-2007				*	LO	\$ ** NSP **	\$ ** NSP **
REL CD	MILSTRIP	ADDER	SIG CD	MARK FOR	TP CD																								
001					3																								
DEL REL CD	QUANTITY	DEL DATE																											
001	*	12-JAN-2007																											
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041 <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u>	*	EA	\$ *	\$ *																								

*Confidential Treatment Requested

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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>DOC SUPPL</p> <p>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</p> <p>001 W52H095181T700 W52H1C J 1</p> <p>PROJ CD BRK BLK PT</p> <p>G19</p> <p>DEL REL CD QUANTITY DEL DATE</p> <p>001 DELETED</p> <p>002 DELETED</p> <p>003 DELETED</p> <p>004 * 28-JAN-2007</p> <p>005 * 28-FEB-2007</p> <p>006 * 28-MAR-2007</p> <p>007 * 28-APR-2007</p> <p>008 * 28-MAY-2007</p> <p>009 * 28-JUN-2007</p> <p>010 * 28-JUL-2007</p> <p>011 * 28-AUG-2007</p> <p>012 * 28-SEP-2007</p> <p>013 * 28-OCT-2007</p> <p>FOS POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u></p> <p>(W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p>				
0001AC	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 04 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p>	*	EA	\$ *	\$ 672,169.50

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																							
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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHIN W52H09-05-D-0248/0001 MOD/AMD 03	Page 6 of 8
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION I - CONTRACT CLAUSES

Status	Regulatory Cite	Title	Date
I-1 ADDED	52.245-19	GOVERNMENT PROPERTY FURNISHED "AS IS"	APR/1984
I-2 ADDED	52.245-2	GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS)	MAY/2004

a. Government-furnished property. (1) The Government shall deliver to the Contractor, for use in connection with and under the terms of this contract, the Government-furnished property described in the Schedule or specifications together with any related data or information that the Contractor may request and is reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

(2) The delivery or performance dates for this contract are based upon the expectation that Government-furnished property suitable for use (except for property furnished "as is" will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the contract's delivery or performance dates.

(3) If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt of it, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at Government expense, either repair, modify, return, or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of this clause.

(4) If Government-furnished property is not delivered to the Contractor by the required time, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of this clause.

b. Changes in Government-furnished property. (1) The Contracting Officer may, by written notice, (i) decrease the Government-furnished property provided or to be provided under this contract, or (ii) substitute other Government-furnished property for the property to be provided by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by such notice.

(2) Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the contract in accordance with paragraph (h) of this clause, if the Government has agreed in the Schedule to make the property available for performing this contract and there is any:

- (i) Decrease or substitution in this property pursuant to subparagraph (b)(1) above; or
- (ii) Withdrawal of authority to use this property, if provided under any other contract or lease.

c. Title in Government property.

(1) The Government shall retain title to all Government-furnished property.

(2) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(3) Title to each item of facilities and special test equipment acquired by the Contractor for the Government under this contract shall pass to and vest in the Government when its use in performing this contract commences or when the Government has paid for it, whichever is earlier, whether or not title previously vested in the Government.

(4) If this contract contains a provision directing the Contractor to purchase material for which the Government will reimburse the Contractor as a direct item of cost under this contract -

(i) Title to material purchased from a vendor shall pass to and vest in the Government upon the vendor's delivery of such material and

(ii) Title to all other material shall pass to and vest in the Government upon -

- (A) Issuance of the material for use in contract performance;
- (B) Commencement of processing of the material or its use in contract performance; or
- (C) Reimbursement of the cost of the material by the Government, whichever occurs first.

d. Use of Government property. The Government property shall be used only for performing this contract, unless otherwise provided in this contract or approved by the Contracting Officer.

e. Property administration. (1) The Contractor shall be responsible and accountable for all Government property provided under this contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this contract.

(2) The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound industrial practice and the applicable provisions of Subpart 45.5 of the FAR.

(3) If damage occurs to Government property, the risk of which has been assumed by the Government under this contract, the Government shall replace the items or the Contractor shall make such repairs as the Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer. When any property for which the Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(4) The Contractor represents that the contract price does not include any amount for repairs or replacement for which the Government is responsible. Repair or replacement of property for which the Contractor is responsible shall be accomplished by the Contractor at its own expense.

f. Access. The Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 7 of 8
	PIIN/SIIN WS2H09-05-D-0248/0001 MOD/AMD 03	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

g. Risk of loss. Unless otherwise provided in this contract, the Contractor assume the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor or upon passage of title to the Governmer under paragraph (c) of this clause. However, the Contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.

h. Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Change clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. The Government shall not be liable to suit for breach of contract for -

- (1) Any delay in delivery of Government-furnished property;
- (2) Delivery of Government-furnished property in a condition not suitable for its intended use;
- (3) A decrease in or substitution of Government-furnished property; or
- (4) Failure to repair or replace Government property for which the Government is responsible.

(i) Government property disposal. Except as provided in paragraphs (i)(1)(i), (i)(2), and (i)(8)(i) of this clause, the Contractor shall not dispose of Government property until authorized to do so by the Plant Clearance Officer.

- (1) Scrap (to which the Government has obtained title under paragraph (c) of this clause).
- (i) Contractor with an approved scrap procedure.

(A) The Contractor may dispose of scrap resulting from production or testing under this contract without Government approval. However, if the scrap requires demilitarization or is sensitive property, the Contractor shall submit the scrap on an inventory disposal schedule.

(B) For scrap from other than production or testing the Contractor may prepare scrap lists in lieu of inventory disposal schedules (provided such lists are consistent with the approved scrap procedures), except that inventory disposal schedules shall be submitted for scrap aircraft or aircraft parts and scrap that:

- (1) Requires demilitarization;
- (2) Is a classified item;
- (3) Is generated from classified items;
- (4) Contains hazardous materials or hazardous wastes;
- (5) Contains precious metals; or
- (6) Is dangerous to the public health, safety, or welfare.

(i) Contractor without an approved scrap procedure. The Contractor shall submit an inventory disposal schedule for all scrap.

(2) Pre-disposal requirements. When the Contractor determines that a property item acquired or produced by the Contractor, to which the Government has obtained title under paragraph (c) of this clause, is no longer needed for performance of this contract, the Contractor, in the following order of priority:

(i) May purchase the property at the acquisition cost.

(ii) Shall make reasonable efforts to return unused property to the appropriate supplier at fair market value (less, if applicable, a reasonable restocking fee that is consistent with the supplier's customary practices).

(iii) Shall list, on Standard Form 1428, Inventory Disposal Schedule, property that was not purchased under paragraph (i)(2)(i) of this clause, could not be returned to a supplier, or could not be used in the performance of other Government contracts.

(3) Inventory disposal schedules.

(i) The Contractor shall use Standard Form 1428, Inventory Disposal Schedule, to identify:

(A) Government-furnished property that is no longer required for performance of this contract, provided the terms of another Government contract do not require the Government to furnish that property for performance of that contract; and

(B) Property acquired or produced by the Contractor, to which the Government has obtained title under paragraph (c) of this clause that is no longer required for performance of that contract.

(ii) The Contractor may annotate inventory disposal schedules to identify property the Contractor wishes to purchase from the Government.

(iii) Unless the Plant Clearance Officer has agreed otherwise, or the contract requires electronic submission of inventory disposal schedules, the Contractor shall prepare separate inventory disposal schedules for:

- (A) Special test equipment with commercial components;
- (B) Special test equipment without commercial components;
- (C) Printing equipment;
- (D) Computers, components thereof, peripheral equipment, and related equipment;
- (E) Precious Metals;
- (F) Nonnuclear hazardous materials or hazardous wastes; or
- (G) Nuclear materials or nuclear wastes.

(iv) Property with the same description, condition code, and reporting location may be grouped in a single line item. The Contractor shall describe special test equipment in sufficient detail to permit an understanding of the special test equipment's intended use.

(4) Submission requirements. The Contractor shall submit inventory disposal schedules to the Plant Clearance Officer no later than

(i) Thirty days following the Contractor's determination that a Government property item is no longer required for performance of the contract;

(ii) Sixty days, or such longer period as may be approved by the Plant Clearance Officer, following completion of contract deliveries or performance; or

(iii) One hundred twenty days, or such longer period as may be approved by the Plant Clearance Officer, following contract termination in whole or in part.

(5) Corrections. The Plant Clearance Officer may require the Contractor to correct an inventory disposal schedule or may reject a

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHIN W52H09-05-D-0248/0001 MOD/AMD 03	Page 8 of 8
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

schedule if the property identified on the schedule is not accountable under this contract or is not in the quantity or condition indicated.

(6) Postsubmission adjustments. The Contractor shall provide the Plant Clearance Officer at least 10 working days advance written notice of its intent to remove a property item from an approved inventory disposal schedule. Unless the Plant Clearance Officer objects to the intended schedule adjustment within the notice period, the Contractor may make the adjustment upon expiration of the notice period.

(7) Storage.

(i) The Contractor shall store the property identified on an inventory disposal schedule pending receipt of disposal instructions. The Government's failure to provide disposal instructions within 120 days following acceptance of an inventory disposal schedule might entitle the Contractor to an equitable adjustment for costs incurred to store such property on or after the 121st day.

(ii) The Contractor shall obtain the Plant Clearance Officer's approval to remove Government property from the premises at which the property is currently located prior to receipt of final disposition instructions. If approval is granted, any costs incurred by the Contractor to transport or store the property shall not increase the price or fee of any Government contract. The storage facility shall be appropriate for assuring the property's physical safety and suitability for use. Approval does not relieve the Contractor of any liability under this contract for such property.

(8) Disposition instructions.

(i) If the Government does not provide disposition instructions to the Contractor within 45 days following acceptance of a scrap list, the Contractor may dispose of the listed scrap in accordance with the Contractor's approved scrap procedures.

(ii) The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of Government property as directed by the Plant Clearance Officer. The Contractor shall remove and destroy any markings identifying the property as Government property prior to disposing of the property.

(iii) The Contracting Officer may require the Contractor to demilitarize the property prior to shipment or disposal. Any equitable adjustment incident to the Contracting Officer's direction to demilitarize Government property shall be made in accordance with paragraph (h) of this clause.

(9) Disposal proceeds. The Contractor shall credit the net proceeds from the disposal of Government property to the price or cost of work covered by this contract or to the Government as the Contracting Officer directs.

(10) Subcontractor inventory disposal schedules. The Contractor shall require a subcontractor that is using property accountable under this contract at a subcontractor-managed site to submit inventory disposal schedules to the Contractor in sufficient time for the Contractor to comply with the requirements of paragraph (i)(4) of this clause.

(j) Abandonment of Government property.

(1) The Government will not abandon sensitive Government property without the Contractor's written consent.

(2) The Government, upon notice to the Contractor, may abandon any nonsensitive Government property in place at which time all obligations of the Government regarding such abandoned property shall cease.

(3) The Government has no obligation to restore or rehabilitate the Contractor's premises under any circumstances; however, if Government-furnished property is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

k. Communications. All communications under this clause shall be in writing.

1. Overseas contracts. If this contract is to be performed outside of the United States and its outlying areas, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

(IF7117)

(End of Clause)

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

I. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 04 3. Effective Date 2007APR02 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL Code WS2H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S. Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2H09-05-D-0248/0001 10B. Dated (See Item 13) 2005ADG01

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007APR02 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SIN W52H09-05-D-0248/0001 MOD/AMD 04	Page 2 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 04 TO W52H09-05-D-0248 DO 0001, IS TO REVISE THE DELIVERY SCHEDULE. SEE SCHEDULE B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0005 ***

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																													
0001AB	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>001</td> <td>W52H095181T700</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <p style="margin-left: 20px;"><u>PROJ CD</u> <u>BRK BLK PT</u> G19</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DEL DATE</td> </tr> <tr> <td>004</td> <td>*</td> <td>30-APR-2007</td> </tr> <tr> <td>005</td> <td>*</td> <td>30-MAY-2007</td> </tr> <tr> <td>006</td> <td>*</td> <td>30-JUN-2007</td> </tr> <tr> <td>007</td> <td>*</td> <td>30-JUL-2007</td> </tr> <tr> <td>008</td> <td>*</td> <td>30-AUG-2007</td> </tr> <tr> <td>009</td> <td>*</td> <td>30-SEP-2007</td> </tr> <tr> <td>010</td> <td>*</td> <td>30-OCT-2007</td> </tr> <tr> <td>011</td> <td>*</td> <td>30-NOV-2007</td> </tr> <tr> <td>012</td> <td>*</td> <td>30-DEC-2007</td> </tr> <tr> <td>013</td> <td>*</td> <td>30-JAN-2008</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU W0KS USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> </p>	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001	W52H095181T700	W52H1C	J		1	DEL REL CD	QUANTITY	DEL DATE	004	*	30-APR-2007	005	*	30-MAY-2007	006	*	30-JUN-2007	007	*	30-JUL-2007	008	*	30-AUG-2007	009	*	30-SEP-2007	010	*	30-OCT-2007	011	*	30-NOV-2007	012	*	30-DEC-2007	013	*	30-JAN-2008	*	EA	\$ *	\$ 802,122.27
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*Confidential Treatment Requester

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AC	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 04 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SFI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 W52H095180Z900 W52H1C J 1 DEL REL CD QUANTITY DEL DATE 004 * 30-MAY-2007 005 * 30-JUN-2007 006 * 30-JUL-2007 007 * 30-AUG-2007 008 * 30-SEP-2007</p> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 002 W52H095208Z901 W25G1U J 1 DEL REL CD QUANTITY DEL DATE 001 * 30-JUN-2007 002 * 30-JUL-2007 003 * 30-AUG-2007 004 * 30-SEP-2007 005 * 30-OCT-2007 006 * 30-NOV-2007</p>	*	EA	\$*	\$ 672,169.50

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0248/0001 MOD/AMD 04	Page 5 of 5
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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	FOB POINT: Destination SHIP TO: <u>FREIGHT ADDRESS</u> (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 MISSION DRIVE DOOR 113 134 NEW CUMBERLAND PA 17070-5001 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001				

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 10

2. Amendment/Modification No. 05 3. Effective Date 2007APR26 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S. Code OBK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0248/0001 10B. Dated (See Item 13) 2005AUG01

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
- B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
- C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
- D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed By /SIGNED/ 2007APR26 (Signature of person authorized to sign) (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN WS2H09-05-D-0248/0001 MOD/AMD 05	Page 2 of 10
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

AS A RESULT OF THE INCORPORATION OF ECP H07A2006:

1) THE PRICE ON DELIVERIES SCHEDULED AFTER AUGUST 30, 2007 (CLINS 1001AB AND 1001AC) INCLUDES AN ADDITIONAL * PER UNIT, FOR A TOTAL UNIT PRICE OF *

FOR ADMINISTRATIVE PURPOSES BILLING AGAINST CLIN 0001AB WILL BE BILLED AGAINST THAT CLIN AT THE ORIGINAL PRICE OF * AND AGAINST CLIN 1001AB FOR THE ADDITIONAL * PER UNIT FOR INCORPORATION OF THE NEW GEARS.

2) THE PRICE ON DELIVERIES SCHEDULED ON OR BEFORE AUGUST 30, 2007 WILL REMAIN AT * AND DELIVERED AS SCHEDULED AGAINST CLINS 0001AB AND 0001AC. THE GOVERNMENT WILL RETURN THESE ASSETS TO OPTEX, TO BE RETROFITTED WITH THE NEW GEARS, AS THEY ARE REPLACED WITH THE NEW CONFIGURATION ASSETS.

3) UPON SHIPMENT OF THESE NEWLY RETROFITTED ASSETS (CLINS 2001AB, AND 2001AC), OPTEX MAY BILL FOR THE ADDITIONAL * PER UNIT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0006 ***

***Confidential Treatment Requested**

AS4

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	NSN: 1240-01-483-5324 FSCM: 19200 PART NR: 12984689 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041 ITEMS SCHEDULED TO BE DELIVERED ON OR BEFORE 30-AUG-2007 SHALL BE SHIPPED WITH THE WORM GEARS CALLED OUT IN THE ORIGINAL TDP. THEY WILL BE RETURNED TO CONTRACTOR AT A LATER DATE TO BE UPGRADED WITH THE NEW WORM GEARS AS PER ECP H06A2006, AND BILLED AGAINST CLIN 2001AB UPON RETURN TO GOVERNMENT. ITEMS SCHEDULED TO BE DELIVERED AFTER 30-AUG-2007 SHALL ALSO BE BILLED AGAINST CLIN 1001AB AT A PRICE OF \$774 EACH, AS THEY SHALL CONTAIN NEW WORM GEARS, PER ECP H06A2006. (End of narrative B001) <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 W52H095181T700 W52H1C J 1 PROJ CD BRK BLK PT G19 DEL REL CD QUANTITY DEL DATE 004 * 30-APR-2007 005 * 30-MAY-2007 006 * 30-JUN-2007 007 * 30-JUL-2007 008 * 30-AUG-2007 009 * 30-SEP-2007	*	EA	\$ *	\$ 802,122.27

*Confidential Treatment Requested

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																											
	010 * 30-OCT-2007																															
	011 * 30-NOV-2007																															
	012 * 30-DEC-2007																															
	013 * 30-JAN-2008																															
	FOB POINT: Destination SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU WOKS USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001																															
0001AC	<u>PRODUCTION QUANTITY</u>	*	EA	\$ * _____	\$ 358,490.40																											
	NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 06 ACRN: AB AMS CD: 060011 THESE ITEMS SHALL BE SHIPPED AS SCHEDULED WITH THE WORM GEARS, AS CALLED OUT IN THE ORIGINAL TDP. THEY SHALL BE RETURNED AT A LATER DATE TO BE UPGRADED WITH THE NEW WORM GEARS PER ECP H06A2006, AND BILLED AGAINST CLIN 2001AC. (End of narrative B001) <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095180Z900</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>30-MAY-2007</td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td>30-JUN-2007</td> </tr> <tr> <td>006</td> <td style="text-align: center;">*</td> <td>30-JUL-2007</td> </tr> <tr> <td>007</td> <td style="text-align: center;">*</td> <td>30-AUG-2007</td> </tr> </table>					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095180Z900	W52H1C	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	004	*	30-MAY-2007	005	*	30-JUN-2007	006	*	30-JUL-2007	007	*	30-AUG-2007
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																											
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CONTINUATION SHEET

Reference No. of Document Being Continued
PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 05

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																								
	<p>008 DELETED</p> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u> (W52H1C) XU W0K8 USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLOG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>DOC SUPPL</p> <table border="1"> <thead> <tr> <th>REL CD</th> <th>MILSTRIP</th> <th>ADDR</th> <th>SIG CD</th> <th>MARK FOR</th> <th>TP CD</th> </tr> </thead> <tbody> <tr> <td>002</td> <td>W52H095208Z901</td> <td>W25G1U</td> <td>J</td> <td></td> <td>1</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>DEL REL CD</th> <th>QUANTITY</th> <th>DEL DATE</th> </tr> </thead> <tbody> <tr> <td>001</td> <td>*</td> <td>30-JUN-2007</td> </tr> <tr> <td>002</td> <td>*</td> <td>30-JUL-2007</td> </tr> <tr> <td>003</td> <td>*</td> <td>30-AUG-2007</td> </tr> </tbody> </table> <p>004 DELETED 005 DELETED 006 DELETED</p> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u> (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 MISSION DRIVE DOGR 113 134 NEW CUMBERLAND PA 17070-5001</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p>	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	002	W52H095208Z901	W25G1U	J		1	DEL REL CD	QUANTITY	DEL DATE	001	*	30-JUN-2007	002	*	30-JUL-2007	003	*	30-AUG-2007				
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001	*	30-JUN-2007																											
002	*	30-JUL-2007																											
003	*	30-AUG-2007																											
1001	<p>NSN: 1240-01-483-5324 SECURITY CLASS: Unclassified</p>																												
1001AB	<p><u>SERVICES LINE ITEM</u></p> <p>NOUN: INC OF ECP, M187 WROM SHAFT PRON: W16ALC37M1 PRON AMD: 01 ACRN: AC AMS CD: 31303334015</p> <p>ITEMS SCHEDULED TO SHIP ON CLIN 0001AB AFTER 30-AUG-2007 SHALL ALSO BE BILLED AGAINST THIS CLIN 1001AB FOR \$774 EAHC UP TO 109 UNITS SHIPPED ON CLIN 0001AB.</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u></p>				<p>\$ *</p>																								

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 05	Page 6 of 10
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	INSPECTION: Origin ACCEPTANCE: Origin				
	<u>Deliveries or Performance</u>				
	DLVR SCH PERP COMPL				
	REL CD QUANTITY DATE				
	001 0 30-JUN-2008				
	\$ *				
1001AC	<u>PRODUCTION QUANTITY</u>	*	EA	\$ *	\$ 367,859.10
	NGUN: MOUNT, TELESCOPE AND FRON: M151R095M1 FRON AMD: 06 ACRN: AB AMS CD: 060011				
	<u>Packaging and Marking</u>				
	<u>Inspection and Acceptance</u>				
	INSPECTION: Origin ACCEPTANCE: Origin				
	<u>Deliveries or Performance</u>				
	DOC SUPPL				
	REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD				
	001 W52H095180Z900 W52H1C J 1				
	DEL REL CD QUANTITY DEL DATE				
	001 * 30-SEP-2007				
	POB POINT: Destination				
	SHIP TO: <u>FREIGHT ADDRESS</u>				
	(W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000				
	<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001				
	DOC SUPPL				
	REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD				
	002 W52H095208Z901 W25G1U J 1				
	DEL REL CD QUANTITY DEL DATE				
	001 * 30-SEP-2007				
	002 * 30-OCT-2007				
	003 * 30-NOV-2007				
	POB POINT: Destination				
	SHIP TO: <u>FREIGHT ADDRESS</u>				
	(W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 MISSION DRIVE DOOR 113 134				

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																
2001	<p>NEW CUMBERLAND PA 17070-5001</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>NSN: 1240-01-483-5324 FSCM: 19200 PART NR: 12984689 SECURITY CLASS: Unclassified</p>																				
2001AB	<p><u>MAINTENANCE AND OVERHAUL: DELIVERABLE</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: W16AKC37M1 PRON AMD: 01 ACRN: AC AMS CD: 31303334015</p> <p>THESE ARE GOVERNMENT OWNED ASSETS THAT HAVE BEEN PREVIOUSLY SHIPPED AGAINST CLIN 0001AB AND RETURNED TO OPTEX TO BE UPGRADED WITH NEW WORM GEARS PER ECP H07A2006. THESE ITEMS SHALL BE BILLED AT A PRICE OF \$1034 EACH, UP TO A QUANTITY OF 109, UPON DELIVERY BACK TO THE GOVERNMENT.</p> <p style="text-align: center;">(End of narrative B001)</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td>DOC</td> <td>SUPPL</td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> </tr> <tr> <td>001</td> <td>W52H097107T731</td> </tr> <tr> <td><u>PROJ CD</u></td> <td><u>BRK BLK FT</u></td> </tr> <tr> <td></td> <td>G19</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td>*</td> <td>30-MAY-2008</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU WOKS USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>*NEW CONFIGURATION*</p>	DOC	SUPPL	<u>REL CD</u>	<u>MILSTRIP</u>	001	W52H097107T731	<u>PROJ CD</u>	<u>BRK BLK FT</u>		G19	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	30-MAY-2008	*	EA	\$ *	\$ 72,380.00
DOC	SUPPL																				
<u>REL CD</u>	<u>MILSTRIP</u>																				
001	W52H097107T731																				
<u>PROJ CD</u>	<u>BRK BLK FT</u>																				
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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																												
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DOC	SUPPL																																																																
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																																																												
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*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 05	Page 9 of 10
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001				

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 05	Page 10 of 10
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	FRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO		PRIOR AMOUNT	INCREASE/DECREASE AMOUNT		CUMULATIVE AMOUNT
0001AC	M151R095M1 060011	AB	2	\$	*	*	\$	*
1001AB	W16ALC37M1 31303334015	AC	2 676C37	\$	*	*	\$	*
1001AC	M151R095M1 060011	AB	2	\$	*	*	\$	*
2001AB	W16AKC37M1 31303334015 W16M3755M108	AC	2 676C37	\$	*	*	\$	*
2001AC	M151R095M1 060011	AB	2	\$	*	*	\$	*
					NET CHANGE	\$	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	\$ *
Army	AC	21 62033000066D6D02P31303326KB S11116	W52H09	\$ *
				NET CHANGE \$ *

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$ *	\$ *	1,767,937.77

ACRN	EDI ACCOUNTING CLASSIFICATION
AB 97 0X0X4930AC9G	S11116 56D00000600110000026KB S11116
AC 21 060820330000	S11116 66D6D023130333401526KB 676C37S11116 W52H09

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 4

2. Amendment/Modification No. 09 3. Effective Date 2008JAN28 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A EMAIL: CHRISTINE.CARSON@US.ARMY.MIL SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code OBK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0248/0001 10B. Dated (See Item 13) 2005ADG01 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2008JAN28 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 09	Page 2 of 4
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

MODS 07 AND 08 ARE NOT BEING USED.

THE PURPOSE OF THIS MOD 09 TO W52H0905D0248 DO 0001 IS TO ESTABLISH CLIN 0004 FOR THE ADDITION OF FUNDS PAYABLE TO OPTEX AS AN AGREED UPON ~~EQUITABLE~~ ADJUSTMENT IN THE AMOUNT OF * . FOR ADMINISTRATIVE PURPOSES, THIS AMOUNT IS SPLIT BETWEEN SUB-CLINS 0004AA AND 0004AB AT * TACH.

THIS EQUITABLE ADJUSTMENT IS FOR COSTS INCURRED IN THE TIMEFRAME OF JANUARY 1, 2007 THROUGH OCTOBER 31, 2007. IT INCLUDES COSTS ASSOCIATED WITH THE NUMEROUS ECPS/CHANGES INCURRED DURING THIS TIME PERIOD, ADDITIONAL ENGINEERING COSTS INCURRED AFTER ACCEPTANCE OF FIRST ARTICLE TEST, ADDITIONAL ENVIRONMENTAL TESTING, AND THE COST OF SCRAPPED STOPS PRIOR TO NECESSARY MATERIAL CHANGE.

THIS AMOUNT OF EQUITABLE ADJUSTMENT REPRESENTS A FULL AND FINAL RELEASE OF CLAIMS FOR THE SPECIFIC INCIDENTS IN THESE TIMEFRAMES.

ALL DISBURSEMENTS FROM THIS DELIVERY ORDER SHALL BE DISBURSED IN ASCENDING ORDER FROM OLDEST TO NEWEST. THIS SHALL BE RETROACTIVE TO THE BEGINNING OF THE ORDER. SEE SECTION G.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0010 ***

*Confidential Treatment Requested

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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT					
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS									
0004	SECURITY CLASS: Unclassified									
0004AA	<u>EQUITABLE ADJUSTMENT PA</u> NOUN: M187 MOUNT PRON: 2C6090461A PRON AMD: 01 ACRN: AD AMS CD: 32101366046 <u>Inspection and Acceptance</u> INSPECTION: Destination ACCEPTANCE: Destination <u>Deliveries or Performance</u> DLVR SCH <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"><u>REL CD</u></td> <td style="width:30%;"><u>QUANTITY</u></td> <td style="width:40%;"><u>PERF COMPL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">0</td> <td>30-JAN-2008</td> </tr> </table> \$ *	<u>REL CD</u>	<u>QUANTITY</u>	<u>PERF COMPL DATE</u>	001	0	30-JAN-2008			\$ *
<u>REL CD</u>	<u>QUANTITY</u>	<u>PERF COMPL DATE</u>								
001	0	30-JAN-2008								
0004AB	<u>EQUITABLE ADJUSTMENT SUSTAINMENT</u> NOUN: M187A1 MOUNT PRON: M181F694M1 PRON AMD: 01 ACRN: AB AMS CD: 060011 <u>Inspection and Acceptance</u> INSPECTION: Destination ACCEPTANCE: Destination <u>Deliveries or Performance</u> DLVR SCH <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"><u>REL CD</u></td> <td style="width:30%;"><u>QUANTITY</u></td> <td style="width:40%;"><u>PERF COMPL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">0</td> <td>30-JAN-2008</td> </tr> </table> \$ *	<u>REL CD</u>	<u>QUANTITY</u>	<u>PERF COMPL DATE</u>	001	0	30-JAN-2008			\$ *
<u>REL CD</u>	<u>QUANTITY</u>	<u>PERF COMPL DATE</u>								
001	0	30-JAN-2008								

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 09	Page 4 of 4
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

Special Payment procedures for progress payments:

Please pay progress payments from the oldest funds first. Once oldest funds are depleted, utilize the remaining obligated funds for all other disbursements. This is retroactive to the beginning of the order.

*** END OF NARRATIVE G0001 ***

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0004AA	2C6090461A 32101366046 A16P30462R2C	AD	2 6RM169	0.00 \$	*	*
0004AB	M181P694M1 060011	AB	2	0.00 \$	*	*
NET CHANGE				\$	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	*
Army	AD	21 62033000065R5R13P321013255X S28017	W52H09	*
NET CHANGE				\$ *

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$ *	\$ *	\$ 1,973,147.11

ACRN	EDI ACCOUNTING CLASSIFICATION
AB 97 0X0X4930AC9G S11116 86D00000600110000026KB S11116	
AD 21 060820330000 S28017 65R5R1332101366046255X 6RM169S28017 W52H09	

*Confidential Treatment Requested

ABC

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 4

2. Amendment/Modification No. 10 3. Effective Date 2008MAY02 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code NS2H09 7. Administered By (If other than Item 6) DCMA TEXAS 610 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. NS2H09-05-D-0248/0001 10B. Dated (See Item 13) 2005AUG01 Code 0BK64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AB NET INCREASE: \$542,539.89

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2008MAY02 By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 10	Page 2 of 4
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 10 TO W52H0905D0248 DELIVERY ORDER 0001 IS TO:

- 1) AWARD A LUMP SUM PORTION OF A REQUEST FOR EQUITABLE ADJUSTMENT IN THE THE NEGOTIATED AMOUNT OF
- 2) THE ABOVE AMOUNT IS ADDED TO CLIN 0004AB FOR A TOTAL CLIN PRICE OF
- 3) THIS LUMP SUM PAYMENT REPRESENTS A PORTION OF THE NEGOTIATED EQUITABLE ADJUSTMENT. TO FOLLOW WILL BE UNIT PRICE ADJUSTMENTS ON ALL CURRENT DELIVERY ORDERS ON THIS CONTRACT. This entire equitable adjustment amount represents a full and complete settlement of all claims, demands, and causes of action raised in and associated with its Request for Equitable Adjustment dated 4 March 2008. In addition, because Optex' REA was submitted on a Total Cost basis, the parties intend this Modification to address all of the past issues on this contract as of 4 March 2008. Therefore, this Modification represents a complete and full settlement of all claims, demands, and causes of action that Optex may raise for any incidents, directed/constructive changes, and any other matters, occurring on or before March 2008, including any claims for delay, unrealized overhead, attorney's fees, and any other causes of action, known or unknown to Optex, whether asserted at this time or not, arising under this contract and any Delivery Orders issued against it.

This Modification will not affect any claims or causes of action pertaining to incidents, directed/constructive changes, and other matters which occur after 4 March 2008. The parties also contemplate a subsequent Modification to this Contract, which will increase unit prices for all current and future Delivery Orders on this Contract, as stated above.

A MODIFICATION ESTABLISHING A CONTRACTOR/GOVERNMENT AGREED UPON DELIVERY SCHEDULE ADJUSTMENT WILL ALSO BE FOLLOWED BY THIS MODIFICATION

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0011 ***

***Confidential Treatment Requested**

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0004	SECURITY CLASS: Unclassified				
0004AB	<u>EQUITABLE ADJUSTMENT SUSTAINMENT</u>				\$ 645,144.56
	NOUN: M187A1 MOUNT PRON: M181F694M1 PRON AMD: 01 ACRN: AB AMS CD: 060011				
	<u>Inspection and Acceptance</u> INSPECTION: Destination ACCEPTANCE: Destination				
	<u>Deliveries or Performance</u>				
	DLVR SCH			PERF COMPL	
	<u>REL CD</u>	<u>QUANTITY</u>		<u>DATE</u>	
	001	0		30-JAN-2008	
	\$ *				
	DLVR SCH			PERF COMPL	
	<u>REL CD</u>	<u>QUANTITY</u>		<u>DATE</u>	
	002	0		01-MAY-2008	
	\$ *				

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 4 of 4
	PIIN/SHIN	W52H09-05-D-0248/0001	MOD/AMD 10

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0004AB	M181P694M1 060011	AB	2	*	*	*
				NET CHANGE	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT	
Army	AB	97 X4930AC9G 6D	26KB S11116	*	
			W52H09	*	
				NET CHANGE	*

NET CHANGE FOR AWARD:	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
*	*	*	2,515,687.00

ACRN	EDI ACCOUNTING CLASSIFICATION
AB	97 0X0X4930AC9G S11116 86D00000600110000026KB S11116

*Confidential Treatment Requested

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price

Page 1 Of 4

2. Amendment/Modification No. 11 3. Effective Date 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 7. Administered By (If other than Item 6) DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2043 Code WS2H09 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2H09-05-D-0248/0001 10B. Dated (See Item 13) 2005ADG01 Code 08K64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AC NET DECREASE: -\$72,380.00

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: B It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) Renita Autherford Drake Contract Administrator 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 15B. Contractor/Officer Signature of person authorized to sign 15C. Date Signed 6/17/08 16B. United States Of America By (Signature of Contracting Officer) 16C. Date Signed

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 4
	PIIN/SIIN W52H09-05-D-0248/0001	MOD/AMD 11	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 03 TO W52H09-05-F-D-0248 DO 0001 IS TO:

DELETE CLIN 2001AB FROM THIS DELIVERY ORDER. THIS CLIN WAS CREATED WITH MOD 05 FOR INCORPORATION OF ECP H07A2006. AT THE TIME, IT WAS ANTICIPATED THAT * UNITS TO ORIGINAL CONFIGURATION (BRASS GEARS) WOULD BE SHIPPED WHILE WAITING FOR STEEL GEARS TO ARRIVE. THE INTENT WAS TO RETURN THESE * ASSETS TO THE CONTRACTOR AT A LATER DATE TO INCORPORATE THE NEW GEARS. THE CONTRACTOR WAS THEN TO RESHIP THE ASSETS AND BILL * EACH.

DUE TO DELAYS BEYOND THE CONTRACTOR'S CONTROL, ALL REMAINING UNITS WILL BE SHIPPED COMPLETE WITH THE NEW GEARS INSTALLED.

THEREFORE, THIS DELIVERY ORDER IS DECREASED BY * THIS MOD WILL BE IMMEDIATELY FOLLOWED BY A NEW MOD CREATING A CLIN TO ALLOW FOR THE INCREASE IN PRICE OF * FOR EACH, FOR A TOTAL INCREASE OF *

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0012 ***

***Confidential Treatment Requested**

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIN N52H03-05-D-0248/0001 MOD/AMD 11	Page 3 of 4
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
2001AB	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS <u>DELETED</u>				

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CONTINUATION SHEET

Reference No. of Document Being Continued

Page 4 of 4

PIIN/SIIN W52H09-05-D-0248/0001

MOD/AMD 11

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIFR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
2001AB	W16AKC37M1 31303334015 W16M3755M108	AC	1 676C37	*	*	0.00
				NET CHANGE	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AC	21 620330000666D02P31303326KB S11116	W52H09	*
				NET CHANGE

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$	\$ *	\$ 2,443,307.00

ACRN	EDI ACCOUNTING CLASSIFICATION	676C37811116	W52H09
AC	21 060820330000 S11116 66D6D023130333401526KB	676C37811116	W52H09

*Confidential Treatment Requested

1792-0001 A74

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 9

2. Amendment/Modification No. 12 3. Effective Date 2008JUL17 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code S4402A
TACOM-ROCK ISLAND
AMSTA-LC-IBC
CHRISTINE CARSON (309)782-4301
ROCK ISLAND IL 61299-7630
DCMA TEXAS
600 NORTH PEARL STREET
SUITE 1630
DALLAS TX 75201-2843
EMAIL: CHRISTINE.CARSON@US.ARMY.MIL SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769
TYPE BUSINESS: Other Small Business Performing in U.S.
Code ORK64 Facility Code
9A. Amendment Of Solicitation No.
9B. Dated (See Item 11)
10A. Modification Of Contract/Order No.
W52H09-05-D-0248/0001
10B. Dated (See Item 13)
2005AUG01

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers
 is extended, is not extended.
Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods:
(a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8
 A. This Change Order Is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
 B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
 C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
 D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print)
LISA DEVLIN
LISA.DEVLIN@US.ARMY.MIL (309)782-5541
15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed
By _____ /SIGNED/ 2008JUL17
(Signature of person authorized to sign) (Signature of Contracting Officer)

1702-0001 #15

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price		Page 1 Of 3
2. Amendment/Modification No. 12	3. Effective Date	4. Requisition/Purchase Req No. SEE SCHEDULE
5. Project No. (If applicable)		

6. Issued By TACOM-ROCK ISLAND ANSTA-LC-IBC CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	Code WS2H09	7. Administered By (If other than Item 6) DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	Code S4402A
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S.		SCD A PAS S4402A5601APC ADP PT HQ0339	

Code 0BR64 Facility Code	<input type="checkbox"/> 9A. Amendment Of Solicitation No.
	9B. Dated (See Item 11)
	<input checked="" type="checkbox"/> 10A. Modification Of Contract/Order No. WS2H09-05-D-0248/0001
	10B. Dated (See Item 13) 2005AUG01

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8

It Modifies The Contract/Order No. As Described In Item 14.

<input type="checkbox"/> A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.	The Changes Set Forth In Item 14 Are Made In
<input type="checkbox"/> B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).	
<input type="checkbox"/> C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:	
<input checked="" type="checkbox"/> D. Other (Specify type of modification and authority)	

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) Benita Rutherford-Drake Contract Administrator	16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309) 782-5541
15B. Contractor/Officer 	15C. Date Signed 7/14/08
16B. United States Of America By _____ (Signature of Contracting Officer)	16C. Date Signed

NSN 7540-01-152-8070
PREVIOUS EDITIONS UNUSABLE

30-105-02

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA FAR (48 CFR) 53.243

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 12	Page 2 of 9
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 12 TO W52H0905D0248 DO 0001 IS TO:

- 1) INCREASE THE UNIT PRICES OF BASIC CLINS 0001AB AND 0001AC BY * DUE TO PART OF AN EQUITABLE ADJUSTMENT.
- 2) FOR ADMINISTRATIVE PURPOSES, THIS INCREASE WILL BE REPRESENTED ON CLINS 2001AB AND 2001AC.
- 3) THEREFORE, FOR EACH MOUNT SHIPPED AGAINST CLIN 0001AB, THE CONTRACTOR SHALL BILL AGAINST CLIN 0001AB (\$4481.13), 1001AB (\$774), AND 2001AB * FOR A TOTAL PRICE OF *

LIKewise, FOR EACH MOUNT SHIPPED AGAINST CLIN 0001AC, THE CONTRACTOR SHALL BILL AGAINST CLIN 0001AC (\$4481.13), 1001AC (\$774), AND 2001AC * FOR A TOTAL PRICE OF *

THIS UNIT PRICE ADJUSTMENT REPRESENTS A PORTION OF THE NEGOTIATED EQUITABLE ADJUSTMENT. THE ENTIRE EQUITABLE ADJUSTMENT AMOUNT REPRESENTS A FULL AND COMPLETE SETTLEMENT OF ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION RAISED IN AND ASSOCIATED WITH ITS REQUEST FOR EQUITABLE ADJUSTMENT, DATED 4 MARCH 2008. IN ADDITION, BECAUSE OPTEX' REA WAS SUBMITTED ON A TOTAL COST BASIS, THE PARTIES INTEND THIS MODIFICATION TO ADDRESS ALL OF THE PAST ISSUES ON THIS CONTRACT AS OF 4 MARCH 2008. THEREFORE, THIS MODIFICATION REPRESENTS A COMPLETE AND FULL SETTLEMENT OF ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION THAT OPTEX MAY RAISE FOR ANY INCIDENTS, DIRECTED/CONSTRUCTIVE CHANGES, AND ANY OTHER MATTERS, OCCURRING ON OR BEFORE 4 MARCH 2008, INCLUDING ANY CLAIMS FOR DELAY, UNREALIZED OVERHEAD, ATTORNEY'S FEES, AND ANY OTHER CAUSES OF ACTION, KNOWN OR UNKNOWN TO OPTEX, WHETHER ASSERTED AT THIS TIME OR NOT, ARISING UNDER THIS CONTRACT.

THIS MODIFICATION WILL NOT AFFECT ANY CLAIMS OR CAUSES OF ACTION PERTAINING TO INCIDENTS, DIRECTED/CONSTRUCTIVE CHANGES, OR OTHER MATTERS WHICH OCCUR AFTER 4 MARCH 2008. THE PARTIES ALSO CONTEMPLATE A SUBSEQUENT MODIFICATION TO THIS CONTRACT, WHICH WILL INCREASE UNIT PRICES FOR ALL CURRENT AND FUTURE DELIVERY ORDERS ON THIS CONTRACT, AS STATED ABOVE.

- 2) REVISE THE DELIVERY SCHEDULE, SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

*** END OF NARRATIVE A0013 ***

*Confidential Treatment Requested

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	NSN: 1240-01-483-5324 FSCM: 19200 PART NR: 12984689 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041 <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SFI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H095181T700 W52H1C J 1 <u>PROJ CD BRK BLK PT</u> G19 <u>DEL REL CD QUANTITY DEL DATE</u> 004 * 30-APR-2007 005 * 30-MAY-2007 006 * 30-MAY-2009 007 * 30-JUN-2009 008 * 30-JUL-2009 009 * 30-AUG-2009 010 * 30-SEP-2009 011 * 30-OCT-2009 012 * 30-NOV-2009 013 * 30-DEC-2009 FOB POINT: Destination SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE	*	EA	\$ *	\$ 802,122.27

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 12	Page 4 of 9
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																																																
0001AC	<p>ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 07 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table border="0"> <tr> <td>DOC</td> <td colspan="2">SUPPL</td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095180Z900</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td colspan="3"></td> </tr> <tr> <td>004</td> <td>*</td> <td>30-JUL-2008</td> <td colspan="3"></td> </tr> <tr> <td>005</td> <td>*</td> <td>30-AUG-2008</td> <td colspan="3"></td> </tr> <tr> <td>006</td> <td>*</td> <td>30-SEP-2008</td> <td colspan="3"></td> </tr> <tr> <td>007</td> <td>*</td> <td>30-OCT-2008</td> <td colspan="3"></td> </tr> <tr> <td>008</td> <td>*</td> <td>30-NOV-2008</td> <td colspan="3"></td> </tr> <tr> <td>009</td> <td>*</td> <td>30-DEC-2008</td> <td colspan="3"></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <table border="0"> <tr> <td>DOC</td> <td colspan="2">SUPPL</td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>W52H095208Z901</td> <td>W25G1U</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td colspan="3"></td> </tr> <tr> <td>001</td> <td>*</td> <td>30-JAN-2009</td> <td colspan="3"></td> </tr> <tr> <td>002</td> <td>*</td> <td>28-FEB-2009</td> <td colspan="3"></td> </tr> </table>	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095180Z900	W52H1C	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				004	*	30-JUL-2008				005	*	30-AUG-2008				006	*	30-SEP-2008				007	*	30-OCT-2008				008	*	30-NOV-2008				009	*	30-DEC-2008				DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W52H095208Z901	W25G1U	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	*	30-JAN-2009				002	*	28-FEB-2009				*	EA	\$ *	\$ 672,169.50
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*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT									
	003 * 30-MAR-2009													
	004 * 30-APR-2009													
	FOB POINT: Destination SHIP TO: (M25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 TO 134 NEW CUMBERLAND PA 17070-5002 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001													
1001	NSN: 1240-01-483-5324 SECURITY CLASS: Unclassified													
1001AB	<u>UNIT PRICE INCREASE</u> NOUN: UNIT PRICE INCREASE PRON: W16ALC37M1 PRON AMD: 02 ACRN: AC AMS CD: 31303334015 ITEMS Shipped ON CLIN 0001AB SHALL ALSO BE BILLED AGAINST THIS CLIN 1001AB FOR \$774 EACH UP TO 159 UNITS. (20 units have previously shipped on Clin 0001AB) THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPARATE DELIVERY REQUIRED. (End of narrative B001) <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">DLVR SCH</td> <td style="width:30%;">PERF COMPL</td> <td style="width:40%;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DATE</td> </tr> <tr> <td>001</td> <td style="text-align: center;">0</td> <td>30-JUN-2009</td> </tr> </table>					DLVR SCH	PERF COMPL		REL CD	QUANTITY	DATE	001	0	30-JUN-2009
DLVR SCH	PERF COMPL													
REL CD	QUANTITY	DATE												
001	0	30-JUN-2009												
	\$ *													
1001AC	<u>UNIT PRICE INCREASE</u> NOUN: UNIT PRICE ADJUSTMENT PRON: M151R095M1 PRON AMD: 07 ACRN: AB													
	*		EA	\$ *	\$ *									

*Confidential Treatment Requeste

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																								
2001	<p>AMS CD: 060011</p> <p>ITEMS Shipped ON CLIN 0001AC SHALL ALSO BE BILLED AGAINST THIS CLIN 1001AC FOR \$774 EACH UP TO 150 UNITS.</p> <p>THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPARATE DELIVERY REQUIRED.</p> <p style="text-align: center;">(End of narrative B001)</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td>DOC</td> <td>SUPPL</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095180Z900</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td>001</td> <td>DELETED</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td>DOC</td> <td>SUPPL</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>W52H095208Z901</td> <td>W25G1U</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td>001</td> <td>DELETED</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>002</td> <td>DELETED</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>003</td> <td>DELETED</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 TO 134 NEW CUMBERLAND PA 17070-5002</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>NSN: 1240-01-483-5324 SECURITY CLASS: Unclassified</p>	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095180Z900	W52H1C	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	DELETED					DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W52H095208Z901	W25G1U	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	DELETED					002	DELETED					003	DELETED								
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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT									
2001AB	<p><u>UNIT PRICE INCREASE</u></p> <p>NOUN: UNIT PRICE INCREASE PRON: 2C9130221A PRON AMD: 01 ACRN: AE AMS CD: 32101366022</p> <p>ITEMS SHIPPED ON CLIN 0001AB, AND ALSO BE BILLED AGAINST CLIN 1001AB FOR \$774, SHALL ALSO BE BILLED AGAINST THIS CLIN 2001AB FOR \$447.27 EACH, UP TO 159 UNITS. (20 units have previously shipped on Clin 0001AB)</p> <p>THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPARATE DELIVERY REQUIRED.</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;"><u>DLVR SCH</u></td> <td style="width:30%;"><u>PERF COMPL</u></td> <td style="width:40%;"></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DATE</u></td> </tr> <tr> <td>001</td> <td>0</td> <td>30-SEP-2010</td> </tr> </table> <p style="text-align: center;">\$ *</p> <p>*NEW CONFIGURATION*</p> <p>(End of narrative A001)</p>	<u>DLVR SCH</u>	<u>PERF COMPL</u>		<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>	001	0	30-SEP-2010				\$ *
<u>DLVR SCH</u>	<u>PERF COMPL</u>													
<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>												
001	0	30-SEP-2010												
2001AC	<p><u>UNIT PRICE INCREASE</u></p> <p>NOUN: UNIT PRICE INCREASE PRON: M151R055M1 PRON AMD: 07 ACRN: AB AMS CD: 060011</p> <p>(Deleted narrative B0001)</p> <p>ITEMS SHIPPED ON CLIN 0001AC, AND ALSO BE BILLED AGAINST CLIN 1001AC FOR \$774, SHALL ALSO BE BILLED AGAINST THIS CLIN 2001AC FOR \$447.27 EACH, UP TO 150 UNITS.</p> <p>THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPARATE DELIVERY REQUIRED.</p> <p>(End of narrative B002)</p>	*	EA	\$ *	\$ *									

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SIN W52H09-05-D-0248/0001 MOD/AMD 12	Page 8 of 9
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																				
	<p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <p>DOC SUPPL</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 10%;"><u>REL CD</u></td> <td style="width: 15%;"><u>MILSTRIP</u></td> <td style="width: 15%;"><u>ADDR</u></td> <td style="width: 10%;"><u>SIG CD</u></td> <td style="width: 15%;"><u>MARK FOR</u></td> <td style="width: 10%;"><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095180Z900</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table border="0" style="width: 100%;"> <tr> <td style="width: 10%;"><u>DEL REL CD</u></td> <td style="width: 15%;"><u>QUANTITY</u></td> <td style="width: 15%;"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td>DELETED</td> <td></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 ROOMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>DOC SUPPL</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 10%;"><u>REL CD</u></td> <td style="width: 15%;"><u>MILSTRIP</u></td> <td style="width: 15%;"><u>ADDR</u></td> <td style="width: 10%;"><u>SIG CD</u></td> <td style="width: 15%;"><u>MARK FOR</u></td> <td style="width: 10%;"><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>W52H095208Z901</td> <td>W25G1U</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table border="0" style="width: 100%;"> <tr> <td style="width: 10%;"><u>DEL REL CD</u></td> <td style="width: 15%;"><u>QUANTITY</u></td> <td style="width: 15%;"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td>DELETED</td> <td></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 TO 134 NEW CUMBERLAND PA 17070-5002</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095180Z900	W52H1C	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	DELETED		<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W52H095208Z901	W25G1U	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	DELETED					
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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIN W52H09-05-D-0248/0001 MOD/AMD 12	Page 9 of 9
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIFR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AC	M151R095M1 060011	AB	2	*	*	*
1001AB	M16ALC37M1 31303334015	AC	2 676C37	*	*	*
1001AC	M151R095M1 060011	AB	2	*	*	*
2001AB	2C8130221A 32101366022 A18P30222R2C	AE	2 8RM223	*	*	*
2001AC	M151R095M1 060011	AB	2	*	*	*
				NET CHANGE	*	*

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	*
Army	AC	21 6203300066D6D02P31303326KB S11116	W52H09	*
Army	AE	21 8203300085R5R13P32101331E1 S28017	W52H09	*
NET CHANGE				*

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$ *	\$ *	\$ 2,599,413.43

ACRN	EDI ACCOUNTING CLASSIFICATION
AB 97 0X0X4930AC9G	S11116 56D00000600110000026XB S11116
AC 21 060820330000	S11116 66D6D023130333401526KB 676C37S11116 W52H09
AE 21 081020330000	S28017 85R5R133210136602231E1 8RM223S28017 W52H09

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price

Page 1 Of 5

2. Amendment/Modification No. 13 3. Effective Date 2008SEP04 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630 Code WS2H09 7. Administered By (If other than Item 6) DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code OBK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0248/0001 10B. Dated (See Item 13) 2005AUG01 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8

It Modifies The Contract/Order No. As Described In Item 14.

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 15B. Contractor/Offeror 15C. Date Signed 16A. Name And Title Of Contracting Officer (Type or print) 16B. United States Of America 16C. Date Signed

ABS

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 13	Page 2 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 13 TO W52H0905D0248 DO 0001 IS TO REVISE THE DELIVERY SCHEDULE FOR CLINS 0001AB AND 0001AC TO ALLOW TIME TO VERIFY DISCREPANCIES IN ACCEPTANCE AND INSPECTION EQUIPMENT MEASUREMENTS.

SEE SCHEDULE B FOR SCHEDULE.

PLEASE NOTE THAT FOR BILLING PURPOSES, SHIPMENTS AGAINST CLIN 0001AB SHALL ALSO BE BILLED AGAINST CLINS 1001AB AND 2001AB. LIKEWISE, SHIPMENTS AGAINST CLIN 0001AC SHALL ALSO BE BILLED AGAINST CLINS 1001AC AND 2001AC. SEE MOD 12 FOR DETAIL.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0014 ***

A86

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	NSN: 1240-01-483-5324 FSCM: 19200 PART NR: 12984689 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041 <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SFI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H0951817700 W52H1C J 1 <u>PROJ CD BRK BLK PT</u> G19 <u>DEL REL CD QUANTITY DEL DATE</u> 004 * 30-APR-2007 005 * 30-MAY-2007 006 * 30-JUN-2009 007 * 30-JUL-2009 008 * 30-AUG-2009 009 * 30-SEP-2009 010 * 30-OCT-2009 011 * 30-NOV-2009 012 * 30-DEC-2009 013 * 30-JAN-2010 FOB POINT: Destination SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE	*	EA	\$ *	\$ 802,122.27

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 13	Page 4 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AC	<p>ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 09 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 W52H095180Z900 W52H1C J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 004 * 30-JUL-2008 005 * 30-SEP-2008 006 * 30-OCT-2008 007 * 30-NOV-2008 008 * 30-DEC-2008 009 * 30-JAN-2009</p> <p>POB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 002 W52H095208Z901 W25G1U J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 28-FEB-2009 002 * 30-MAR-2009</p>	*	EA	\$ *	\$ 672,169.50

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
003	* 30-APR-2009				
004	* 30-MAY-2009				
	FOB POINT: Destination				
	SHIP TO: (M25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 TO 134 NEW CUMBERLAND PA 17070-5002				
	<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001				

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 14 3. Effective Date 2009MAY18 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0248/0001 10B. Dated (See Item 13) 2005AUG01 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8 It Modifies The Contract/Order No. As Described In Item 14.

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 15B. Contractor/Offeror 15C. Date Signed 16A. Name And Title Of Contracting Officer (Type or print) 16B. United States Of America 16C. Date Signed

NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE 30-105-02 STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243

#90

CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 14	Page 2 of 5
Name of Offeror or Contractor: OPTEX SYSTEMS INC.		

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION IS TO REVISE THE DELIVERY SCHEDULE FOR CLINS 0001AB AND CLINS 001AC.

SEE SCHEDULE B FOR SCHEDULE.

EARLIER DELIVERIES ARE ACCEPTABLE, IF NO ADDITIONAL COST TO THE GOVERNMENT.

THE SHIPPING DESTINATION FOR CLIN 0001AC HAS BEEN REVISED. ALL SHIPMENTS ON CLIN 0001AC SHALL BE SHIPPED TO RIA. SEE SCHEDULE.

PLEASE NOTE THAT FOR BILLING PURPOSES, SHIPMENTS AGAINST CLIN 0001AB SHALL ALSO BE BILLED AGAINST CLINS 1001AB AND 2001AB. LIKEWISE, SHIPMENTS AGAINST CLIN 001AC SHALL ALSO BE BILLED AGAINST CLINS 1001AC AND 2001AC. SEE MOD 12 FOR DETAILS.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0016 ***

A9

Name of Offeror or Contractor: **OPTEX SYSTEMS INC.**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																	
0001AB	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095181T700</td> <td>W52H1C</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>PROJ CD</u></td> <td style="border-bottom: 1px solid black;"><u>BRK BLK PT</u></td> </tr> <tr> <td>G19</td> <td></td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>30-APR-2007</td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td>30-MAY-2007</td> </tr> <tr> <td>006</td> <td style="text-align: center;">*</td> <td>30-SEP-2009</td> </tr> <tr> <td>007</td> <td style="text-align: center;">*</td> <td>30-OCT-2009</td> </tr> <tr> <td>008</td> <td style="text-align: center;">*</td> <td>30-NOV-2009</td> </tr> <tr> <td>009</td> <td style="text-align: center;">*</td> <td>30-DEC-2009</td> </tr> <tr> <td>010</td> <td style="text-align: center;">*</td> <td>30-JAN-2010</td> </tr> <tr> <td>011</td> <td style="text-align: center;">*</td> <td>28-FEB-2010</td> </tr> <tr> <td>012</td> <td style="text-align: center;">*</td> <td>30-MAR-2010</td> </tr> <tr> <td>013</td> <td style="text-align: center;">*</td> <td>30-APR-2010</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> </p>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095181T700	W52H1C	J		1	<u>PROJ CD</u>	<u>BRK BLK PT</u>	G19		<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	004	*	30-APR-2007	005	*	30-MAY-2007	006	*	30-SEP-2009	007	*	30-OCT-2009	008	*	30-NOV-2009	009	*	30-DEC-2009	010	*	30-JAN-2010	011	*	28-FEB-2010	012	*	30-MAR-2010	013	*	30-APR-2010	*	EA	\$-*	\$ 802,122.27
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																																																	
001	W52H095181T700	W52H1C	J		1																																																	
<u>PROJ CD</u>	<u>BRK BLK PT</u>																																																					
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<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																																																				
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010	*	30-JAN-2010																																																				
011	*	28-FEB-2010																																																				
012	*	30-MAR-2010																																																				
013	*	30-APR-2010																																																				

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 14	Page 4 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AC	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: MOUNT, TELESCOPE AND PRON: M151R095M1 PRON AMD: 10 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI P12984689 LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H0951802900 W52H1C J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 004 * 30-JUL-2008 005 * 30-SEP-2008 006 * 30-OCT-2008 007 * 30-NOV-2008 008 * 30-MAR-2009 009 * 30-APR-2009</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p> <p>DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 002 W52H0952082901 W52H1C J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-MAY-2009 002 * 30-JUN-2009 003 * 30-JUL-2009 004 * 30-AUG-2009</p> <p>FOB POINT: Destination</p>	7	EA	\$ * 2	\$ 672,169.50

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIN W52H09-05-D-0248/0001 MOD/AMD 14	Page 5 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>SHIP TO: (W52H1C) XU USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0248/0001</p>				

B1

AWARD/CONTRACT		1. This Contract Is A Rated Order Under DPAS (15 CFR 350)	Rating DOAS	Page 1 Of 30 Pages
2. Contract (Proc. Inst. Ident.) No. W52H09-09-D-0128		3. Effective Date 2009MAR24	4. Requisition/Purchase Request/Project No. SEE SCHEDULE	

5. Issued By TACOM-ROCK ISLAND AMSTA-LC-GLK-A KEVIN GILMORE (309)782-3558 ROCK ISLAND IL 61299-7630	Code W52H09	6. Administered By (If Other Than Item 5) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	Code S4402A
e-mail address: KEVIN.GILMORE@US.ARMY.MIL		SCD B PAS NONE ADP PT HQ0339	

7. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439	8. Delivery <input type="checkbox"/> FOB Origin <input checked="" type="checkbox"/> Other (See Below)
9. Discount For Prompt Payment	10. Submit Invoices (4 Copies Unless Otherwise Specified) To The Address Shown In: Item 12
Code 0BK64 Facility Code	11. Ship To/Mark For SEE SCHEDULE

11. Ship To/Mark For SEE SCHEDULE	12. Payment Will Be Made By DPAS-COLUMBUS CENTER DPAS CO-WEST ENTITLEMENT OPERATIONS P.O. BOX 182381 COLUMBUS, OH 43218-2381 PHONE: 1-800-756-4571 Payment will be made by Electronic Funds Transfer
13. Authority For Using Other Than Full And Open Competition: <input type="checkbox"/> 10 U.S.C. 2304(c)() <input type="checkbox"/> 41 U.S.C. 253(c)()	14. Accounting And Appropriation Data

15A. Item No. SEE SCHEDULE	15B. Supplies/Services CONTRACT TYPE: Firm-Fixed-Price	15C. Quantity	15D. Unit	15E. Unit Price	15F. Amount
Contract Expiration Date: 2012MAR30		15G. Total Amount Of Contract → \$0.00			

16. Table Of Contents

(X)	Sec.	Description	Page(s)	(X)	Sec.	Description	Page(s)
Part I - The Schedule				Part II - Contract Clauses			
X	A	Solicitation/Contract Form	1	X	I	Contract Clauses	19
X	B	Supplies or Services and Prices/Costs	7	Part III - List Of Documents, Exhibits, And Other Attachments			
X	C	Description/Specs./Work Statement	11	X	J	List of Attachments	30
X	D	Packaging and Marking	12	Part IV - Representations And Instructions			
X	E	Inspection and Acceptance	14		K	Representations, Certifications, and Other Statements of Offerors	
X	F	Deliveries or Performance	17		L	Instrs., Conds., and Notices to Offerors	
X	G	Contract Administration Data			M	Evaluation Factors for Award	
X	H	Special Contract Requirements	18				

Contracting Officer Will Complete Item 17 Or 18 As Applicable

17. <input type="checkbox"/> Contractor's Negotiated Agreement (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)	18. <input checked="" type="checkbox"/> Award (Contractor is not required to sign this document.) Your offer on Solicitation Number <u>W52H0908R0274</u> , including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.
---	--

19A. Name And Title Of Signer (Type Or Print)	20A. Name Of Contracting Officer BRIAN W. SCHMIDT BRIAN.W.SCHMIDT@US.ARMY.MIL (309)782-0988
19B. Name of Contractor By _____ (Signature of person authorized to sign)	20B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)
19c. Date Signed	20C. Date Signed 2009MAR24

AUTHORIZED FOR LOCAL REPRODUCTION
Previous edition is usable

Standard Form 26 (Rev. 12/2002)
Prescribed By GSA - FAR (48 CFR) 53.214(a)

B2

CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SHN W52H09-09-D-0128	Page 2 of 30
	MOD/AMD	

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

1. THIS AWARD IS AWARDED MADE TO OPTEX SYSTEM INC FOR A THREE YEAR IDIQ, DELIVERY ORDER FOR THE GUARANTEED MINIMUM QUANTITY WILL BE ISSUED CONCURRENTLY WITH THIS AWARD, THE GOVERNMENT SHALL HAVE NO FURTHER OBLIGATION TO PLACE ANY FURTHER ORDERS FOR THE FOLLOWING BEI ITEM:

CLIN	NOUN	NSN	P/N
0001AA	PERISCOPE, ARMORED	1240-01-319-8995	12357792

2. DELIVERY IS FOB DESTINATION. DELIVERY SCHEDULE IS SET FORTH IN SECTION B. EARLY DELIVERIES ARE AUTHORIZED AT NO ADDITIONAL COST THE GOVERNMENT.

3. THERE IS NO FIRST ARTICLE TEST REQUIREMENT FOR THIS AWARD.

4. ALL OTHER TERMS AND CONDITIONS FROM SOLICITATION W52H0908R0274 AND OFFER DATED JANUARY 28, 2009 ARE INCORPORATED HEREIN.

*** END OF NARRATIVE A0004 ***

Regulatory Cite	Title	Date
A-1 52.246-4500 TACOM LCMC (RI)	WIDE AREA WORKFLOW-RECEIPT ACCEPTANCE (WAWF-RA)	OCT/2007

(a) To comply with the clauses at 252.246-7000, "Material Inspection and Receiving Report", and at 252.232-7003, Electronic Submissic of Payment Requests, TACOM LCMC (Rock Island) uses the WAWF-RA Program. Receipts on this order will be processed via WAWF. The contractor is required to register and use WAWF at <https://wawf.eb.mil>.

(b) When prompted to send additional email notifications, add tami.lord@us.army.mil.

(c) You may use this link for assistance in completing the WAWF documentation:
<http://www.dfas.mil/contractorpay/electroniccommerce/ECToolBox/CreateCIRR.swf>

(d) Other WAWF training is available from the WAWF main web site, or directly at: <http://www.wawftraining.com>

(AS6510) (End of clause)

A-2 52.201-4501 TACOM LCMC (RI)	NOTICE ABOUT TACOM LCMC (RI) OMBUDSMAN	MAY/2007
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a. We have an Ombudsman Office here at TACOM LCMC (Rock Island). Its purpose is to open another channel of communication with TACOM LCMC (RI) Contractors.

b. If you think that this solicitation:

(1) has inappropriate requirements; or

(2) needs streamlining; or

(3) should be changed, you should first contact the buyer or the (Procurement) Contracting Officer (PCO).

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

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

U.S. Army TACOM LCMC (Rock Island)
ATTN: AMSTA-AQ-AR (OMBUDSMAN)
1 Rock Island Arsenal
Rock Island IL 61299-7630
Phone: (309) 782-3224

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

Electronic Mail Address: ROCK-OMBUDSMAN@conus.army.mil

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

- (1) TACOM LCMC (RI) solicitation number;
- (2) Name of PCO;
- (3) Problem description;

A-3 52.204-4505 DISCLOSURE OF UNIT PRICE INFORMATION FEB/2003
TACOM LCMC
(RI)

This constitutes notification pursuant to Executive Order 12600, Pre-Disclosure Notification Procedures for Confidential Commercial Information (June 23, 1987), of our intention to release unit prices of the awardee in response to any request under the Freedom of Information Act, 5 U.S.C. 552. Unit price is defined as the contract price per unit or item purchased. We consider any objection to waived unless the Contracting Officer is notified of your objection to such release prior to submission of initial proposals.

(AS7909) (End of Clause)

A-4 52.204-4506 PUBLIC ACTIVITY INVOLVEMENT FEB/2003
TACOM LCMC
(RI)

Subcontract opportunities under this solicitation and any resulting contracts are open to competition between Department of Defense activities and private firms. In addition, Army Industrial Facilities are available to sell manufactured articles or to perform work such Facilities on behalf of Offerors, in certain circumstances and as permitted by law. Rock Island Arsenal, Watervliet Arsenal, Anniston Army Depot, Sierra Army Depot, and Red River Army Depot have expressed interest in securing subcontracting opportunities under this RFP. For information related to the capabilities of these facilities, and Points of Contact, see <https://trilext.ria.army.mil/ibo/index.html>

(AS7005) (End of Clause)

A-5 52.210-4516 COMMERCIAL EQUIVALENT ITEM(S) JUN/1998
TACOM LCMC
(RI)

The Government has a preference to satisfy its needs through the acquisition of commercial items. If you know of any commercial equivalent item(s) for those listed in this solicitation, please contact the contracting office. Information provided will be considered for future procurements.

(AS7003) (End of Provision)

A-6 52.211-4506 INSTRUCTIONS REGARDING SUBSTITUTIONS FOR MILITARY AND FEDERAL DEC/1997
TACOM LCMC SPECIFICATIONS AND STANDARDS
(RI)

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

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

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SPI PROCESS:	FACILITY:	MILITARY OR FEDERAL SPEC OR STANDARD:	AFFECTED CONTRACT LINE ITEM #, SUBLINE ITEM #, COMPONENT OR ELEMENT:
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

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

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

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

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

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

CLIN _____	PRICE \$ _____
CLIN _____	PRICE \$ _____
CLIN _____	PRICE \$ _____
CLIN _____	PRICE \$ _____

(AS7008) (End of Provision)

A-7 52.215-4503 NOTICE TO OFFERORS - ELECTRONIC BID/OFFER RESPONSE REQUIRED JUL/2008
TACOM LCMC
(RI)

1. TACOM LCMC (RI) has established the capability to receive bids, proposals, and quotes electronically. A hotlink from the TACOM LCMC (RI) Solicitation Page has been activated to fully automate the response process (see <https://aais.ria.army.mil/aais/SOLINFO/index.htm>). To ensure that your bid, proposal, or quote is considered for award, your response to a solicitation can not include a bid, proposal or quote for any other solicitation. Each bid, proposal, quote responding to a solicitation must be individually submitted; i.e., one solicitation, one electronic submission for that particular solicitation. See paragraph 4 below.

2. Proposals submitted electronically that cannot be printed in their entirety may not be considered. The government must be able to replicate the electronic version in to a printed format. Electronic comments, text boxes or stamps that cannot be printed may be ignored by the Government and may even render an offer non-responsive. For details of electronic file formats acceptable to the government see: https://aais.ria.army.mil/aais/SOLINFO/electronic_bid_offer_clause.html

3. IMPORTANT: Bids/proposals/quotes in response to this solicitation are REQUIRED to be submitted in electronic format to the W site above. Hard copy and facsimile (datafax) bids/offers/quotes WILL NOT BE ACCEPTED.

NOTE: TACOM LCMC (RI) IS NOT CURRENTLY USING THE ASPI BID/OFFER SUBMISSION PROCESS FOR WHOLESALE CONTRACTING; THUS, ANY BIDS/PROPOSALS/QUOTES RELATED TO THIS SOLICITATION THAT ARE SUBMITTED THROUGH THE ARMY SINGLE FACE TO INDUSTRY (ASPI) BID RESPONSE SYSTEM (BRS) WILL NOT BE ACCEPTED.

4. Your attention is drawn to the following clauses in Section L of this solicitation for instructions and additional information:

LS7011, Electronic Bids/Offers - TACOM LCMC (RI)
(TACOM LCMC (RI) 52.215-4510)

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

LS7013, Electronic Award Notice - TACOM LCMC (RI)
(TACOM LCMC (RI) 52.215-4511)

5. Do NOT combine bids, proposals or quotes from different solicitations into the same, single electronic submission. If a combined response is submitted, only the data pertinent to the first solicitation number in such a combined response will be used and all other data for any other procurement action will be totally disregarded.

A-8 52.233-4503 AMC-LEVEL PROTEST PROGRAM JUL/2007
TACOM LCMC
(RI)

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

HQ, Army Materiel Command
Office of Command Counsel
ATTN: AMCCC-PL
9301 Chapek Rd 2-1SE3401
Fort Belvoir VA 22060-5527

Facsimile number (703) 806-8866/8875
Voice Number (703) 806-8762

Packages sent by FedEx or UPS should be addressed to:

HQ Army Materiel Command
Office of Command Counsel
Room 2-1SE3401
1412 Jackson Loop
Pt. Belvoir, VA 22060-5527

The AMC-level protest procedures are found at:

http://www.amc.army.mil/amc/command_counsel/protestlink.htm

If Internet access is not available, contact the Contracting Officer or HQ, AMC Office of Command Counsel at (703) 806-8762 to obtain the AMC-Level Protest Procedures.

A-9 52.243-4510 DIRECT VENDOR DELIVERY JAN/1999
TACOM LCMC
(RI)

In accordance with the Changes Clause of this contract, the Contractor may be called upon to ship directly to the user, in lieu of the destination in the Schedule, to satisfy urgent or backorder situations. In such instances the Contractor may be directed to use best commercial packaging. The Contractor may also be called upon to ship the item to the new destination within 24 hours of the required delivery date as specified in the Schedule. Please provide your POC, electronic mail address and commercial phone number including area code for this effort below: _____

(AS7012) (End of Clause)

A-10 52.245-4500 NOTICE OF DEMILITARIZATION AND TRADE SECURITY CONTROLS CONSIDERATION OCT/2006
TACOM LCMC REQUIREMENT
(RI)

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

This solicitation and any resulting contract are subject to the "Demilitarization and Trade Security Controls Requirements and Procedures" clause, HS7144, contained in Section K of this document.

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: M17-NSN 6650-01-317-9138 FSCM: 6650 PART NR: 12357918 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357918 DATE: 31-OCT-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI -P12357918, REV E, DATED 19 FEB 02 LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>				
0002	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: M27-NSN 1240-01-319-8995 FSCM: 1240 PART NR: 12357792 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357792 DATE: 01-NOV-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI -P12357792, REV C, DATED 19 FEB 02 LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>				
0003	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: 15 DEG - 6650-01-317-9139 FSCM: 6650 PART NR: 12357908</p>				

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0004	<p>SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357908 DATE: 31-OCT-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI-P12357908, REV B, DATED 19 FEB02 LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>PRODUCTION QUANTITY</u> NOUN: 20 DEG NSN 1240-01-319-8994 FSCN: 1240 PART NR: 12357909 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357909 DATE: 31-OCT-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI-P12357909, REV B, DATED 19 FEB 02 LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>				
0005	<p><u>PRODUCTION QUANTITY</u> NOUN: M45 - NSN 6650-01-418-6658 FSCN: 6650 PART NR: 12370033 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12370033 DATE: 29-OCT-2007</p>				

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
0006	<p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI-P1237003, REV B, DATED 19 FEB 02 LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>PRODUCTION QUANTITY</u> NOUN: SHOR COM NSN 1240-01-319-5339 FSCM: 1240 PART NR: 12357840 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357840 DATE: 07-NOV-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI-P12357840, REV E, NOT DATED LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>					
0007	<p><u>PRODUCTION QUANTITY</u> NOUN: TALL COM NSN 1240-01-319-5340 FSCM: 1240 PART NR: 12357841 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357841 DATE: 07-NOV-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI-P12357841, REV D, NOT DATED LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u></p>					

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT	
0008	<p>INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: LON DRIV NSN 6650-01-320-5628 FSCM: 6650 PART NR: 12357848 SECURITY CLASS: Unclassified</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12357848 DATE: 01-NOV-2007</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: SPI-P12357848, REV D, DATED 10 APR 03 LEVEL PRESERVATION: Military LEVEL PACKING: B</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>					
0009	<p><u>CONTRACT DATA REQUIREMENTS LIST (CDRL)</u></p> <p>NOUN: CDRL SECURITY CLASS: Unclassified</p> <p>Contractor will prepare and deliver the data in accordance with the requirements, quantities and schedules set forth in the Contract Data Requirements Lists (DD Form 1423), Exhibit A. It is required that data items be delivered using electronic media. Refer to the DD Form 1423 for more specific electronic delivery information.</p> <p>A DD250 IS NOT REQUIRED</p> <p style="text-align: center;">(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination</p>			\$ ** NSP **	\$ ** NSP **	

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
C-1	52.210-4501 TACOM LCMC (RI)	DRAWINGS/SPECIFICATIONS	MAR/1988

In addition to the drawing(s) and/or specifications listed below, other documents which are part of this procurement and which apply to Preservation/Packaging/Packing and Inspection and Acceptance are contained elsewhere.

The following drawing(s) and specifications are applicable to this procurement.

Drawings and Specifications in accordance with enclosed Technical Data Package Listing - SEE BELOW - with revisions in effect as of SEE BELOW (except as follows):

1. TDPL: 12370033:19207 - 29 OCT 2007 Periscope, M45 NSN:6650-01-418-6658

To all drawings and associated documents without a distribution statement, add distribution C.

10940477, CHANGE NOTE 1: TO READ:

"SILICONE RUBBER, M3G8503A19B37C12P19, FABRICATE IN ACCORDANCE WITH ASTM-E2000."

2. TDPL: 12357840:19207 - 7 NOV 2007 Periscope Assy/Comdr Side NSN: 1240-01-319-5339

To all drawings and associated documents without a distribution statement, add distribution C.

SPI 12357840:

-Delete NSN:1240-01-319-5330 and Add NSN:1240-01-319-5339.

3. TDPL: 12357841:19207 - 7 NOV 2007 Periscope Assy/Cndr Front NSN: 1240-01-319-5340

To all drawings and associated documents without a distribution statement, add distribution C.

4. TDPL: 12357848:19207 - 1 NOV 2007 Periscope Assy/Drivers Unity NSN: 6650-01-320-5628

To all drawings and associated documents without a distribution statement, add distribution C.

TDPL:

Document	Delete	Substitute	Add
ECP D3T3005	X	-	-

4. TDPL: 12357918:19207 - 31 OCT 2007 Periscope, Tank M17E4 NSN: 6650-01-317-9138

To all drawings and associated documents without a distribution statement, add distribution C.

7674952:

-Delete P-L-391 and Replace with L-P-391.

12357793, 7043539, and 7048694:

-Delete MIL-C-46168 and Replace with MIL-DTL-53039.

5. TDPL: 12357909:19207 - 31 OCT 2007 Periscope 20 Degree Uplock NSN: 1240-01-319-8994

To all drawings and associated documents without a distribution statement, add distribution C.

Q812357909:

-Delete MIL-P-63420 and Replace with MIL-DTL-62420.

6. TDPL: 12357792:19207 - 01 NOV 2007 Periscope, Tank M27E4 NSN: 1240-01-319-8995

To all drawings and associated documents without a distribution statement, add distribution C.

BR

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION D - PACKAGING AND MARKING

Regulatory Cite	Title	Date
D-1 52.211-4501 TACOM LCMC (RI)	PACKAGING REQUIREMENTS (SPECIAL PACKAGING INSTRUCTIONS)	DEC/2007

A. Military preservation, packing, and marking for the item identified above shall be accomplished in accordance with the specific requirements identified below, all the applicable requirements of, MIL-STD-2073-1, Revision D, Date 15 Dec 99 including Notice 1, date 10 May 02 and the Special Packaging Instruction (SPI) contained in the TDP.

PRESERVATION: MILITARY

LEVEL OF PACKING: -B-

QUANTITY PER UNIT PACKAGE: -001-

SPI NUMBER-P1257841 REV D, NOT DATED; P12357848, REV D, DATED 10 APR 03; P12357918, REV E,

DATED 19 FEB 02; P12378033, REV B, DATED 19 FEB 02; P12357840, REV E, NOT DATED; P12357909, REV B, DAT

19 FEB 02; P12357792, REV C, DATED 19 FEB 02; P12357850, REV C, DATED 19 FEB 02

B. Unitization: Shipments of identical items going to the same destination shall be palletized if they have a total cubic displacement of 50 cubic feet or more unless skids or other forklift handling features are included on the containers. Pallet loads must be stable and to the greatest extent possible, provide a level top for ease of stacking. A palletized load shall be of a size to allow for placement of two loads high and wide in a conveyance. The weight capacity of the pallet must be adequate for the load. The pallet shall be a 40 x 48 inch, 4-way entry pallet although variations may be permitted as dictated by the characteristics of the items being unitized. The load shall be contained in a manner that will permit safe handling during shipment and storage.

C. Marking: In addition to any special markings called out on the SPI;

C.1. All unit packages, intermediate packs, exterior shipping containers, and, as applicable, unitized loads shall be marked in accordance with MIL-STD-129, Revision P, Change Notice 4, dated 19 Sep 2007 including bar coding and a MSL label. The contractor is responsible for application of special markings as discussed in the Military Standard regardless of whether specified in the contract not. Special markings include, but are not limited to, Shelf-life markings, structural markings, and transportation special handling markings. The marking of pilferable and sensitive materiel will not identify the nature of the materiel. Passive RFID tagging is required in all contracts that contain DFARS clause 252.211-7006. Contractors must check the solicitation and/or contract for this clause. For details and most recent information, see <http://www.acq.osd.mil/log/rfid/index.htm> for the current DoD Suppliers Passive RFID Information Guide and Supplier Implementation Plan. If the item has Unique Item Identifier (UII) markings then the concatenated UII needs to be 2D bar coded and applied on the unit package, intermediate and exterior containers, and the palletized unit load.

D. Heat Treatment and Marking of Wood Packaging Materials: All non-manufactured wood used in packaging shall be heat treated to a core temperature of 56 degrees Celsius for a minimum of 30 minutes. The box/pallet manufacturer and the manufacturer of wood used as inner packaging shall be affiliated with an inspection agency accredited by the board of review of the American Lumber Standard Committee. The box/pallet manufacturer and the manufacturer of wood used as inner packaging shall ensure tractability to the original source of heat treatment. Each box/pallet shall be marked to show the conformance to the International Plant Protection Convention Standard. Boxes/pallets and any wood used as inner packaging made of non-manufactured wood shall be heat-treated. The quality mark shall be placed on both ends of the outer packaging, between the end cleats or end battens; on two sides of the pallet. Foreign manufacturers shall have the heat treatment of non-manufactured wood products verified in accordance with their National Plant Protection Organizations compliance program. In addition, wood used as dunnage for blocking and bracing, to include ISO containers, shall be ordered with ALSC certified marking for dunnage or the markings may be applied locally at two foot intervals.

E. This SPI has been validated and the method of preservation/packing has proven successful in meeting the needs of the military distribution system, including indeterminate storage and shipment throughout the world. Special instructions and/or tailoring of the SPI is detailed in the Supplemental Instructions below. A prototype package is required to validate the sizes and fit requirements of the SPI. Minor dimensional and size changes are acceptable provided contractor provides the PCO and ACO with notification 60 days prior to delivery. Any design changes or changes in the method of preservation that provide a cost savings without degrading the method of preservation or packing or affecting the serviceability of the item will be considered and responded to within 10 days of submission to PCO and ACO. Government reserves the right to require testing to validate alternate industrial preservation methods, materials, alternate blocking, bracing, cushioning, and packing.

F. Hazardous Materials (as applicable):

F.1. Hazardous Materials is defined as a substance, or waste which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce and which has been so designated. (This includes all items listed as hazardous in Titles 29, 40 and 49 CFR and other applicable modal regulations effective at the time of shipment.)

F.2. Unless otherwise specified, packaging and marking for hazardous material shall comply with the requirements for the mode of

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transport and the applicable performance packaging contained in the following documents:

- International Air Transport Association (IATA) Dangerous Goods Regulations
- International Maritime Dangerous Goods Code (IMDG)
- Code of Federal Regulations (CFR) Title 29, Title 40 and Title 49
- Joint Service Regulation AFJMAN24-204/TM38-250/NAVSUPPUB 505/MCO P4030.19/DLAM 4145.3 (for military air shipments).

F.3. If the shipment originates from outside the continental United States, the shipment shall be prepared in accordance with the United Nations Recommendations on the Transport of Dangerous Goods in a manner acceptable to the Competent Authority of the nation of origin and in accordance with regulations of all applicable carriers.

F.4. When applicable, a Product Material Safety Data Sheets (MSDS) is required to be included with every unit pack and intermediate container and shall be included with the packing list inside the sealed pouch attached to the outside of the package.

G. SUPPLEMENTAL INSTRUCTIONS: -NA-

(DS6419)

(End of Clause)

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SECTION E - INSPECTION AND ACCEPTANCE

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

<http://farsite.hill.af.mil/VFPARA.HTM> or <http://farsite.hill.af.mil/VDFPARA.HTM> or <http://farsite.hill.af.mil/VFAPARA.HTM>

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

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
E-1	52.246-2	INSPECTION OF SUPPLIES--FIXED-PRICE	AUG/1996
E-2	52.246-16	RESPONSIBILITY FOR SUPPLIES	APR/1984
E-3	52.246-11	HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT	FEB/1999

The Contractor shall comply with the higher-level quality standard selected below.

Title	Number	Date
Quality Management Systems-Requirements Tailored by excluding paragraphs 7.3, 7.4, 7.5.1, and 7.5.2	ISO 9001:2000	13 Dec 00

(End of Clause)

E-4	52.209-4512 TACOM LCMC (RI)	FIRST ARTICLE TEST (CONTRACTOR TESTING)	MAR/2008
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a. The first article shall be examined and tested in accordance with contract requirements, the item specification(s), Quality Assurance Provisions (QAPs) and all drawings listed in the Technical Data Package.

b. The first article shall be representative of items to be manufactured using the same processes and procedures and at the same facility as contract production. All parts and materials, including packaging and packing, shall be obtained from the same source of supply as will be used during regular production. All components, subassemblies, and assemblies in the first article sample shall have been produced by the Contractor (including subcontractors) using the technical data package applicable to this procurement.

c. The first article shall be inspected and tested by the contractor for all requirements of the drawing(s), the QAPs, and specification(s) referenced thereon, except for:

(1) Inspections and tests contained in material specifications provided that the required inspection and tests have been performed previously and certificates of conformance are submitted with the First Article Test Report.

(2) Inspections and tests for Military Standard (MS) components and parts provided that inspection and tests have been performed previously and certifications for the components and parts are submitted with the First Article Test Report.

(3) Corrosion resistance tests over 10 days in length provided that a test specimen or sample representing the same process has successfully passed the same test within 30 days prior to processing the first article, and results of the tests are submitted with the First Article Test Report.

(4) Life cycle tests over 10 days in length provided that the same or similar items manufactured using the same processes have successfully passed the same test within 1 year prior to processing the first article and results of the tests are submitted with the First Article Test Report.

(5) Onetime qualification tests, which are defined as a one-time on the drawing(s), provided that the same or similar item manufactured using the same processes has successfully passed the tests, and results of the test are on file at the contractor's facility and certifications are submitted with the First Article Test Report.

d. Those inspections which are of a destructive nature shall be performed upon additional sample parts selected from the same lot(s) or batch(es) from which the first article was selected.

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e. A First Article Test Report shall be compiled by the contractor documenting the results of all inspections and tests (including supplier's and vendor's inspection records and certifications, when applicable). The First Article Test Report shall include actual inspection and test results to include all measurements, recorded test data, and certifications (if applicable) keyed to each drawing, specification and QAP requirement and identified by each individual QAP characteristic, drawing/specification characteristic and unlisted characteristic. Evidence of the QAR's verification will be provided. One copy of the First Article Test Report will be copy furnished to AMSRD-AAR-QEP-A, and to the Administrative Contracting Officer.

f. Notwithstanding the provisions for waiver of first article, an additional first article sample or portion thereof, may be ordered by the Contracting Officer in writing when (i) a major change is made to the technical data, (ii) whenever there is a lapse in production for a period in excess of 90 days, or (iii) whenever a change occurs in place of performance, manufacturing process, material used, drawing, specification or source of supply. When conditions (i), (ii), or (iii) above occurs, the Contractor shall notify the Contracting Officer so that a determination can be made concerning the need for the additional first article sample or portion thereof and instructions provided concerning the submission, inspection, and notification of results. Costs of the additional first article testing resulting from any of the causes listed herein that were instituted by the contractor and not due to changes directed by the Government shall be borne by the Contractor.

(886016)

(End of Clause)

E-5 52.246-4533 SURFACE QUALITY STANDARDS
TACOM LCMC
(RI)

MAR/2001

a. Surface quality standards for optical elements (Scratch and Dig) per MIL-PRF-138308, are required to perform acceptance inspection under this contract and are available as listed in appendix 1 of this contract. The standards will be furnished to the Contractor on a loan basis for use on this contract. The standards shall not be used on other contracts unless written authorization is received from the Contracting Officer. The Administering Contracting Officer (ACO) designated by the agency administering the contract, or the Contracting Officer (CO) if an ACO was not assigned shall submit the Contractor's request for equipment to Commander, ARDEC, ATTN: AMS AAR-QEW, Picatinny Arsenal, NJ 07806-5000. Shipping costs shall be borne by the shipper.

b. The contractor shall hereby indicate the facility to which this Government Furnished Property should be shipped:

c. Upon receipt, the Contractor should retain shipping containers for return of the standards. All costs of packing, packaging, shipping, and insurance shall be borne by the Contractor.

d. The Contractor shall be responsible for shipping the surface quality standards to the Government for certification at 12 month intervals. Notification and shipping instructions shall be provided to the Contractor by Same as above. The notification shall include the standard's serial number and will be sent 30 days prior to the actual due date for certification.

e. Within 30 calendar days after completion of delivery of all items on this contract requiring scratch and digs, the Contractor shall assure that the Government owned standards referenced in paragraph a above are in the same condition as when received. Upon verification by a Government representative that the standards are undamaged, the Contractor shall prepare the standards for delivery in accordance with best commercial practices. The Contractor shall ship the standards with a DD Form 1149 to Same as above.

(886018)

(End of Clause)

E-6 52.246-4532 DESTRUCTIVE TESTING
TACOM LCMC RI

MAY/1994

a. All costs for destructive testing by the Contractor and items destroyed by the Government are considered as being included in the contract unit price.

b. Where destructive testing of items or components thereof is required by contract or specification, the number of items or components required to be destructively tested, whether destructively tested or not, shall be in addition to the quantity to be delivered to the

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Government as set forth in the Contract Schedule.

c. All pieces of the complete First Article shall be considered as destructively tested items unless specifically exempted by other provisions of this contract.

d. The Contractor shall not reuse any components from items used in a destructive test during First Article, lot acceptance or inprocess testing, unless specifically authorized by the Contracting Officer.

e. The Government reserves the right to take title to all or any items or components described above. The Government may take title to all or any items or components upon notice to the Contractor. The items or components of items to which the Government takes title shall be shipped in accordance with the Contracting Officer's instructions. Those items and components to which the Government does not obtain title shall be rendered inoperable and disposed of as scrap by the Contractor.

(ES7011)

(End of Clause)

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SECTION F - DELIVERIES OR PERFORMANCE

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

<http://farsite.hill.af.mil/VFFARA.HTM> or <http://farsite.hill.af.mil/VFDFARA.HTM> or <http://farsite.hill.af.mil/VFAPARA.HTM>

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

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
F-1	52.242-17	GOVERNMENT DELAY OF WORK	APR/1984
F-2	52.247-34	F.O.B. DESTINATION	NOV/1991
F-3	52.247-35	F.O.B. DESTINATION, WITHIN CONSIGNEES' PREMISES	APR/1984
F-4	52.247-38	F.O.B. INLAND CARRIER, POINT OF EXPORTATION	FEB/2006
F-5	52.247-4531 TACOM LCMC (RI)	COGNIZANT TRANSPORTATION OFFICER	MAY/1993

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

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

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

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

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

(b) The Contract Administration Office will provide to the contractor data necessary for shipment marking and freight routing.

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

(FS7240)

(End of Clause)

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SECTION H - SPECIAL CONTRACT REQUIREMENTS

	Regulatory Cite	Title	Date
H-1	52.247-4545 TACOM LCMC (RI)	PLACE OF CONTRACT SHIPPING POINT, RAIL INFORMATION	MAY/1993

The bidder/offeror is to fill in the 'Shipped From' address, if different from 'Place of Performance' indicated elsewhere in this section.

Shipped From:

For contracts involving F.O.B. Origin shipments furnish the following rail information:

Does Shipping Point have a private railroad siding? ____ YES ____ NO

If YES, give name of rail carrier serving it: _____

If NO, give name and address of nearest rail freight station and carrier serving it:

Rail Freight Station Name and Address: _____

Serving Carrier: _____

(HS7600)

(End of Clause)

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SECTION I - CONTRACT CLAUSES

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

<http://farsite.hill.af.mil/VFFARA.HTM> or <http://farsite.hill.af.mil/VDFPARA.HTM> or <http://farsite.hill.af.mil/VFAPARA.HTM>

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

	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
I-1	52.202-1	DEFINITIONS	JUL/2004
I-2	52.203-3	GRATUITIES	APR/1984
I-3	52.203-5	COVENANT AGAINST CONTINGENT FEES	APR/1984
I-4	52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	SEP/2006
I-5	52.203-7	ANTI-KICKBACK PROCEDURES	JUL/1995
I-6	52.203-8	CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN/1997
I-7	52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN/1997
I-8	52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	SEP/2007
I-9	52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG/2000
I-10	52.204-7	CENTRAL CONTRACTOR REGISTRATION	APR/2008
I-11	52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	SEP/2006
I-12	52.211-5	MATERIAL REQUIREMENTS	AUG/2000
I-13	52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS	APR/2008
I-14	52.215-2	AUDIT AND RECORDS--NEGOTIATIONS	JUN/1999
I-15	52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	OCT/1997
I-16	52.215-14	INTEGRITY OF UNIT PRICES	OCT/1997
I-17	52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS	OCT/2004
I-18	52.215-18	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS	JUL/2005
I-19	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	MAY/2004
I-20	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN (DEVIATION 2008-C0004)	APR/2008
I-21	52.219-16	LIQUIDATED DAMAGES--SUBCONTRACTING PLAN	JAN/1999
I-22	52.219-25	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM--DISADVANTAGED STATUS AND REPORTING	APR/2008
I-23	52.222-19	CHILD LABOR--COOPERATION WITH AUTHORITIES AND REMEDIES	FEB/2008
I-24	52.222-20	WALSH-HEALEY PUBLIC CONTRACTS ACT	DEC/1996
I-25	52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB/1999
I-26	52.222-26	EQUAL OPPORTUNITY	MAR/2007
I-27	52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP/2006
I-28	52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN/1998
I-29	52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP/2006
I-30	52.222-50	COMBATING TRAFFICKING IN PERSONS	AUG/2007
I-31	52.223-6	DRUG-FREE WORKPLACE	MAY/2001
I-32	52.223-14	TOXIC CHEMICAL RELEASE REPORTING	AUG/2003
I-33	52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUN/2008
I-34	52.227-1	AUTHORIZATION AND CONSENT	DEC/2007
I-35	52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	DEC/2007
I-36	52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR/2003
I-37	52.230-2	COST ACCOUNTING STANDARDS	OCT/2008
I-38	52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES	OCT/2008
I-39	52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS	MAR/2008
I-40	52.232-1	PAYMENTS	APR/1984
I-41	52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB/2002
I-42	52.232-11	EXTRAS	APR/1984
I-43	52.232-17	INTEREST	OCT/2008
I-44	52.232-23	ASSIGNMENT OF CLAIMS (JAN 1986) -- ALTERNATE I (APR 1984)	APR/1984
I-45	52.232-25	PROMPT PAYMENT	OCT/2008
I-46	52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER--CENTRAL CONTRACTOR REGISTRATION	OCT/2003

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I-47	52.233-1	DISPUTES	JUL/2002
I-48	52.233-3	PROTEST AFTER AWARD	AUG/1996
I-49	52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT/2004
I-50	52.242-13	BANKRUPTCY	JUL/1995
I-51	52.243-1	CHANGES--FIXED PRICE	AUG/1987
I-52	52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	MAR/2007
I-53	52.246-23	LIMITATION OF LIABILITY	FEB/1997
I-54	52.247-63	PREFERENCE FOR U.S.-FLAG AIR CARRIERS	JUN/2003
I-55	52.248-1	VALUE ENGINEERING	FEB/2000
I-56	52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY/2004
I-57	52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR/1984
I-58	52.253-1	COMPUTER GENERATED FORMS	JAN/1991
I-59	252.203-7001	PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES	DEC/2004
I-60	252.204-7000	DISCLOSURE OF INFORMATION	DEC/1991
I-61	252.204-7003	CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT	APR/1992
I-62	252.204-7004	ALTERNATE A, CENTRAL CONTRACTOR REGISTRATION (52.204-7)	SEP/2007
I-63	252.205-7000	PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS	DEC/1991
I-64	252.209-7004	SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY	DEC/2006
I-65	252.215-7002	COST ESTIMATING SYSTEM REQUIREMENTS	DEC/2006
I-66	252.219-7003	SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)	APR/2007
I-67	252.225-7004	REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA--SUBMISSION AFTER AWARD	MAY/2007
I-68	252.225-7006	QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES	MAY/2007
I-69	252.225-7012	PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES	MAR/2008
I-70	252.225-7013	DUTY-FREE ENTRY	OCT/2006
I-71	252.225-7016	RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS	MAR/2006
I-72	252.226-7001	UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS	SEP/2004
I-73	252.227-7013	RIGHTS IN TECHNICAL DATA--NONCOMMERCIAL ITEMS	NOV/1995
I-74	252.227-7014	RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION	JUN/1995
I-75	252.227-7015	TECHNICAL DATA--COMMERCIAL ITEMS	NOV/1995
I-76	252.227-7016	RIGHTS IN BID OR PROPOSAL INFORMATION	JUN/1995
I-77	252.227-7019	VALIDATION OF ASSERTED RESTRICTIONS--COMPUTER SOFTWARE	JUN/1995
I-78	252.227-7025	LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS	JUN/1995
I-79	252.227-7027	DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE	APR/1988
I-80	252.227-7030	TECHNICAL DATA--WITHHOLDING OF PAYMENT	MAR/2000
I-81	252.227-7037	VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA	SEP/1999
I-82	252.231-7000	SUPPLEMENTAL COST PRINCIPLES	DEC/1991
I-83	252.232-7003	ELECTRONIC SUBMISSION OF PAYMENT REQUESTS AND RECEIVING REPORTS	MAR/2008
I-84	252.232-7010	LEVIES ON CONTRACT PAYMENTS	DEC/2006
I-85	252.243-7001	PRICING OF CONTRACT MODIFICATIONS	DEC/1991
I-86	252.243-7002	REQUESTS FOR EQUITABLE ADJUSTMENT	MAR/1998
I-87	252.246-7000	MATERIAL INSPECTION AND RECEIVING REPORT	MAR/2008
I-88	252.247-7023	TRANSPORTATION OF SUPPLIES BY SEA	MAY/2002
I-89	52.209-3	FIRST ARTICLE APPROVAL -- CONTRACTOR TESTING - ALTERNATES I AND II	JAN/1997

(a) The Contractor shall test 6 each unit(s) of Lot/Item as shown in schedule B as specified in this contract. At least 15 calendar day before the beginning of first article tests, the Contractor shall notify the Contracting Officer, in writing, of the time and location of the testing so that the Government may witness the tests.

(b) The Contractor shall submit the first article test report within (see schedule B) calendar days from the date of this contract to - marked First Article Test Report: Contract No. _____, Lot/Item No. _____. Within 30 calendar days after the Government receives the test report, the Contracting Officer shall notify the Contractor, in writing, of the conditional approval, approval, or disapproval of the first article. The notice of conditional approval or approval shall not relieve the Contractor from complying with all requirements of the specifications and all other terms and conditions of this contract. A notice of conditional approval shall state any further action required of the Contractor. A notice of disapproval shall cite reasons for the disapproval.

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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

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

(e) Unless otherwise provided in the contract, and if the approved first article is not consumed or destroyed in testing, the Contractor may deliver the approved first article as part of the contract quantity if it meets all contract requirements for acceptance.

(f) If the Government does not act within the time specified in paragraph (b) or (c) above, the Contracting Officer shall, upon timely written request from the Contractor, equitably adjust under the changes clause of this contract the delivery or performance dates and/c the contract price, and any other contractual term affected by the delay.

(g) Before first article approval, the Contracting Officer may, by written authorization, authorize the Contractor to acquire specific materials or components or to commence production to the extent essential to meet the delivery schedules. Until first article approval is granted, only costs for the first article and costs incurred under this authorization are allocable to this contract for

(1) progress payments, or

(2) termination settlements if the contract is terminated for the convenience of the Government. If first article tests reveal deviations from contract requirements, the Contractor shall, at the location designated by the Government, make the required changes or replace all items produced under this contract at no change in the contract price.

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

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

(End of Clause)

I-90

52.232-16

PROGRESS PAYMENTS

APR/2003

The Government will make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly in amounts of \$2,500 or more approved by the Contracting Officer, under the following conditions:

(a) Computation of amounts.

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

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

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

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

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

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

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

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

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

(ii) Costs incurred by subcontractors or suppliers.

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

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

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

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

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

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

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

(8) Notwithstanding any other terms of the contract, the Contractor agrees not to request progress payments in dollar amounts of less than \$2,500. The Contracting Officer may make exceptions.

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

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

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

(2) Performance of this contract is endangered by the Contractors --

- (i) Failure to make progress; or
- (ii) Unsatisfactory financial condition.

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

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

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

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

(d) Title.

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

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

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- (i) Parts, materials, inventories, and work in process;
 - (ii) Special tooling and special test equipment to which the Government is to acquire title under any other clause of this contract
 - (iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids, title to which would not be obtained as special tooling under subparagraph (ii) above; and
 - (iv) Drawings and technical data, to the extent the Contractor or subcontractors are required to deliver them to the Government by other clauses of this contract.
- (3) Although title to property is in the Government under this clause, other applicable clauses of this contract; e.g., the termination or special tooling clauses, shall determine the handling and disposition of the property.
- (4) The Contractor may sell any scrap resulting from production under this contract without requesting the Contracting Officers approval, but the proceeds shall be credited against the costs of performance.
- (5) To acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Contractor must obtain the Contracting Officers advance approval of the action and the terms. The Contractor shall
- (i) exclude the allocable costs of the property from the costs of contract performance, and
 - (ii) repay to the Government any amount of unliquidated progress payments allocable to the property. Repayment may be by cash or credit memorandum.
- (6) When the Contractor completes all of the obligations under this contract, including liquidation of all progress payments, title shall vest in the Contractor for all property (or the proceeds thereof) not --
- (i) Delivered to, and accepted by, the Government under this contract; or
 - (ii) Incorporated in supplies delivered to, and accepted by, the Government under this contract and to which title is vested in the Government under this clause.
- (7) The terms of this contract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this clause.
- (e) Risk of loss. Before delivery to and acceptance by the Government, the Contractor shall bear the risk of loss for property, the title to which vests in the Government under this clause, except to the extent the Government expressly assumes the risk. The Contractor shall repay the Government an amount equal to the unliquidated progress payments that are based on costs allocable to property that is damaged, lost, stolen, or destroyed.
- (f) Control of costs and property. The Contractor shall maintain an accounting system and controls adequate for the proper administration of this clause.
- (g) Reports and access to records. The Contractor shall promptly furnish reports, certificates, financial statements, and other pertinent information reasonably requested by the Contracting Officer for the administration of this clause. Also, the Contractor shall give the Government reasonable opportunity to examine and verify the Contractors books, records, and accounts.
- (h) Special terms regarding default. If this contract is terminated under the Default clause,
- (i) the Contractor shall, on demand, repay to the Government the amount of unliquidated progress payments and
 - (ii) title shall vest in the Contractor, on full liquidation of progress payments, for all property for which the Government elects not to require delivery under the Default clause. The Government shall be liable for no payment except as provided by the Default clause.
- (i) Reservations of rights.
- (1) No payment or vesting of title under this clause shall --
 - (i) Excuse the Contractor from performance of obligations under this contract; or
 - (ii) Constitute a waiver of any of the rights or remedies of the parties under the contract.
 - (2) The Governments rights and remedies under this clause --

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 24 of 30
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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

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

- (1) The amounts included are limited to --
 - (i) The unliquidated remainder of financing payments made; plus
 - (ii) Any unpaid subcontractor requests for financing payments.
- (2) The subcontract or interdivisional order is expected to involve a minimum of approximately 6 months between the beginning of work and the first delivery, or, if the subcontractor is a small business concern, 4 months.
- (3) If the financing payments are in the form of progress payments, the terms of the subcontract or interdivisional order concerning progress payments --
 - (i) Are substantially similar to the terms of the clause for any subcontractor that is a large business concern, or that clause with Alternate I for any subcontractor that is a small business concern;
 - (ii) Are at least as favorable to the Government as the terms of this clause;
 - (iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;
 - (iv) Are in conformance with the requirements of FAR 32.504(e); and
 - (v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if --
 - (A) The Contractor defaults; or
 - (B) The subcontractor becomes bankrupt or insolvent.
- (4) If the financing payments are in the form of performance-based payments, the terms of the subcontract or interdivisional order concerning payments--
 - (i) Are substantially similar to the Performance-Based Payments clause at FAR 52.232-32 and meet the criteria for, and definition of, performance-based payments in FAR Part 32;
 - (ii) Are in conformance with the requirements of FAR 32.504(f); and
 - (iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--
 - (A) The Contractor defaults; or
 - (B) The subcontractor becomes bankrupt or insolvent.
- (5) If the financing payments are in the form of commercial item financing payments, the terms of the subcontract or interdivisional order concerning payments
 - (i) Are constructed in accordance with FAR 32.206(c) and included in a subcontract for a commercial item purchase that meets the definition and standards for acquisition of commercial items in FAR Part 2 and 12;
 - (ii) Are in conformance with the requirements of FAR 32.504(g); and
 - (iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--
 - (A) The Contractor defaults; or
 - (B) The subcontractor becomes bankrupt or insolvent.

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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

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

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

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

(k) Limitations on undefinitized contract actions. Notwithstanding any other progress payment provisions in this contract, progress payments may not exceed 80 percent of costs incurred on work accomplished under undefinitized contract actions. A contract action is an action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is definitized. Costs incurred which are subject to this limitation shall be segregated on Contractor progress payment requests and invoices from those costs eligible for higher progress payment rates. For purposes of progress payment liquidation, as described in paragraph (b) of this clause, progress payments for undefinitized contract actions shall be liquidated at 80 percent of the amount invoiced for work performed under the undefinitized contract action as long as the contract action remains undefinitized. The amount of unliquidated progress payments for undefinitized contract actions shall not exceed 80 percent of the maximum liability of the Government under the undefinitized contract action or such lower limit specified elsewhere in the contract. Separate limits may be specified for separate actions.

(l) Due date. The designated payment office will make progress payments on the -1- day after the designated billing office receives a proper progress payment request. In the event that the Government requires an audit or other review of a specific progress payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make a payment by the specified due date. Progress payments are considered contract financing and are not subject to the interest penalty provisions of the Prompt Payment Act.

(m) Progress payments under indefinite delivery contracts. The Contractor shall account for and submit progress payment requests under individual orders as if the order constituted a separate contract, unless otherwise specified in this contract.

(End of Clause)

I-91 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES OCT/1997

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall --

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

(End of Clause)

I-92 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION JUN/2007

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

"Long-term contract" means a contract of more than five years in duration, including options. However, the term does not include contracts that exceed five years in duration because the period of performance has been extended for a cumulative period not to exceed six months under the clause at 52.217-8, Option to Extend Services, or other appropriate authority.

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (c) of this clause.

(b) If the Contractor represented that it was a small business concern prior to award of this contract, the Contractor shall rerepresent its size status according to paragraph (e) of this clause or, if applicable, paragraph (g) of this clause, upon the occurrence of any of the following:

(1) Within 30 days after execution of a novation agreement or within 30 days after modification of the contract to include this clause, if the novation agreement was executed prior to inclusion of this clause in the contract.

(2) Within 30 days after a merger or acquisition that does not require a novation or within 30 days after modification of the contract to include this clause, if the merger or acquisition occurred prior to inclusion of this clause in the contract. (3) For long-term contracts

(i) Within 60 to 120 days prior to the end of the fifth year of the contract; and

(ii) Within 60 to 120 days prior to the exercise date specified in the contract for any option thereafter.

(c) The Contractor shall rerepresent its size status in accordance with the size standard in effect at the time of this rerepresentation that corresponds to the North American Industry Classification System (NAICS) code assigned to this contract. The small business size standard corresponding to this NAICS code can be found at <http://www.sba.gov/services/contractingopportunities/sizestandardsttopics/>.

(d) The small business size standard for a Contractor providing a product which it does not manufacture itself, for a contract other than a construction or service contract, is 500 employees.

(e) Except as provided in paragraph (g) of this clause, the Contractor shall make the rerepresentation required by paragraph (b) of this clause by validating or updating all its representations in the Online Representations and Certifications Application and its data in the Central Contractor Registration, as necessary, to ensure they reflect current status. The Contractor shall notify the contracting office by e-mail, or otherwise in writing, that the data have been validated or updated, and provide the date of the validation or update.

(f) If the Contractor represented that it was other than a small business concern prior to award of this contract, the Contractor may, but is not required to, take the actions required by paragraphs (e) or (g) of this clause.

(g) If the Contractor does not have representations and certifications in ORCA, or does not have a representation in ORCA for the NAICS code applicable to this contract, the Contractor is required to complete the following rerepresentation and submit it to the contracting office, along with the contract number and the date on which the rerepresentation was completed:

The Contractor represents that it is, is not a small business concern under NAICS Code _____ assigned to contract number _____. [Contractor to sign and date and insert authorized signer's name and title].

(End of clause)

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Name of Offeror or Contractor: OPTEK SYSTEMS INC.		

I-93 52.222-39 NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES DEC/2004

(a) Definition. As used in this clause--

United States means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

(b) Except as provided in paragraph (e) of this clause, during the term of this contract, the Contractor shall post a notice, in the form of a poster, informing employees of their rights concerning union membership and payment of union dues and fees, in conspicuous places in and about all its plants and offices, including all places where notices to employees are customarily posted. The notice shall include the following information (except that the information pertaining to National Labor Relations Board shall not be included in notices posted in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)).

Notice to Employees

Under Federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their jobs. Under certain conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay uniform periodic dues and initiation fees. However, employees who are not union members can object to the use of their payments for certain purposes and can only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment.

If you do not want to pay that portion of dues or fees used to support activities not related to collective bargaining, contract administration, or grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been required to pay dues or fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment, you may be entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, you may wish to contact the National Labor Relations Board (NLRB) either at one of its Regional offices or at the following address or toll free number:

National Labor Relations Board
Division of Information
1099 14th Street, N.W.
Washington, DC 20570
1-866-667-6572
1-866-316-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at <http://www.nlr.gov>

(c) The Contractor shall comply with all provisions of Executive Order 13201 of February 17, 2001, and related implementing regulations at 29 CFR Part 470, and orders of the Secretary of Labor.

(d) In the event that the Contractor does not comply with any of the requirements set forth in paragraphs (b), (c), or (g), the Secretary may direct that this contract be cancelled, terminated, or suspended in whole or in part, and declare the Contractor ineligible for further Government contracts in accordance with procedures at 29 CFR part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures. Such other sanctions or remedies may be imposed as are provided by 29 CFR Part 470 which implements Executive Order 13201, or as are otherwise provided by law.

(e) The requirement to post the employee notice in paragraph (b) does not apply to--

(1) Contractors and subcontractors that employ fewer than 15 persons;

(2) Contractor establishments or construction work sites where no union has been formally recognized by the Contractor or certified as the exclusive bargaining representative of the Contractor's employees;

(3) Contractor establishments or construction work sites located in a jurisdiction named in the definition of the United States in which the law of that jurisdiction forbids enforcement of union-security agreements;

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

(4) Contractor facilities where upon the written request of the Contractor, the Department of Labor Deputy Assistant Secretary for Labor-Management Programs has waived the posting requirements with respect to any of the Contractor's facilities if the Deputy Assistant Secretary finds that the Contractor has demonstrated that--

(i) The facility is in all respects separate and distinct from activities of the Contractor related to the performance of a contract; and

(ii) Such a waiver will not interfere with or impede the effectuation of the Executive order; or

(5) Work outside the United States that does not involve the recruitment or employment of workers within the United States.

(f) The Department of Labor publishes the official employee notice in two variations; one for contractors covered by the Railway Labor Act and a second for all other contractors. The Contractor shall--

(1) Obtain the required employee notice poster from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-5605, Washington, DC 20210, or from any field office of the Department's Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;

(2) Download a copy of the poster from the Office of Labor-Management Standards website at <http://www.olms.dol.gov>; or

(3) Reproduce and use exact duplicate copies of the Department of Labor's official poster.

(g) The Contractor shall include the substance of this clause in every subcontract or purchase order that exceeds the simplified acquisition threshold, entered into in connection with this contract, unless exempted by the Department of Labor Deputy Assistant Secretary for Labor-Management Programs on account of special circumstances in the national interest under authority of 29 CFR 470.3(c). For indefinite quantity subcontracts, the Contractor shall include the substance of this clause if the value of orders in any calendar year of the subcontract is expected to exceed the simplified acquisition threshold. Pursuant to 29 CFR Part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures, the Secretary of Labor may direct the Contractor to take such action in the enforcement of these regulations, including the imposition of sanctions for noncompliance with respect to any such subcontract or purchase order. If the Contractor becomes involved in litigation with a subcontractor or vendor, or is threatened with such involvement as a result of such direction, the Contractor may request the United States, through the Secretary of Labor, to enter into such litigation to protect the interests of the United States.

(End of Clause)

I-94 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:

<http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm> or <https://webportal.saalt.army.mil/saal-zp/procurement/afars.doc>

(End of Clause)

I-95 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES APR/1984

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of (DEVIATION) after the date of the clause.

(b) The use in this solicitation or contract of any DoD FAR SUPPLEMENT (48 CFR 2) clause with an authorized deviation is indicated by the addition of (DEVIATION) after the name of the regulation.

(End of Clause)

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

I-96 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS NOV/2005

(a) Definition. SPI process, as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard at specific facilities. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet at http://guidebook.dcms.mil/20/guidebook_process.htm (paragraph 4.2).

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standards cited in the solicitation shall

- (1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted;
- (2) Identify each facility at which the offeror proposes to use the specific SPI process in lieu of military or Federal specifications or standards cited in the solicitation;
- (3) Identify the contract line items, subline items, components, or elements affected by the SPI process; and
- (4) If the proposed SPI process has been accepted at the facility at which it is proposed for use, but is not yet listed at the Internet site specified in paragraph (b) of this clause, submit documentation of Department of Defense acceptance of the SPI process.

(d) Absent a determination that an SPI process is not acceptable for this procurement, the Contractor shall use the following SPI processes in lieu of military or Federal specifications or standards:

(Offeror insert information for each SPI process)

SPI Process: _____

Facility: _____

Military or Federal Specification or Standard: _____

Affected Contract Line Item Number, Subline Item Number, Component, or Element: _____

(e) If a prospective offeror wishes to obtain, prior to the time specified for receipt of offers, verification that an SPI process is an acceptable replacement for military or Federal specifications or standards required by the solicitation, the prospective offeror

- (1) May submit the information required by paragraph (d) of this clause to the Contracting Officer prior to submission of an offer; but
- (2) Must submit the information to the Contracting Officer at least 10 working days prior to the date specified for receipt of offers.

(End of clause)

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION J - LIST OF ATTACHMENTS

List of Addenda	Title	Date	Number of Pages	Transmitted By
Exhibit A	CDRL	03-JAN-2008	003	DATA
Attachment 002	PRICE EVALUATION SHEET		001	DATA
Attachment 0001	DOCUMENT SUMMARY LIST		002	DATA

The following documents are hereby attached by reference and may form a part of this acquisition. These documents, available in electronic format on the internet at <https://ais.ria.army.mil/ais/SOLINFO/index.htm> are Standard Solicitation Attachments. Vendors should ensure that they have the correct attachments in their possession prior to submitting a bid/proposal/quote.

Title	Date	Number of Pages
Address Code Distribution	2006	1 Pg
Address List	2006	1 Pg
AMCCOM Form 71-R	01 OCT 88	2 Pgs
Data Delivery Description Engineering Change Proposal	JUL 2001	9 Pgs
Data Delivery Description Notice of Revision	JUL 2001	2 Pgs
Data Delivery Description Request for Deviation	JUL 2001	4 Pgs
Disclosure of Lobbying Activities (SP-LLL)	JUL 1997	3 Pgs
Guidance on Documentation of Contract Data Requirements List (CDRL)		2 Pgs
Instructions for Completing DD Form 1423	JUN 1990	1 Pg
IOC Form 715-3	FEB 1996	2 Pgs
Offeror Representations and CertificationsCommercial Items	SEP 2004	8 Pgs
Statement and Acknowledgement	MAY 2003	1 Pg
Wage Rate Notification	MAY 2003	2 Pgs

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. W52H09-09-D-0128		2. DELIVERY ORDER/CALL NO. 0001		3. DATE OF ORDER/CALL (YYYYMMDD) 2009MAR24		4. REQUISITION/PURCH REQUEST NO. SEE SCHEDULE		5. PRIORITY DOAS			
6. ISSUED BY TACOM-ROCK ISLAND AMSTA-LC-GLK-A KEVIN GILMORE (309)782-3558 ROCK ISLAND IL 61299-7630 WEAPON SYSTEM: IPY XM2 /CFV XM3 EMAIL: KEVIN.GILMORE@US.ARMY.MIL			CODE W52H09		7. ADMINISTERED BY (If other than 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 SCD: B PAS: NONE ADP PT: HQ0339			CODE S4402A		8. DELIVERY FOB <input checked="" type="checkbox"/> DESTINATION <input type="checkbox"/> OTHER (See Schedule if other)	
9. CONTRACTOR OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 NAME AND ADDRESS			CODE OBK64		FACILITY		10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) SEE SCHEDULE		11. X IF BUSINESS IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED		
14. SHIP TO SEE SCHEDULE			CODE		15. PAYMENT WILL BE MADE BY DFAS-COLUMBUS CENTER DFAS CO-WEST ENTITLEMENT OPERATIONS P.O. BOX 182381 COLUMBUS, OH 43218-2381 PHONE: 1-800-756-4571			CODE HQ0339		MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2	
16. TYPE OF ORDER		DELIVERY/ CALL <input checked="" type="checkbox"/>		THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.							
PURCHASE		<input type="checkbox"/>		Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____, furnish the following on terms specified herein.							
		<input type="checkbox"/>		Payment will be made by Electronic Funds Transfer ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.							
NAME OF CONTRACTOR		SIGNATURE		TYPED NAME AND TITLE		DATE SIGNED (YYYYMMDD)					
<input type="checkbox"/>		If this box is marked, supplier must sign Acceptance and return the following number of copies:									
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE SEE SCHEDULE											
18. ITEM NO.		19. SCHEDULE OF SUPPLIES/SERVICE				20. QUANTITY ORDERED/ACCEPTED*		21. UNIT	22. UNIT PRICE		23. AMOUNT
		SEE SCHEDULE CONTRACT TYPE: Firm-Fixed-Price KIND OF CONTRACT: Supply Contracts and Priced Orders									
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.				24. UNITED STATES OF AMERICA BRIAN W. SCHMIDT /SIGNED/ 2009MAR24 BRIAN.W.SCHMIDT@US.ARMY.MIL (309)782-0988 BY: _____ CONTRACTING/ORDERING OFFICER				25. TOTAL		\$118,250.00	
27a. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED											
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE						c. DATE (YYYYMMDD)		d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE			
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE						28. SHIP. NO.		29. D.O. VOUCHER NO.		30. INITIALS	
f. TELEPHONE NUMBER						g. E-MAIL ADDRESS		<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		32. PAID BY	
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.						31. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		33. AMOUNT VERIFIED CORRECT FOR		34. CHECK NUMBER	
a. DATE (YYYYMMDD)		b. SIGNATURE AND TITLE OF CERTIFYING OFFICER									
37. RECEIVED AT		38. RECEIVED BY (Print)		39. DATE RECEIVED (YYYYMMDD)		40. TOTAL CONTAINERS		41. S/R ACCOUNT NUMBER		42. S/R VOUCHER NO.	

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CONTINUATION SHEET

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MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SUPPLEMENTAL INFORMATION

1. THIS DELIVERY ORDER IS ISSUED TO OPTEX SYSTEM INC THIS WILL SATISFY THE MINIMUM GUARANTEED QUANTITY UNDER CONTRACT W52H09-09-D-0128 FOR THE FOLLOWING BELOW ITEM:

CLIN	NOUN	NSN	P/N	QTY
0002AA	PERISCOPE, ARMORED	1240-01-319-8995	12357792	*

2. DELIVERY IS FOB DESTINATION. DELIVERY SCHEDULE IS SET FORTH IN SECTION B. EARLY DELIVERIES ARE AUTHORIZED AT NO ADDITIONAL COST TO THE GOVERNMENT.

3. THERE IS NO FIRST ARTICLE TEST REQUIREMENT FOR THIS AWARD.

4. THE UNIT PRICE IS *

5. TOTAL AMOUNT FOR THIS AWARD IS \$118,250.00

*** END OF NARRATIVE A0001 ***

***Confidential Treatment Requested**

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																							
	SUPPLIES OR SERVICES AND PRICES/COSTS																																											
0002	NSN: 1240-01-319-8995 FSCN: 19200 PART NR: 12357792 SECURITY CLASS: Unclassified																																											
0002AA	<u>PRODUCTION QUANTITY</u> NOUN: PERISCOPE,ARMORED V PRON: M191A478M1 PRON AMD: 01 ACRN: AA AMS CD: 070011MNTUR <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>WS2H099026H951</td> <td>W25G1U</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>14-AUG-2009</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>14-SEP-2009</td> </tr> </table> FOB POINT: Destination SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSF NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 TO 134 NEW CUMBERLAND, PA, 17070-5002 <u>CONTRACT/DELIVERY ORDER NUMBER</u> WS2H09-09-D-0128/0001 DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>WS2H099026H952</td> <td>W62G2T</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>06-OCT-2009</td> </tr> </table> FOB POINT: Destination SHIP TO: (W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN TRANSPORTATION OFFICER PO BOX 960001 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	WS2H099026H951	W25G1U	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	14-AUG-2009	002	*	14-SEP-2009	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	WS2H099026H952	W62G2T	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	06-OCT-2009	*	EA	\$ X	\$ 118,250.00
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																																							
001	WS2H099026H951	W25G1U	J		1																																							
<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																																										
001	*	14-AUG-2009																																										
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002	WS2H099026H952	W62G2T	J		1																																							
<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																																										
001	*	06-OCT-2009																																										

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-09-D-0128/0001 MOD/AMD	Page 4 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	W52H09-09-D-0128/0001				

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CONTINUATION SHEET

Reference No. of Document Being Continued

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PIIN/SIIN W52H09-09-D-0128/0001

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	STAT	ACCR	CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
0002AA	M191A478M1 070011MMTUR	AA	2	97	X4930AC6G 6D	26FB S11116	W52H09 \$	*
							TOTAL \$	*
SERVICE NAME	TOTAL BY ACRN	ACRN	STAT	ACCR	CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
Army	AA	97	X4930AC6G 6D	26FB S11116	W52H09 \$	*		
							TOTAL \$	118,250.00

ACRN	EDI	ACCOUNTING CLASSIFICATION
AA	97 0X0X4930AC6G	S11116 96D0000070011MMTUR26FB

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. 01 3. Effective Date 2009APR01 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GLK-A KEVIN GILMORE (309)782-3558 ROCK ISLAND IL 61299-7630 WEAPON SYSTEM: IPV XM2 /CFV XM3 EMAIL: KEVIN.GILMORE@US.ARMY.MIL 7. Administered By (If other than Item 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code W52H09 Code S4402A SCD B PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-09-D-0128/0001 10B. Dated (See Item 13) 2009MAR24 Code OBK64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) Payment will be made by Electronic Funds Transfer NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) BRIAN W. SCHMIDT BRIAN.W.SCHMIDT@US.ARMY.MIL (309)782-0988 15B. Contractor/Officer (Signature of person authorized to sign) 15C. Date Signed 30-105-02 16B. United States Of America By /SIGNED/ (Signature of Contracting Officer) 16C. Date Signed 2009APR01

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-09-D-0128/0001 MOD/AMD 01	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

1. ADMINISTRATIVE MODIFICATION, 01, IS TO CHANGE THE SHIPPING DATE AND QUANTITY FOR CLIN 0002AA. THE CORRECTION IS AS FOLLOWS AND IS FOUND IN SCHEDULE B:

SHIP TO ADDRESS	CURRENT DATE	CURRENT QUANTITY	CORRECT DATE	CORRECT QUANTITY
W25G1U	14-AUG-2009	*	21-AUG-2009	*
W62G2T	06-OCT-2009	*	21-SEP-2009	*

TOTAL CONTRACT QUANTITY ON CLIN 0002AA OF * EACH REMAINS.

2. ALL OTHER TERMS AND CONDITIONS OF CONTRACT W52H09-09-D-0128 REMAIN THE SAME.

3. POC FOR THIS ACTION IS KEVIN GILMORE@US.ARMY.MIL

*** END OF NARRATIVE A0002 ***

***Confidential Treatment Requested**

Name of Offeror or Contractor: **OPTEX SYSTEMS INC.**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0002	NSN: 1240-01-319-8995 FSCM: 19200 PART NR: 12357792 SECURITY CLASS: Unclassified				
0002AA	<u>PRODUCTION QUANTITY</u> NOUN: PERISCOPE,ARMORED V PRON: M191A478M1 PRON AMD: 01 ACRN: AA AMS CD: 070011MMTUR <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H099026H951 W25G1U J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 21-AUG-2009 002 DELETED FOB POINT: Destination SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 134 NEW CUMBERLAND PA 17070-5002 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-09-D-0128/0001 DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 002 W52H099026H952 W62G2T J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 21-SEP-2009 FOB POINT: Destination SHIP TO: (W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 16B PH 209 839 4307 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-09-D-0128/0001	*	EA	\$ *	\$ 118,250.00

*Confidential Treatment Requested

AWARD/CONTRACT		1. This Contract Is A Rated Order Under DPAS (15 CFR 700)		Rating DOAS		Page 1 Of 5	
2. Contract (Proc. Inst. Ident) No. WS2H09-05-D-0260		3. Effective Date 2005AUG03		4. Requisition/Purchase Request/Project No. SEE SCHEDULE			
5. Issued By TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630		Code WS2H09		6. Administered By (If Other Than Item 5) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843		Code S4402A	
e-mail address: CHRISTINE.CARSON@US.ARMY.MIL				SCD A PAS S4402A5703APC ADP PT HQ0339			
7. Name And Address Of Contractor (No. Street, City, County, State, And Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769				8. Delivery <input type="checkbox"/> FOB Origin <input checked="" type="checkbox"/> Other (See Below) SEE SCHEDULE		9. Discount For Prompt Payment	
TYPE BUSINESS: Other Small Business Performing in U.S.				10. Submit Invoices (4 Copies Unless Otherwise Specified) To The Address Shown In:		Item 12	
Code 0BK64		Facility Code		12. Payment Will Be Made By DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381		Code HQ0339	
11. Ship To/Mark For SEE SCHEDULE		Code		13. Authority For Using Other Than Full And Open Competition: <input type="checkbox"/> 10 U.S.C. 2304(c)() <input type="checkbox"/> 41 U.S.C. 253(c)()			
14. Accounting And Appropriation Data							
15A. Item No. SEE SCHEDULE		15B. Schedule Of Supplies/Services CONTRACT TYPE: Firm-Fixed-Price		15C. Quantity		15D. Unit	
				15E. Unit Price		15F. Amount	
Contract Expiration Date: 2010JUN30				15G. Total Amount Of Contract		80.00	
16. Table Of Contents							
(X)	Section	Description	Page(s)	(X)	Section	Description	Page(s)
X	A	Solicitation/Contract Form	1		I	Contract Clauses	
X	B	Supplies or Services and Prices/Costs	3		J	List Of Attachments	5
	C	Description/Specs./Work Statement			K	Representations, Certifications, and Other Statements of Offerors	
	D	Packaging and Marking			L	Instrs., Conds., and Notices to Offerors	
	E	Inspection and Acceptance			M	Evaluation Factors for Award	
	F	Deliveries or Performance					
	G	Contract Administration Data					
	H	Special Contract Requirements					
Contracting Officer Will Complete Item 17 Or 18 As Applicable							
17. <input type="checkbox"/> Contractor's Negotiated Agreement (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)				18. <input checked="" type="checkbox"/> Award (Contractor is not required to sign this document.) Your offer on Solicitation Number WS2H0905R0051 including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.			
19A. Name And Title Of Signer (Type Or Print)				20A. Name Of Contracting Officer VICKI AHLGRIM VICKI.AHLGRIM@US.ARMY.MIL (309)782-3220			
19B. Name of Contractor		19c. Date Signed		20B. United States Of America		20C. Date Signed	
By _____ (Signature of person authorized to sign)				By _____ (Signature of Contracting Officer)		2005AUG03	

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 2 of 5

PIIN/SHN W52H09-05-D-0260

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

1. CONTRACT W52H09-05-D-0260 IS AWARDED TO OPTEX SYSTEMS, INC. THIS CONTRACT IS A 5-YEAR, FIRM FIXED PRICE, INDEFINITE QUANTITY (IDIQ) CONTRACT (SEE FAR 16.504) FOR THE FOLLOWING ITEMS:

CLIN 0001, M137A2 PANORAMIC TELESCOPE, NSN: 1240-01-483-6103, P/N: 12984713

CLIN 0002, M137A3 PANORAMIC TELESCOPE, NSN: 1240-01-483-6100, P/N: 12984775

2. THIS CONTRACT CONTAINS A REQUIREMENT FOR FIRST ARTICLE TESTING (SEE CLAUSES ES6016 AND IF7116). INSPECTION/ACCEPTANCE FOR THE FIRST ARTICLE TEST REPORT WILL BE ORIGIN/DESTINATION; FOB IS DESTINATION.

3. DELIVERY PRODUCTION RATES SHALL BE AS FOLLOWS:

CLIN 0001AA - FIRST ARTICLE TEST (FAT) REPORT:	300 ADA (AFTER DATE OF AWARD)
CLIN 0001AB - PRODUCTION QTY WITH FAT:	450 ADA, INITIAL PRODUCTION OF 25, WITH 25 PER MONTH THEREAFTER
DELIVERY ORDERS SUBSEQUENT TO THE MINIMUM GUARANTEED QTY AND TO FAT APPROVAL:	270 ADA, INITIAL PRODUCTION OF 25, WITH 25 PER MONTH THEREAFTER
CLIN 0002AA - PRODUCTION QTY WITHOUT FAT:	450 ADA, INITIAL PRODUCTION OF 10, WITH 10 PER MONTH THEREAFTER
DELIVERY ORDERS ISSUED SUBSEQUENT TO DELIVERY ORDER 0001:	270 ADA, INITIAL PRODUCTION OF 10, WITH 10 PER MONTH THEREAFTER

EARLIER DELIVERY IS ACCEPTABLE IF ACCOMPLISHED AT NO ADDITIONAL COST TO THE GOVERNMENT.

4. FOR ADMINISTRATIVE PURPOSES, WHEN MULTIPLE APPROPRIATION/FUND TYPES ARE USED ON THE SAME DELIVERY ORDER, THE CLIN STRUCTURE SHALL BE AS FOLLOWS:

CLIN 0001AB - PRODUCTION QTY WITH FAT
 CLIN 0001AC - PRODUCTION QTY WITH FAT
 CLIN 0001AD - PRODUCTION QTY WITH FAT

CLIN 0002AA - PRODUCTION QTY WITHOUT FAT
 CLIN 0002AB - PRODUCTION QTY WITHOUT FAT
 CLIN 0002AC - PRODUCTION QTY WITHOUT FAT, ETC.

5. THE PERIOD OF PERFORMANCE UNDER THIS IDIQ CONTRACT IS FIVE YEARS. THE ORDERING PERIODS (OP) ARE AS FOLLOWS:

ORDERING PERIOD (OP) 1: AWARD DATE - 30 JUN 2006
 ORDERING PERIOD (OP) 2: 1 JUL 2006 - 30 JUN 2007
 ORDERING PERIOD (OP) 3: 1 JUL 2007 - 30 JUN 2008
 ORDERING PERIOD (OP) 4: 1 JUL 2008 - 30 JUN 2009
 ORDERING PERIOD (OP) 5: 1 JUL 2009 - 30 JUN 2010

6. THE FIRM FIXED PRICES FOR ALL PERFORMANCE PERIODS ARE REFLECTED ON ATTACHMENT 001, DATED JULY 8, 2005, AS PROVIDED BY THE CONTRACT IN RESPONSE TO SOLICITATION W52H09-05-R-0051, AS AMENDED.

7. ALL DELIVERIES ARE TO BE FOB DESTINATION. EACH DELIVERY ORDER WILL PROVIDE THE SHIPPING DESTINATIONS. EACH DELIVERY ORDER WILL REFLECT THE PRICE FOR THE QUANTITY RANGE THAT APPLIES. ALL DELIVERY ORDERS WILL BE ISSUED UNILATERALLY BY THE GOVERNMENT WITH FIRM DELIVERY DATES.

8. THE GOVERNMENT'S PROJECTED MINIMUM QUANTITY, IDENTIFIED IN SOLICITATION W52H09-05-R-0051, WAS AMENDED BY DISCUSSION LETTER DATED JUNE 30, 2005, AS FOLLOWS: 254 EACH, FOR CLIN 0001. THE GOVERNMENT'S ONLY LIABILITY UNDER THIS CONTRACT IS FOR THE MINIMUM QUANTITY IDENTIFIED ABOVE FOR THE FIRST PERFORMANCE PERIOD. THE GUARANTEED MINIMUM QUANTITY WILL BE OBLIGATED AT TIME OF AWARD OF THIS IDIQ CONTRACT AS DELIVERY ORDER 0001.

9. ALL TERMS AND CONDITIONS OF REQUEST FOR PROPOSAL W52H09-05-R-0051, AMENDMENTS THERETO, AND THE CONTRACTOR'S FINAL PROPOSAL REVISION, DATED JULY 8, 2005, ARE HEREBY INCORPORATED.

*** END OF NARRATIVE A 003 ***

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	SECURITY CLASS: Unclassified				
0001AA	<p><u>DATA ITEM</u></p> <p>NOUN: FIRST ARTICLE TEST REPORT</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 3 DEL REL CD QUANTITY DAYS AFTER AWARD 001 * 0300</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (255555) TACOM-ROCK ISLAND ATTN AMSTA-LC-CFA ROCK ISLAND IL 61299-7630</p>	*	LO	\$ ** NSP **	\$ ** NSP **
0001AB	<p><u>PRODUCTION QTY W/FAT</u></p> <p>NOUN: M137A2 PANORAMIC TELESCOPE</p> <p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12984713</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU W0K8 USA OSC ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p>		EA	\$ ** N/A **	

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52N09-05-D-0260 MOD/AMD	Page 4 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002	MARK FOR: ATTN: DAVE HERRERA FSCN: 1240 PART NR: 12984775 SECURITY CLASS: Unclassified				
0002AA	<u>PROD QTY W/O FAT</u> NOUN: M137A3 PANORAMIC TELESCOPE <u>Description/Specs./Work Statement</u> TOP DRAWING NR: 12984775 DATE: 04-NOV-2004 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin FOB POINT: Destination		EA	\$ ** N/A **	
0003	<u>DATA ITEM</u> NOUN: CONTRACT DATA REQ LIST SECURITY CLASS: Unclassified CONTRACTOR WILL PREPARE AND DELIVER THE TECHNICAL DATA IN ACCORDANCE WITH THE REQUIREMENTS, QUANTITIES AND SCHEDULES SET FORTH IN THE CONTRACT DATA REQUIREMENTS LISTS (DD FORM 1423), EXHIBIT A. IT IS REQUIRED THAT DATA ITEMS BE DELIVERED USING ELECTRONIC MEDIA. REFER TO THE DD FORM 1423 FOR MORE SPECIFIC ELECTRONIC DELIVERY INFORMATION A DD250 IS NOT REQUIRED (End of narrative A001) <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination			\$ ** NSP **	\$ ** NSP **

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260 MOD/AMD	Page 5 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 001	PRICING EVALUATION SHEET		001	

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 4

2. Amendment/Modification No. P00001 3. Effective Date 2006APR25 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By Code W52H09 TACOM-ROCK ISLAND AMSTA-LC-CPA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL 7. Administered By (If other than Item 6) Code S4402A DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEK SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S. Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260 10B. Dated (See Item 13) 2005AUG03

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8

It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30 Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) VICKI AHLGRIM VICKI.AHLGRIM@US.ARMY.MIL (309) 782-3220 15B. Contractor/Offeror 15C. Date Signed 30-105-02 16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer) 16C. Date Signed 2006APR25 (Signature of person authorized to sign)

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CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SIIN W52H09-05-D-0260 MOD/AMD P00001	Page 2 of 4
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION TO BASIC AWARD W52H09-05-D-0260 IS TO:

- 1) INCORPORATE AN ASSIGNMENT OF CLAIMS PER FAR 32.801
- 2) DELETE ALL REFERENCE TO TRITIUM THROUGHOUT THIS AWARD, MIL SPEC, TDP, OR ANY OTHER ATTACHMENT ASSOCIATED WITH THIS AWARD.
- 3) DELETE REFERENCE TO QAPS AND AIE. THEY DO NOT APPLY.
- 4) INCORPORATE THE FOLLOWING ECPS AT NO COST TO THE GOVERNMENT:
H04A2062, H04A5016, H04A5005, H04A2074, H05A2044.
- 5) Incorporate the following verbiage in regards to the TDP, ECPS, ect.:

"On all drawings where Finish 4.10 is called out as a cleaning operation, any method of vapor degreasing or solvent cleaning that leaves a clean and water break free surface, and removes any organic contaminants or other interfering films is acceptable."

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 005 ***

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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SIN W52H09-05-D-0260 MOD/AMD P00001	Page 3 of 4
Name of Offeror or Contractor: OPTEX SYSTEMS INC		

SECTION I - CONTRACT CLAUSES

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
I-1 ADDED	52.232-23	ASSIGNMENT OF CLAIMS	JAN/1986

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 4 of 4
	PIIN/SIIN W52H09-05-D-0260	MOD/AMD P00001	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 002	ECP H04A2062			
Attachment 003	ECP H04A2074			
Attachment 004	ECP H04A5005			
Attachment 005	ECP H04A5016			
Attachment 006	ECP H05A2044			

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00002 3. Effective Date 2006MAY18 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CPA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code ORK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260 10B. Dated (See Item 13) 2005AUG03 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8

It Modifies The Contract/Order No. As Described In Item 14.

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) VICKI ARLGRIEM VICKI.AHLGRIMBUS.ARMY.MIL (309) 782-3220
15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2006MAY18
By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 3
	PIIN/SIIN W52H09-05-D-0260	MOD/AMD P00002	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION
THE PURPOSE OF THIS MODIFICATION IS TO:

- 1) INCORPORATE ECPS H04A2076, H04A5007, H04A5012.
- 2) AS A RESULT OF THE INCORPORATION THE THE ECPS, THE UNIT PRICES FOR CLINS 0001 AND 0002 HAVE INCREASED BY PER UNIT. REVISED PRICING SHEET IS ATTACHED.
- 3) CORRECT VERBIAGE IN MIL-T-48554:
 - a) In paragraph 3.6.2, "...3.5.8 through 3.5.9.2 inclusive..." should be replaced by "...3.11.6 through 3.11.7.2 inclusive and 3.11.2.5..."
 - b) In paragraph 3.6.3, the sentence "15 in each direction of 3 mutually perpendicular axes" and the word "each" at the end of the sentence: "Vertical: +50g half sine wave .010 sec. +/- .001 sec. duration, 15 each" should be removed.
 - c) In paragraph 3.6.4.2, in the last sentence "...shall exhibit no evidence of damage or physical failure and shall meet the requirements of this specification." the word "the" should be replaced with the word "all".
 - d) In the table heading "At -50 degrees F and +150 degrees F" in paragraph 3.11.6, "+150" should be replaced with "+145"
 - e) In paragraph 4.2, the last sentence should read "The telescopes shall be tested in accordance with, and meet the requirements of, Tables I and II and paragraphs 4.9.2 and 4.9.3."
 - f) In Table I, the requirement for Vibration "B" should be changed from "3.6.5" to "3.6.4.2" and the Test procedure for Collimation Change should be changed from "4.7.2" to "4.7.3".
 - g) The reliability assurance testing, if performed, will be done by the government
 - h) In paragraph 4.9.1, "3.7.1" should be changed to "3.6.1", also "3.12" should be changed to "3.11.6 through 3.11.7.2 inclusive" and "3.7.6" should be changed to "3.7 through 3.14 inclusive".
 - i) In paragraph 4.9.3, the first sentence should read "This test is applicable to the Reliability Assurance Samples and First Article Samples only."
 - j) In paragraph 4.9.4, the two references to "3.6.5" should both be changed to "3.6.4.2"

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 006 ***

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CONTINUATION SHEET	Reference No. of Document Being Continued	Page 3 of 3
	PIIN/SHN W52H09-05-D-0260 MOD/AMD P00002	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 007	ECP H04A2076			
Attachment 008	ECP H04A5007			
Attachment 009	ECP H04A5012			

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00003 3. Effective Date 2006AUG18 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By Code W52H09 TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL 7. Administered By (If other than Item 6) Code S4402A DCGA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S. Code 08K64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260 10B. Dated (See Item 13) 2005AUG03

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)		16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541	
15B. Contractor/Offeror (Signature of person authorized to sign)	15C. Date Signed	16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)	16C. Date Signed 2006AUG18

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIN W52H09-05-D-0260 MOD/AMD P00003	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00003 TO W52H09-05-D-0260 IS TO:

- 1) INCORPORATE THE ECPS H05A5003, H05A2035, H06A2018, H06A2027 (NORS 1-7 ONLY), H06A5003
- 2) INCORPORATE REQUESTS FOR DEVIATION (RFD)s H06A7022,
- 3) INCORPORATE THE FOLLOWING VERBIAGE IN REGARDS TO THE TECHNICAL DATA PACKAGE:
 - a) On THE TOP VIEW OF drawing 8587347, the ".144 +.005/-.001 dia" should read ".144 +.005/-.001 dia, .32+.01 deep, 2 holes."
 - b) For P/N 13012648 (Singlet):
 - Note 3. Equivalent F.L. (NOMINAL) = 2.484"
 - Note 4. Back Focal Length = 2.403" +/-0.009"
 - For P/N 13012649 (Doublet):
 - Note 5. Equivalent Focal Length (NOMINAL) = 5.986"
 - Back Focal Length was not specified in the original, and as such, may be left unstated.

THE ABOVE IS ACCOMPLISHED AT NO ADDITIONAL COST TO THE GOVERNMENT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 007 ***

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 010	ECP H05A5003			
Attachment 011	ECP H05A2035			
Attachment 012	ECP H06A2018			
Attachment 013	ECP H06A2027			
Attachment 014	ECP H06A5003			
Attachment 015	RPD H06A7022			

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PHN/SIN W52H09-05-D-0260
MOD/AMD P00003
ATT/EXH ID Attachment 011
PAGE 1



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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00004 3. Effective Date 2007JUN15 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A EMAIL: CHRISTINE.CARSON@US.ARMY.MIL SCD A PAS S4402AS703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S. Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260 10B. Dated (See Item 13) 2005AUG03

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8 It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority) E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30 Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 15B. Contractor/Offeror 15C. Date Signed 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 16B. United States Of America 16C. Date Signed 2007JUN15 By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION
THE PURPOSE OF THIS MODIFICATION P00004 IS TO:

- 1) INCORPORATE ECPS H06A2031, H06A2064, H07A2001, H06A2091, H07A5002.
- 2) INCORPORATE REQUESTS FOR WAIVERS (RFWs) H06A6051, H06A6052, H06A6053, H06A6061, H06A6083, H06A6084, H06A7060, H06A7061, H06A7053, H07A6011, H07A6032, H07A6033, H07A6034, H07A6035, H07A6036, H07A6037.
- 3) THE DODAAC FOR SHIPMENT OF FIRST ARTICLE TEST REPORT IS CORRECTED TO W52H09.

THE ABOVE IS INCORPORATED AT NO ADDITIONAL COST TO THE GOVERNMENT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0008 ***

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 0016	H06A6051			
Attachment 0017	H06A2064			
Attachment 0018	H06A2091			
Attachment 0019	H07A2001			
Attachment 0020	H07A5002			
Attachment 0021	H06A6051			
Attachment 0022	H06A6052			
Attachment 0023	H06A6053			
Attachment 0024	H06A6061			
Attachment 0025	H06A6083			
Attachment 0026	H06A6084			
Attachment 0027	H06A7060			
Attachment 0028	H06A7061			
Attachment 0029	H06A7053			
Attachment 0030	H07A6011			
Attachment 0031	H07A6032			
Attachment 0032	H07A6033			
Attachment 0033	H07A6034			
Attachment 0034	H07A6035			
Attachment 0035	H07A6036			
Attachment 0036	H07A6037			

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT I. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00005 3. Effective Date 2007OCT12 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code WS2H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code DBK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2H09-05-D-0260 10B. Dated (See Item 13) 2005AUG03 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A. The Changes Set Forth In Item 14 Are Made In B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30 Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Officer 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007OCT12 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260 MOD/AMD P00005	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00005 TO W52H0905D0260 IS TO:

- 1) INCORPORATE ECP H07A2020.
 - 2) AS A RESULT OF THE ABOVE CHANGE THE UNIT PRICE IS INCREASED BY $\frac{1}{2}$ PER UNIT. SEE ATTACHED REVISED PRICING SPREADSHEET.
- ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0009 ***

***Confidential Treatment Requested**

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260 MOD/AMD P00005	Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 0037	ECP H07A2020			

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 3

2. Amendment/Modification No. P00006 3. Effective Date 2009AUG20 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND CCTA-AR-FA MATTHEW KOPEL (309)782-7888 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260 10B. Dated (See Item 13) 2009AUG03 Code 08K64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority) 43.103 (a) (3)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Contract Expiration Date: 2010JUN30

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.KLEIN@US.ARMY.MIL (309)782-5051 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2009AUG20 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260 MOD/AMD P00006	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

1. The purpose of this modification is to incorporate the following Engineering Change Proposal for Packaging changes:

H09A2003, 9 pgs

2. As a result of the incorporation of the Packaging ECP, the unit prices for CLINS 0001 and 0002 have increase by ~~X~~ and ~~X~~.
Revised pricing spreadsheet is attached as pg 2a.

3. All other terms and conditions remain unchanged.

*** END OF NARRATIVE A0010 ***

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260 MOD/AMD P00006	Page 3 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION J - LIST OF ATTACHMENTS

<u>List of Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number of Pages</u>	<u>Transmitted By</u>
Attachment 0038	ECP H09A2003	03-MAR-2009	009	

ORDER FOR SUPPLIES OR SERVICES					PAGE 1 OF 8	
1. CONTRACT PURCH ORDER/AGREEMENT NO. W52H09-05-D-0260		2. DELIVERY ORDER/CALL NO. 0001		3. DATE OF ORDER/CALL (YYYYMMDD) 2005AUG03	4. REQUISITION/PURCH REQUEST NO. SEE SCHEDULE	5. PRIORITY DOAS
6. ISSUED BY TACOM-ROCK ISLAND AMSTA-LC-CPA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL			7. ADMINISTERED BY (If other than 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843		8. DELIVERY FOB <input type="checkbox"/> DESTINATION <input checked="" type="checkbox"/> OTHER (See Schedule if other)	CODE W52H09 CODE S4402A
9. CONTRACTOR NAME AND ADDRESS OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769		10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) SEE SCHEDULE	11. X IF BUSINESS IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED		12. DISCOUNT TERMS	13. MAIL INVOICES TO THE ADDRESS IN BLOCK See Block 15
14. SHIP TO SEE SCHEDULE		15. PAYMENT WILL BE MADE BY DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381			MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2	CODE DBK64 CODE HQ0339
16. TYPE OF ORDER	DELIVERY/ CALL <input checked="" type="checkbox"/>	THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.				
PURCHASE	Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____, furnish the following on terms specified herein.	ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH AND AGREES TO PERFORM THE SAME.				
NAME OF CONTRACTOR	SIGNATURE	TYPED NAME AND TITLE	DATE SIGNED (YYYYMMDD)			
<input type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:						
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE SEE SCHEDULE						
18. ITEM NO.	19. SCHEDULE OF SUPPLIES/SERVICE		20. QUANTITY ORDERED/ ACCEPTED*	21. UNIT	22. UNIT PRICE	23. AMOUNT
	SEE SCHEDULE CONTRACT TYPE: Firm-Fixed-Price KIND OF CONTRACT: Supply Contracts and Priced Orders					
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.			24. UNITED STATES OF AMERICA VICKI AHLGRIM /SIGNED/ VICKI.AHLGRIM@US.ARMY.MIL (309) 782-3220 BY: _____ CONTRACTING/ORDERING OFFICER		25. TOTAL \$3,291,724.90	26. DIFFERENCES
27a. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED						
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE			c. DATE (YYYYMMDD)	d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE			28. SHIP. NO. <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	29. D.O. VOUCHER NO.	30. INITIALS	31. AMOUNT VERIFIED CORRECT FOR
f. TELEPHONE NUMBER		g. E-MAIL ADDRESS	31. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	32. PAID BY	33. CHECK NUMBER	34. BILL OF LADING NO.
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.						
a. DATE (YYYYMMDD)	b. SIGNATURE AND TITLE OF CERTIFYING OFFICER					
37. RECEIVED AT	38. RECEIVED BY (Print)	39. DATE RECEIVED (YYYYMMDD)	40. TOTAL CONTAINERS	41. S/R ACCOUNT NUMBER	42. S/R VOUCHER NO.	

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD	Page 2 of 8
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SUPPLEMENTAL INFORMATION

1. THIS DELIVERY ORDER, 0001, TO CONTRACT W52H09-05-D-0260 IS FOR * EACH M137A2 PANORAMIC TELESCOPE, NSN: 1240-01-483-6103 FOR CLINE 0001AB (179) AND 0001AC (75), AND * EACH M137A3 PANORAMIC TELESCOPE, NSN: 1240-01-483-6100 FOR CLIN 0002AA.
2. UNIT PRICES HAVE BEEN ADJUSTED ON THIS DELIVERY ORDER TO AMORTIZE FIRST ARTICLE TEST COSTS. FUTURE DELIVERY ORDERS WILL USE UNIT PRICES PROPOSED BY THE CONTRACTOR FOR THE APPROPRIATE QUANTITY RANGES AND ORDERING PERIOD, AS SUBMITTED BY THE CONTRACTOR 8 JULY 2005.
3. THIS ORDER IS ISSUED DURING ORDERING PERIOD 1 (DATE OF AWARD - 30 JUN 2006) FOR A TOTAL PRICE OF \$3,291,724.90.
4. FIRST ARTICLE TEST (PAT) IS REQUIRED. FOR CLIN 0001AA, PAT INCLUDES * EACH M137A2 PANORAMIC TELESCOPES. PAT REPORT IS DUE 1 JUN 2006 (300 DAYS AFTER AWARD).
5. FOR CLINS 0001AB AND 0001AC, DELIVERY OF THE INITIAL QUANTITY OF * EACH IS DUE 30 OCT 06 (450 DAYS AFTER AWARD), FOB DESTINATION, AND * EACH PER MONTH THEREAFTER.
FOR CLIN 0002AA, DELIVERY OF THE INITIAL QUANTITY OF * EACH IS DUE 30 OCT 06 (450 DAYS AFTER AWARD), FOB DESTINATION, AND * PER MONTH THEREAFTER.
6. EARLY DELIVERIES ARE AUTHORIZED AT NO ADDITIONAL COST TO THE GOVERNMENT.
7. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 001 ***

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	NSN: 1240-01-483-6103 FSCM: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified				
0001AA	<u>FIRST ARTICLE</u> NOUN: FIRST ARTICLE TEST REPORT <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30 <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 01-JUN-2006 FOB POINT: Destination SHIP TO: (255555) TACOM-ROCK ISLAND ATTN AMSTA-LC-CFA ROCK ISLAND IL 61299-7630 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001	*	LO	\$ ** NSP **	\$ ** NSP **
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: W15AF06M1 PRON AMD: 01 ACRN: AA AMS CD: 33104540041 CUSTOMER ORDER NO: 2CSAF1081ALP <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin	*	EA	\$ *	\$ *

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0260/0001 MOD/AMD	Page 4 of 8
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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p><u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H095207T701 W52H1C J W52H1C 1 <u>PROJ CD BRK BLK PT</u> G19 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-OCT-2006 002 * 30-NOV-2006 003 * 29-DEC-2006 004 * 30-JAN-2007 005 * 28-FEB-2007 006 * 30-MAR-2007 007 * 30-APR-2007 008 * 30-MAY-2007 009 * 29-JUN-2007 010 * 30-JUL-2007 011 * 30-AUG-2007</p> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU W0K8 USA OSC ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p>MARK FOR: XU W0K8 USA OSC ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p>				
0001AC	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: TELESCOPE, PANORAMIC PRON: M151F192M1 FROM AMD: 01 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>	*	EA	\$ *	\$ *

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD	Page 5 of 8
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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																				
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0002	<p>NSN: 1240-01-483-6100 FSCM: 19200 PART NR: 12984775 SECURITY CLASS: Unclassified</p>																																																								
0002AA	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: TELESCOPE,PANORAMIC PRON: M151F193M1 PRON AMD: 01 ACRN: AB AMS CD: 060011</p>	*	EA	\$ *	\$ *																																																				

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD	Page 6 of 8
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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																													
0003	<p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse; font-size: small;"> <tr> <td>DOC</td> <td colspan="5">SUPPL</td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095205H983</td> <td>W31G12</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse; font-size: small;"> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-OCT-2006</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-NOV-2006</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>29-DEC-2006</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W31G12) XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p> <table style="width:100%; border-collapse: collapse; font-size: small;"> <tr> <td>DOC</td> <td colspan="5">SUPPL</td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>W52H095205H984</td> <td>W62G2T</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse; font-size: small;"> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>29-DEC-2006</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-JAN-2007</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>28-FEB-2007</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 10 PH 209 839 4307 TRACY CA 95304-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p> <p><u>DATA ITEM</u></p> <p>NOUN: CONTRACT DATA REQ LIST SECURITY CLASS: Unclassified</p>	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095205H983	W31G12	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	30-OCT-2006	002	*	30-NOV-2006	003	*	29-DEC-2006	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W52H095205H984	W62G2T	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	29-DEC-2006	002	*	30-JAN-2007	003	*	28-FEB-2007				\$ ** NSP **	\$ ** NSP **
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Confidential Treatment Requested

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>CONTRACTOR WILL PREPARE AND DELIVER THE TECHNICAL DATA IN ACCORDANCE WITH THE REQUIREMENTS, QUANTITIES AND SCHEDULES SET FORTH IN THE CONTRACT DATA REQUIREMENTS LISTS (DD FORM 1423), EXHIBIT A. IT IS REQUIRED THAT DATA ITEMS BE DELIVERED USING ELECTRONIC MEDIA. REFER TO THE DD FORM 1423 FOR MORE SPECIFIC ELECTRONIC DELIVERY INFORMATION</p> <p>A DD250 IS NOT REQUIRED</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination</p>				

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD	Page 8 of 8
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/	OBLG ACRN STAT	ACCOUNTING CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
0001AB	W15AFC06M1 33104540041 2CSAP1081ALP	AA 2 21	52033000056D6D02P33104526KB S11116	576C06	W52H09 \$	*
0001AC	M151F192M1 060011	AB 2 97	X4930AC9G 6D 26KB S11116		W52H09 \$	*
0002AA	M151F193M1 060011	AB 2 97	X4930AC9G 6D 26KB S11116		W52H09 \$	*
TOTAL						\$ *

SERVICE NAME	TOTAL BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	OBLIGATED AMOUNT
Army	AA	21 52033000056D6D02P33104526KB S11116	W52H09	\$ *
Arvy	AB	97 X4930AC9G 6D 26KB S11116	W52H09	\$ *
TOTAL				\$ 3,291,724.90

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 7

2. Amendment/Modification No. 01 3. Effective Date 2006MAY25 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code W52H09 Code S4402A SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0001 10B. Dated (See Item 13) 2005AUG03 Code DBK64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8 A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) VICKI AHLGRIM VICKI.AHLGRIM@US.ARMY.MIL (309) 782-3220 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2006MAY25 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 7
	PIIN/SIIN W52H09-05-D-0260/0001	MOD/AMD 01	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 01 TO W52H09-05-D-0260 DELIVERY ORDER 0001 IS TO:

- 1) AS A RESULT OF INCORPORATING ECPS H04A2076, H04A5007, H04A5012, THE UNIT PRICE OF CLINS 0001AB, 0001AC, AND 0002AA HAVE BEEN INCREASED BY * PER UNIT.
- 2) THIS IS A TOTAL INCREASE TO DELIVERY ORDER 0001 OF *
- 3) AS A RESULT OF CORRECTIONS TO THE TECHNICAL DATA PACKAGE, THE DUE DATE FOR THE FIRST ARTICLE TEST REPORT IS REVISED FROM: 01-JUN-2006 TO: 28-JUL-2006.
- 4) ALLOW FOR THE PURCHASE OF LONG LEAD ITEMS PRIOR TO FIRST ARTICLE APPROVAL TO FACILITATE ON-TIME DELIVERY, IN ACCORDANCE WITH CLAUSE I-78 OF THE CONTRACT, FAR 52.209-3, FIRST ARTICLE APPROVAL - CONTRACTOR TESTING, ALTERNATE I AND ALTERNATE II.

THE FOLLOWING ITEMS ARE HEREBY AUTHORIZED AS LONG LEAD ITEMS. THE COST ASSOCIATED WITH THESE ITEMS MAY INCLUDE THE PURCHASE OF MATERIALS AS WELL AS PRODUCTION TO THE EXTENT ESSENTIAL TO MEET THE DELIVERY SCHEDULE.

MATERIAL	AMOUNT
BEARINGS	*
CASTINGS	*
CIRCUIT CARD	*
COUNTER	*
FIBER OPTIC	*
GEAR	*
HARDWARE	*
ID PLATE	*
MACHINED COMPONENTS	*
OPTICS	*
PACKING	*
RELIEF VALVE	*
SEAL	*
SPRING	*
SWITCH	*

IN ACCORDANCE WITH THE DOD PROGRESS PAYMENTS CLAUSE, DFARS 252.232-7004, BY REFERENCE CLAUSE I-65 OF THE CONTRACT, PAYMENT REQUESTS MAY BE SUBMITTED FOR NO MORE THAN 90% OF THE ABOVE AMOUNT, OR * ACCOMPANIED BY SUPPORTING DOCUMENTATION.

- 5) AS A RESULT OF NUMBER 4 ABOVE, FAR 52.232-4506 PROGRESS PAYMENT LIMITATION, IS HEREBY SUPERCEDED BY THE ABOVE.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 002 ***

*Confidential Treatment Requested

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																								
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS																												
0001	NSN: 1240-01-483-6103 FSCM: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified																												
0001AA	<u>FIRST ARTICLE</u> NOUN: FIRST ARTICLE TEST REPORT <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30 <u>Deliveries or Performance</u> DOC SUPPL <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>001</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td colspan="2" style="border-bottom: 1px solid black;">DEL DATE</td> <td colspan="2"></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td colspan="2">28-JUL-2006</td> <td colspan="2"></td> </tr> </table> FOB POINT: Destination SHIP TO: (Z55555) <u>CONTRACT/DELIVERY ORDER NUMBER</u> WS2H09-05-D-0260/0001 SHIP TO: TACOM-ROCK ISLAND ATTN: AMSTA-LC-CPA CHRISTINE CARSON ROCK ISLAND IL 61299-7630 (End of narrative P001)	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001						DEL REL CD	QUANTITY	DEL DATE				001	*	28-JUL-2006				1	LO	\$ ** NSP **	\$ ** NSP **
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																								
001																													
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001	*	28-JUL-2006																											
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: W15APC06M1 PRON AMD: 02 ACRN: AA AMS CD: 33104540041 CUSTOMER ORDER NO: 2CSAP1081ALF <u>Packaging and Marking</u> <u>Inspection and Acceptance</u>	*	EA	\$ *	\$ 1,889,602.76																								

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	INSPECTION: Origin ACCEPTANCE: Origin				
	Deliveries or Performance				
	DOC SUPPL				
	REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD				
	001 W52H095207T701 W52H1C J W52H1C 1				
	PROJ CD BRK BLK PT				
	G19				
	DEL REL CD QUANTITY DEL DATE				
	001 * 30-OCT-2006				
	002 * 30-NOV-2006				
	003 * 29-DEC-2006				
	004 * 30-JAN-2007				
	005 * 28-FEB-2007				
	006 * 30-MAR-2007				
	007 * 30-APR-2007				
	008 * 30-MAY-2007				
	009 * 29-JUN-2007				
	010 * 30-JUL-2007				
	011 * 30-AUG-2007				
	FOB POINT: Destination				
	SHIP TO: FREIGHT ADDRESS				
	(W52H1C) XU W0K6 USA ROCK ISL ARSENAL				
	BLDG 299 GILLESPIE AV AND BECK LANE				
	ROCK ISLAND IL 61299-5000				
	MARK FOR: XU W0K6 USA ROCK ISL ARSENAL				
	TRANSPORTATION OFFICE				
	BLDG 102 RODMAN AVE AND GILLESPIE				
	ROCK ISLAND IL 61299-5000				
	CONTRACT/DELIVERY ORDER NUMBER				
	W52H09-05-D-0260/0001				
0001AC	PRODUCTION QUANTITY	*	EA	\$ *	\$ 791,733.00
	NOUN: TELESCOPE, PANORAMIC				
	PRON: M151F192M1 PRON AMD: 01 ACRN: AB				
	AMS CD: 060011				
	Packaging and Marking				
	Inspection and Acceptance				

038

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																																											
	<p>INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><u>DOC</u></td> <td style="width:10%;"></td> <td style="width:10%;"><u>SUPPL</u></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095207H983</td> <td>W31G1Z</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td colspan="3"></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-OCT-2006</td> <td colspan="3"></td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-NOV-2006</td> <td colspan="3"></td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>29-DEC-2006</td> <td colspan="3"></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u> (W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"><u>DOC</u></td> <td style="width:10%;"></td> <td style="width:10%;"><u>SUPPL</u></td> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:10%;"></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>W52H095207H984</td> <td>W62G2T</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td colspan="3"></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>29-DEC-2006</td> <td colspan="3"></td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-JAN-2007</td> <td colspan="3"></td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>28-FEB-2007</td> <td colspan="3"></td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>30-MAR-2007</td> <td colspan="3"></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 10 PH 209 839 4307 TRACY CA 95304-5000</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p>	<u>DOC</u>		<u>SUPPL</u>				<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095207H983	W31G1Z	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	*	30-OCT-2006				002	*	30-NOV-2006				003	*	29-DEC-2006				<u>DOC</u>		<u>SUPPL</u>				<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W52H095207H984	W62G2T	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	*	29-DEC-2006				002	*	30-JAN-2007				003	*	28-FEB-2007				004	*	30-MAR-2007								
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*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																									
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003	✕		28-FEB-2007																																																																											

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 7 of 7
	PHN/SHN	W52H09-05-D-0260/0001	MOD/AMD 01

Name of Offeror or Contractor: OPTIK SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AB	W15AFC06M1 33104540041 2C5AF1081ALP	AA	2 576C06	\$ *	\$ *	\$ *
0001AC	M151F192M1 060011	AB	2	\$ *	\$ *	\$ *
0002AA	M151F193M1 060011	AB	2	\$ *	\$ *	\$ *
NET CHANGE				\$	\$ *	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AA	21 52033000056D6D02P33104526KB S11116	W52H09	\$ *
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	\$ *
NET CHANGE				\$ *

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$	\$ *	\$ 3,298,440.26

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm-Fixed-Price

Page 1 Of 6

2. Amendment/Modification No.

02

3. Effective Date

2007JAN08

4. Requisition/Purchase Req No.

SEE SCHEDULE

5. Project No. (If applicable)

6. Issued By

TACOM-ROCK ISLAND
AMSTA-LC-GAWC-B
CHRISTINE CARSON (309) 782-4301
ROCK ISLAND IL 61299-7630

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL

Code W52H09

7. Administered By (If other than Item 6)

DCMA DALLAS
600 NORTH PEARL STREET
SUITE 1630
DALLAS TX 75201-2843

Code S4402A

SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)

OPTEK SYSTEMS INC
1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769

TYPE BUSINESS: Other Small Business Performing in U.S.

Code 0BK64

Facility Code

9A. Amendment Of Solicitation No.

9B. Dated (See Item 11)

10A. Modification Of Contract/Order No.

W52H09-05-D-0260/0001

10B. Dated (See Item 13)

2005AUG03

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
NO CHANGE TO OBLIGATION DATA

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 4

It Modifies The Contract/Order No. As Described In Item 14.

- A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.
B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:
D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)
15B. Contractor/Officer
15C. Date Signed
16A. Name And Title Of Contracting Officer (Type or print)
16B. United States Of America
16C. Date Signed

NSN 7540-01-152-8070
PREVIOUS EDITIONS UNUSABLE

30-105-02

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA FAR (48 CFR) 53.243

C42

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD 02	Page 2 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 02 TO W52H0905D0260 DELIVERY ORDER 0001 IS TO REVISE THE DELIVERY SCHEDULE. THIS SCHEDULE REVISION IS NECESSARY BECAUSE OF ONGOING TECHNICAL DATA ISSUES, ENGINEERING CHANGE PROPOSALS, ETC. THEREFORE, THE SCHEDULE REVISION IS DONE AT NO COST TO EITHER PARTY.

SEE SCHEDULE B FOR REVISED DELIVERY DATES.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0003 ***

C43

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AA	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>FIRST ARTICLE</u></p> <p>NOUN: FIRST ARTICLE TEST REPORT</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Destination Government Approval/Disapproval Days: 30</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 DEL REL CD QUANTITY DEL DATE 001 * 09-MAR-2007</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (255555) CONTRACT/DELIVERY ORDER NUMBER W52H09-05-D-0260/0001</p> <p>SHIP TO: TACOM-ROCK ISLAND ATTN: AMSTA-LC-GAWC CHRISTINE CARSON BLDG 104, 2ND FLR, SE ROCK ISLAND IL 61299-7630</p> <p>MARK FOR ATTN: CHRISTINE CARSON</p> <p style="text-align: center;">(End of narrative F001)</p>	*	LO	\$ ** NSP **	\$ ** NSP **
0001AB	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: TELESCOPE, PANORAMIC PRON: W15APC06M1 PRON AMD: 02 ACRN: AA AMS CD: 33104540041 CUSTOMER ORDER NO: 2C5AF1081ALP</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p>	*	EA	\$ *	\$ 1,889,602.76

*Confidential Treatment Requested

244

CONTINUATION SHEET	Reference No. of Document Being Continued PHN/SHN W52H09-05-D-0260/0001 MOD/AMD 02	Page 4 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																												
	<p>DOC SUPPL</p> <table border="1"> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095207T701</td> <td>W52H1C</td> <td>J</td> <td>W52H1C</td> <td>1</td> </tr> <tr> <td></td> <td><u>PROJ CD</u></td> <td><u>BRK BLK PT</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>G19</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <table border="1"> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td>*</td> <td>30-MAR-2007</td> </tr> <tr> <td>002</td> <td>*</td> <td>30-APR-2007</td> </tr> <tr> <td>003</td> <td>*</td> <td>30-MAY-2007</td> </tr> <tr> <td>004</td> <td>*</td> <td>30-JUN-2007</td> </tr> <tr> <td>005</td> <td>*</td> <td>30-JUL-2007</td> </tr> <tr> <td>006</td> <td>*</td> <td>30-AUG-2007</td> </tr> <tr> <td>007</td> <td>*</td> <td>30-SEP-2007</td> </tr> <tr> <td>008</td> <td>*</td> <td>30-OCT-2007</td> </tr> <tr> <td>009</td> <td>DELETED</td> <td></td> </tr> <tr> <td>010</td> <td>DELETED</td> <td></td> </tr> <tr> <td>011</td> <td>DELETED</td> <td></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU WOKS USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p>MARK FOR: <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095207T701	W52H1C	J	W52H1C	1		<u>PROJ CD</u>	<u>BRK BLK PT</u>					G19					<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	30-MAR-2007	002	*	30-APR-2007	003	*	30-MAY-2007	004	*	30-JUN-2007	005	*	30-JUL-2007	006	*	30-AUG-2007	007	*	30-SEP-2007	008	*	30-OCT-2007	009	DELETED		010	DELETED		011	DELETED					
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*Confidential Treatment Requester

245

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																		
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C46

Name of Offeror or Contractor: OPTEX SYSTEMS INC

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*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 7

2. Amendment/Modification No. 03 3. Effective Date 2007OCT12 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0001 10B. Dated (See Item 13) 2005AUG03 Code OBR64 Facility Code TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8 A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007OCT12 By /SIGNED/ (Signature of Contracting Officer)

c48

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0260/0001 MOD/AMD 03	Page 2 of 7
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 03 TO W52H0905D0260 DO 0001 IS TO:

- 1) TO INCREASE THE UNIT PRICE OF 0001AB, 0001AC, AND 0002AA BY * ... EACH, DUE TO INCORPORATION OF ECP H07A2020 INTO BASIC AWARD. THIS IS A TOTAL INCREASE TO DELIVERY ORDER 0001 OF * FROM * TO *
- 2) TO REVISE THE DELIVERY SCHEDULE. SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0004 ***

***Confidential Treatment Requested**

C44

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																														
0001	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS NSN: 1240-01-483-6103 FSCM: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified																																																		
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE,PANORAMIC PRON: W15APC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041 CUSTOMER ORDER NO: 2C5AF1081ALF <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095207T701</td> <td>W52H1C</td> <td>J</td> <td>W52H1C</td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>PROJ CD</u></td> <td style="border-bottom: 1px solid black;"><u>BRK BLK PT</u></td> </tr> <tr> <td>G19</td> <td></td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-OCT-2007</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-NOV-2007</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>30-DEC-2007</td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>30-JAN-2008</td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td>28-FEB-2008</td> </tr> <tr> <td>006</td> <td style="text-align: center;">*</td> <td>30-MAR-2008</td> </tr> <tr> <td>007</td> <td style="text-align: center;">*</td> <td>30-APR-2008</td> </tr> <tr> <td>008</td> <td style="text-align: center;">*</td> <td>30-MAY-2008</td> </tr> <tr> <td>009</td> <td style="text-align: center;">*</td> <td>30-JUN-2008</td> </tr> </table> FOB POINT: Destination SHIP TO: (W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 MARK FOR: XU W0K8 USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 ROEMAN AVE AND GILLESPIE	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095207T701	W52H1C	J	W52H1C	1	<u>PROJ CD</u>	<u>BRK BLK PT</u>	G19		<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	30-OCT-2007	002	*	30-NOV-2007	003	*	30-DEC-2007	004	*	30-JAN-2008	005	*	28-FEB-2008	006	*	30-MAR-2008	007	*	30-APR-2008	008	*	30-MAY-2008	009	*	30-JUN-2008	*	EA	\$ *	\$ 1,893,734.08
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*Confidential Treatment Requested

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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																																																												
0001AC	<p>ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: TELESCOPE, PANORAMIC PRON: M151P192M1 PRON AMD: 03 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td>DOC</td> <td colspan="2">SUPPL</td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H095207H983</td> <td>W31G1Z</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-OCT-2007</td> <td></td> <td></td> <td></td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-NOV-2007</td> <td></td> <td></td> <td></td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>30-DEC-2007</td> <td></td> <td></td> <td></td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>30-JAN-2008</td> <td></td> <td></td> <td></td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td>28-FEB-2008</td> <td></td> <td></td> <td></td> </tr> <tr> <td>006</td> <td style="text-align: center;">*</td> <td>30-MAR-2007</td> <td></td> <td></td> <td></td> </tr> <tr> <td>007</td> <td>DELETED</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td>DOC</td> <td colspan="2">SUPPL</td> <td></td> <td></td> <td></td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>002</td> <td>W52H095207H984</td> <td>W62G2T</td> <td>J</td> <td></td> <td>1</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> <td></td> <td></td> <td></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-OCT-2007</td> <td></td> <td></td> <td></td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-NOV-2007</td> <td></td> <td></td> <td></td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>30-DEC-2007</td> <td></td> <td></td> <td></td> </tr> </table>	DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H095207H983	W31G1Z	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	*	30-OCT-2007				002	*	30-NOV-2007				003	*	30-DEC-2007				004	*	30-JAN-2008				005	*	28-FEB-2008				006	*	30-MAR-2007				007	DELETED					DOC	SUPPL					<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W52H095207H984	W62G2T	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	*	30-OCT-2007				002	*	30-NOV-2007				003	*	30-DEC-2007				*	EA	\$*	\$ 793,464.00
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*Confidential Treatment Requested

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																														
	004 * 30-JAN-2008																																		
	005 * 28-FEB-2008																																		
	006 * 30-MAR-2008																																		
	007 DELETED																																		
	FOB POINT: Destination SHIP TO: (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 10 PH 209 839 4307 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001																																		
0002	NSN: 1240-01-483-6100 FSCN: 19200 PART NR: 12984775 SECURITY CLASS: Unclassified																																		
0002AA	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: M151F193M1 PRON AMD: 03 ACRN: AB AMS CD: 060011 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>001</td> <td>W52H095205H983</td> <td>W31G1Z</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DEL DATE</td> </tr> <tr> <td>001</td> <td>*</td> <td>30-JAN-2008</td> </tr> <tr> <td>002</td> <td>*</td> <td>28-FEB-2008</td> </tr> <tr> <td>003</td> <td>*</td> <td>30-MAR-2008</td> </tr> <tr> <td>004</td> <td>*</td> <td>30-APR-2008</td> </tr> <tr> <td>005</td> <td>*</td> <td>30-MAY-2008</td> </tr> </table> FOB POINT: Destination SHIP TO:	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001	W52H095205H983	W31G1Z	J		1	DEL REL CD	QUANTITY	DEL DATE	001	*	30-JAN-2008	002	*	28-FEB-2008	003	*	30-MAR-2008	004	*	30-APR-2008	005	*	30-MAY-2008	*	EA	\$ *	\$ 618,258.50
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																														
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DEL REL CD	QUANTITY	DEL DATE																																	
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003	*	30-MAR-2008																																	
004	*	30-APR-2008																																	
005	*	30-MAY-2008																																	

*Confidential Treatment Requested

02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
(W31G12)	XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001 DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 002 W52H09S205R984 W62G2T J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-JAN-2008 002 * 28-FEB-2008 003 * 30-MAR-2008 004 * 30-APR-2008 005 * 30-MAY-2008 FOB POINT: Destination SHIP TO: (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 10 PH 209 839 4307 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001				

*Confidential Treatment Requested

053

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0260/0001 MOD/AMD 03	Page 7 of 7
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AB	W15AFC06M1 33104540041 2C5AF1081ALF	AA	2 576C06	\$ *	\$ *	\$ *
0001AC	M151F192M1 060011	AB	2	\$ *	\$ *	\$ *
0002AA	M151F193M1 060011	AB	2	\$ *	\$ *	\$ *
NET CHANGE				\$	\$ *	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AA	21 S2033000056D6D02P33104526KB S11116	W52H09	\$ *
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	\$ *
NET CHANGE				\$ *

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$	\$ *	\$ 3,305,456.58

ACRN	EDI ACCOUNTING CLASSIFICATION	576C06S11116	W52H09
AA	21 050720330000 S11116 56D6D023310454004126KB		
AB	97 0X0X4930AC9G S11116 56D00000600110000026KB	S11116	

*Confidential Treatment Requested

4 > 4

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 04 3. Effective Date 2008AUG06 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GFA-A MATTHEW KOPEL (309)782-7888 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code OBR64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0001 10B. Dated (See Item 13) 2005AUG03 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: 8 A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.KLEIN@US.ARMY.MIL (309)782-5051 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2008AUG06 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

C 55

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 5
	PIIN/SIN W52H09-05-D-0260/0001	MOD/AMD 04	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

The Purpose of this Modification 04 to W52H09-05-D-0260 DO 0001 is to:

- 1) Divert Shipments of ~~X~~ EA

From : W31G1Z

XR W0L7 Anniston Munitions Center
Trans Officer 256 235 6837 CL V
7 Frankford Ave Bldg 380
Anniston AL 36201-4199

W62G2T

XU DEF DIST Depot San Joaquin
25600 S Chrisman Road
Rec Whse 10 PH 209 839 4307
Tracy CA 95304-500

To: W52H1C

XU W0K8 USA Rock Island Arsenal
Bldg 299 Gillespie Av and Beck Lane
Rock Island IL 61299-5000

- 2) For Administrative purposes, the diverted shipments from Tracy and Anniston (CLIN 0001AC DOC REL CODE 001 and 002) to Rock Island will be under CLIN 0001AD.

- 3) CLIN 0001AC is being deleted and being replaced with CLIN 0001AD.

- 4) ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0006 ***

***Confidential Treatment Requested**

C 56

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	NSN: 9999-99-999-9999 NOUN: M119 HOWITZER M137 SECURITY CLASS: Unclassified				
0001AC	<u>DELETED</u> NSN: 1240-01-483-6103 (End of narrative B001)				
0001AD	<u>PRODUCTION QUANTITY</u> NOUN: M119 HOWITZER M137 PRON: 2C8140221A PRON AMD: 01 ACRN: AC AMS CD: 32101366022 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W15BW982073342 Y00000 M 3 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-OCT-2007 002 * 30-NOV-2007 003 * 30-DEC-2007 004 * 30-JAN-2008 005 * 28-FEB-2008 006 * 30-MAR-2008 FCB POINT: Destination SHIP TO: (Y00000) SHIPPING INSTRUCTIONS FOR CONSIGNEE (SHIP TO) WILL BE FURNISHED PRIOR TO SCHEDULED DELIVERY DATE FOR ITEM PRODUCTION DELIVERY SCHEDULE, REQUIRED UNDER THIS REQUISITION. <u>CONTRACT/DELIVERY ORDER NUMBER</u>	*	EA	\$ *	\$ 793,464.00

*Confidential Treatment Requested

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CONTINUATION SHEET

Reference No. of Document Being Continued
PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD 04

Page 4 of 5

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>W52H09-05-D-0260/0001</p> <p>SHIP TO: (W52H1C) XU W0K8 USA Rock Isl Arsenal BLDG 299 Gillespie Av and Beck Lane Rock Island IL 61299-5000</p> <p>(End of narrative F001)</p>				

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0260/0001 MOD/AMD 04	Page 5 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AC	M151F192M1 060011	AB	2	*	*	0.00
0001AD	2C8140221A 32101366022 A18P30222R2C	AC	2 8RM223	*	*	*
NET CHANGE				\$	0.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	*
Army	AC	21 820330000685R5R13P32101331E1 S28017	W52H09	*
NET CHANGE				\$ 0.00

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$	0.00	*

ACRN	EDI ACCOUNTING CLASSIFICATION
AB 97	0X0X4930AC9G S11116 56D00000600110000026KB S11116 W52H09
AC 21	081020330000 S28017 85R5R133210136602231E1 8RM223828017 W52H09

*Confidential Treatment Requested

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 6

2. Amendment/Modification No. 05 3. Effective Date 2009SEP10 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND CCTA-AR-FA MATTHEW KOPEL (309)782-7888 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0001 10B. Dated (See Item 13) 2005AUG03 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AD NET INCREASE: \$2,384.00

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: G A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A. The Changes Set Forth In Item 14 Are Made In B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: 43.103 (a) (1) D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 15B. Contractor/Officer (Signature of person authorized to sign) 15C. Date Signed 16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.KLEIN@US.ARMY.MIL (309)782-5051 16B. United States Of America By /SIGNED/ (Signature of Contracting Officer) 16C. Date Signed 2009SEP10

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 6
	PIIN/SHN W52H09-05-D-0260/0001	MOD/AMD 05	

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

The purpose of this modification 05 to W52H09-05-D-0260 to DO 0001 is to:

1. Increase the unit price from ~~€~~ by ~~€~~ , for a new unit price of ~~€~~
 2. For Administrative purposes, this increase will be represented on CLIN 1002AA.
 3. Therefore, for each Panoramic Telescope shipped against CLIN 0002AA, the contractor shall bill against CLIN 0002AA ~~€~~ and 1002AA ~~€~~ for a total unit price of ~~€~~
 4. To date, the total quantity left for delivery for CLIN 0002AA is 50 each, Panoramic Telescope, NSN: 1240-01-483-6100, FN: 12984775. All other CLINS have been delivered in full.
 5. Revised the delivery schedule, see section B.
- All other terms and conditions remain unchanged.

*** END OF NARRATIVE A0009 ***

Confidential Treatment Requested

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Name of Offeror or Contractor: **OPTEX SYSTEMS INC.**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS NSN: 1240-01-483-6103 FSCN: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: W15AFC06M1 PRON AMD: 03 ACRN: AA AMS CD: 33104540041 CUSTOMER ORDER NO: 2C5AP1081ALF <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H095207T701 W52H1C J W52H1C 1 <u>PROJ CD BRK BLK PT</u> G19 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-OCT-2007 002 * 30-NOV-2007 003 * 30-DEC-2007 004 * 30-JAN-2008 005 * 28-FEB-2008 006 * 30-MAR-2008 007 * 30-APR-2008 008 * 30-MAY-2008 009 * 30-JUN-2008 FOB POINT: Destination SHIP TO: (W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 MARK FOR: XU W0K8 USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE	*	EA	\$-*	\$ 1,893,734.08

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AD	<p>ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: M119 HOWITZER M137 PRON: 2C8140221A PRON AMD: 02 ACRN: AC AMS CD: 32101366022</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>	*	EA	\$ *	\$ 793,464.00
0002	<p>NSN: 1240-01-483-6100 FSCM: 19200 PART NR: 12984775 SECURITY CLASS: Unclassified</p>				
0002AA	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: TELESCOPE, PANORAMIC PRON: M151F193M1 PRON AMD: 03 ACRN: AB AMS CD: 060011</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H095205H983 W31G12 J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-JUN-2010 002 DELETED 003 DELETED 004 DELETED 005 DELETED</p> <p>FOB POINT: Destination</p> <p>SHIP TO: (W31G12) XR W0L7 ANNISTON MUNITIONS CTR TRANS OFFICER 256 235 6837 CL V</p>	*	EA	\$ *	\$ 618,258.50

*Confidential Treatment Requester

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																														
	7 FRANKFORD AVE BLDG #380 ANNISTON AL 36201-4199 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001 DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>002</td> <td>W52H095205H984</td> <td>W6202T</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DEL DATE</td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-JUL-2010</td> </tr> <tr> <td>002</td> <td>DELETED</td> <td></td> </tr> <tr> <td>003</td> <td>DELETED</td> <td></td> </tr> <tr> <td>004</td> <td>DELETED</td> <td></td> </tr> <tr> <td>005</td> <td>DELETED</td> <td></td> </tr> </table> FOB POINT: Destination SHIP TO: (W6202T) XR W1BG DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 16B PH 209 839 4307 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0001	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	002	W52H095205H984	W6202T	J		1	DEL REL CD	QUANTITY	DEL DATE	001	*	30-JUL-2010	002	DELETED		003	DELETED		004	DELETED		005	DELETED					
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																														
002	W52H095205H984	W6202T	J		1																														
DEL REL CD	QUANTITY	DEL DATE																																	
001	*	30-JUL-2010																																	
002	DELETED																																		
003	DELETED																																		
004	DELETED																																		
005	DELETED																																		
1002	SECURITY CLASS: Unclassified																																		
1002AA	<u>UNIT PRICE INCREASE</u> NOUN: PACKAGING FOR PANTELS PRON: W19ADM35M1 PRON AMD: 01 ACRN: AD AMS CD: 53459562147 Items shipped on CLIN 0002AA shall also billed against this CLIN 1002AA fo. * each up to * units THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPERATE DELIVERY REQUIRED. (End of narrative B001) <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">DLVR SCH</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">PERF COMPL</td> </tr> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">DATE</td> <td></td> </tr> <tr> <td>001</td> <td>0</td> <td>30-SEP-2011</td> </tr> </table> \$ *	DLVR SCH	QUANTITY	PERF COMPL	REL CD	DATE		001	0	30-SEP-2011			\$ *																						
DLVR SCH	QUANTITY	PERF COMPL																																	
REL CD	DATE																																		
001	0	30-SEP-2011																																	

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD 05	Page 6 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
1002AA	W19ADW35M1 53459562147	AD	2 974W35	0.00 \$	*	*
				NET CHANGE \$	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT	
Army	AD	21 9203500096D6D02P53459525FB S11116	W52H09	*	
				NET CHANGE \$	*

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$	*	*	\$ 3,307,640.58

ACRN	EDI ACCOUNTING CLASSIFICATION	974W35S11116	W52H09
AD	21 091120350000 S11116 96D6D025345956214725FB		

*Confidential Treatment Requested

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. W52H09-05-D-0260		2. DELIVERY ORDER/CALL NO. 0002		3. DATE OF ORDER/CALL (YYYYMMDD) 2006AUG18		4. REQUISITION/PURCH REQUEST NO. SEE SCHEDULE		5. PRIORITY DCAS		
6. ISSUED BY TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL				7. ADMINISTERED BY (If other than 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 SCD: A PAS: NONE ADP FT: HQ0339		8. DELIVERY FOB <input checked="" type="checkbox"/> DESTINATION <input type="checkbox"/> OTHER (See Schedule if other)				
9. CONTRACTOR CODE DBK64 NAME AND ADDRESS OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S.				10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) SEE SCHEDULE		11. X IF BUSINESS IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED				
14. SHIP TO SEE SCHEDULE				15. PAYMENT WILL BE MADE BY DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381		13. MAIL INVOICES TO THE ADDRESS IN BLOCK See Block 15				
16. TYPE OF ORDER DELIVERY/ CALL X PURCHASE		THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT. Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____, furnish the following on terms specified herein. ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.								
NAME OF CONTRACTOR		SIGNATURE		TYPED NAME AND TITLE		DATE SIGNED (YYYYMMDD)				
<input type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:										
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE SEE SCHEDULE										
18. ITEM NO.		19. SCHEDULE OF SUPPLIES/SERVICE			20. QUANTITY ORDERED/ACCEPTED*		21. UNIT	22. UNIT PRICE	23. AMOUNT	
		SEE SCHEDULE CONTRACT TYPE: Firm-Fixed-Price KIND OF CONTRACT: Supply Contracts and Priced Orders								
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.				24. UNITED STATES OF AMERICA LISA DEVLIN /SIGNED/ LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 BY: _____ CONTRACTING/ORDERING OFFICER				25. TOTAL	\$1,697,397.68	26. DIFFERENCES
27a. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED										
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE					c. DATE (YYYYMMDD)		d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE			
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE					28. SHIP. NO.		29. D.O. VOUCHER NO.	30. INITIALS		
f. TELEPHONE NUMBER					g. E-MAIL ADDRESS		<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	32. PAID BY	33. AMOUNT VERIFIED CORRECT FOR	
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.					31. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL			34. CHECK NUMBER		
a. DATE (YYYYMMDD)		b. SIGNATURE AND TITLE OF CERTIFYING OFFICER						35. BILL OF LADING NO.		
37. RECEIVED AT		38. RECEIVED BY (Print)		39. DATE RECEIVED (YYYYMMDD)		40. TOTAL CONTAINERS	41. S/R ACCOUNT NUMBER	42. S/R VOUCHER NO.		

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN WS2H09-05-D-0260/0002 MOD/AMD	Page 2 of 4
Name of Offeror or Contractor: OPTEX SYSTEMS INC		

SUPPLEMENTAL INFORMATION

1. DELIVERY ORDER 0002 IS ISSUED FOR 152 EACH, M137A2 PANORAMIC TELESCOPE, NSN: 1240-01-483-6103.
2. THE UNIT PRICE OF EACH REFLECTS THE UNIT PRICE FOR CLIN 0001 FOR ORDERING PERIOD 02, 1 JULY 2006 THROUGH 30 JUNE 2007. THE TOTAL VALUE OF THIS DELIVERY ORDER IS \$1,697,397.68.
3. THE MAXIMUM ALLOWABLE QUANTITY UNDER THE LONG TERM CONTRACT IS EACH. TO DATE, THE TOTAL QUANTITY OBLIGATED UNDER THE CONTRACT IS 456 EACH.
4. THE DELIVERY SCHEDULE IS ESTABLISHED IN SECTION B. EARLY DELIVERY IS AUTHORIZED IF AT NO ADDITIONAL COST TO THE GOVERNMENT.
5. THIS DELIVERY ORDER IS SUBJECT TO THE TERMS AND CONDITIONS OF BASIC CONTRACT WS2H09-05-D-0260.

*** END OF NARRATIVE A 001 ***

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SUPPLIES OR SERVICES AND PRICES/COSTS				
0001	NSN: 1240-01-483-6103 PSCM: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC FRON: 2C6AH1261A PRON AMD: 01 ACRN: AA AMS CD: 32101366046 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H096223T700 W52H1C J W52H1C 3 <u>PROJ CD BRK BLK PT</u> G19 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-AUG-2007 002 * 30-SEP-2007 003 * 30-OCT-2007 004 * 30-NOV-2007 005 * 30-DEC-2007 006 * 30-JAN-2008 007 * 28-FEB-2008 FOB POINT: Destination SHIP TO: <u>FREIGHT ADDRESS</u> (W52H1C) XU WOKS USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 MARK FOR: XU WOKS USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 ROEMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0002	*	EA	\$ *	\$ 1,697,397.68

*Confidential Treatment Requested

C 6 0

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 4 of 4
	PIIN/SHN W52H09-05-D-0260/0002 MOD/AMD	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	FRON/ AMS CD/ ITEM	ACRN	STAT	OBLG	ACCOUNTING CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
0001AB	2C6AH1261A 32101366046 A16P30462R2C	AA	2	21	62033000065R5R13P32101326KB S28017	6RM169	W52H09 \$	*

TOTAL \$ *

SERVICE NAME	TOTAL BY ACRN	ACRN	STAT	OBLG	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	OBLIGATED AMOUNT
Army	AA	21	62033000065R5R13P32101326KB S28017			W52H09 \$	*
						TOTAL \$	1,697,397.68

***Confidential Treatment Requested**

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 4

2. Amendment/Modification No. 01 3. Effective Date 2007OCT18 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By Code WS2H09 TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL 7. Administered By (If other than Item 6) Code S4402A DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 TYPE BUSINESS: Other Small Business Performing in U.S. Code 08K64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. WS2H09-05-D-0260/0002 10B. Dated (See Item 13) 2006AUG18

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AA NET INCREASE: \$3,508.16

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8

It Modifies The Contract/Order No. As Described In Item 14.

A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309)782-5541 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007OCT18 (Signature of person authorized to sign) By _____ /SIGNED/ (Signature of Contracting Officer)

e70

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0260/0002 . MOD/AMD 01	Page 2 of 4
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 01 TO W52H0905D0260 DO 0002 IS TO:

- 1) TO INCREASE THE UNIT PRICE OF 0001AR BY * EACH. DUE TO INCORPORATION OF PCP H07A2020 INTO BASIC AWARD. THIS IS A TOTAL INCREASE TO DELIVERY ORDER 0002 OF * FROM * TO
- 2) TO REVISE THE DELIVERY SCHEDULE. SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0002 ***

***Confidential Treatment Requested**

Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																														
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS																																																																																		
0001	NSN: 1240-01-483-6103 FSCN: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified																																																																																		
0001AB	<u>PRODUCTION QUANTITY</u>	*	EA	\$ *	\$ 1,700,905.84																																																																														
	<p>NOUN: TELESCOPE, PANORAMIC FRON: 2C6AH1261A PRON AMD: 01 ACRN: AA AMS CD: 32101366046</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEP7ANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">DOC</td> <td colspan="4">SUPPL</td> </tr> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H096223T700</td> <td>W52H1C</td> <td>J</td> <td>W52H1C</td> <td>3</td> </tr> <tr> <td></td> <td><u>PROJ CD</u></td> <td><u>BRK</u></td> <td><u>BLK</u></td> <td><u>PT</u></td> <td></td> </tr> <tr> <td></td> <td colspan="5">G19</td> </tr> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td colspan="4"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td colspan="4">30-JUL-2008</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td colspan="4">30-AUG-2008</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td colspan="4">30-SEP-2008</td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td colspan="4">30-OCT-2008</td> </tr> <tr> <td>005</td> <td>DELETED</td> <td colspan="4"></td> </tr> <tr> <td>006</td> <td>DELETED</td> <td colspan="4"></td> </tr> <tr> <td>007</td> <td>DELETED</td> <td colspan="4"></td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000</p> <p>MARK FOR: XU W0K8 USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0002</p>					DOC		SUPPL				<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H096223T700	W52H1C	J	W52H1C	3		<u>PROJ CD</u>	<u>BRK</u>	<u>BLK</u>	<u>PT</u>			G19					<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>				001	*	30-JUL-2008				002	*	30-AUG-2008				003	*	30-SEP-2008				004	*	30-OCT-2008				005	DELETED					006	DELETED					007	DELETED				
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*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued		Page 4 of 4
	PIIN/SHN W52H09-05-D-0260/0002 MOD/AMD 01		

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIFR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AB	2C6AH1261A 32101366046 A16P30462R2C	AA	2 6RM169	*	*	*
				NET CHANGE	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT	
Army	AA	21 62033000065R5R13P32101326KB S28017	W52H09	*	
				NET CHANGE	*

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$	*	*	\$ 1,700,905.84

ACRN	EDI ACCOUNTING CLASSIFICATION
AA	21 060820330000 S28017 65R5R133210136604626KB 6RM169S28017 W52H09

Confidential Treatment Requested

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 02	3. Effective Date 2009SEP10	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)
6. Issued By TACOM-ROCK ISLAND CCTA-AR-FA MATTHEW KOPEL (309)782-7888 ROCK ISLAND IL 61299-7630 EMAIL: MATTHEW.KOPEL@US.ARMY.MIL		7. Administered By (If other than Item 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code 84402A	

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 TYPE BUSINESS: Other Small Business Performing in U.S.	<input type="checkbox"/> 9A. Amendment Of Solicitation No. <input type="checkbox"/> 9B. Dated (See Item 11) <input checked="" type="checkbox"/> 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0002 <input type="checkbox"/> 10B. Dated (See Item 13) 2006AUG18
Code 0BK64 Facility Code	SCD A PAS NONE ADP PT HQ0339

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)
ACRN: AB NET INCREASE: \$6,402.00

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

It Modifies The Contract/Order No. As Described In Item 14.

<input type="checkbox"/>	A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.	The Changes Set Forth In Item 14 Are Made In
<input type="checkbox"/>	B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).	
<input checked="" type="checkbox"/>	C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: 43.103 (a) (1)	
<input type="checkbox"/>	D. Other (Specify type of modification and authority)	

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)	16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.KLEIN@US.ARMY.MIL (309)782-5051
15B. Contractor/Offeror (Signature of person authorized to sign)	15C. Date Signed 30-105-02
	16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)
	16C. Date Signed 2009SEP10

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIN W52H09-05-D-0260/0002 MOD/AMD 02	Page 2 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

The purpose of this modification 02 to W52H09-05-D-0260 to DO 0002 is to:

1. Increase the unit price from ~~***~~ by ~~***~~, for a new unit price of ~~***~~
 2. For Administrative purposes, this increase will be represented on CLIN 1001AB.
 3. Therefore, for each Panoramic Telescope shipped against CLIN 0001AB, the contractor shall bill against CLIN 0001AB * as 1001AB ~~***~~ for a total unit price of ~~***~~
 4. To date, the total left to deliver for CLIN 0001AB is ~~***~~ each for the Panoramic Telescope, NSN: 1240-01-483-6103, PN:12984713.
 5. Revised the delivery schedule, see section B.
- All other terms and conditions remain unchanged.

*** END OF NARRATIVE A0003 ***

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																																																														
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS																																																																																		
0001	NSN: 1240-01-483-6103 FSCM: 19200 PART NR: 12904713 SECURITY CLASS: Unclassified																																																																																		
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: 2C6AH1261A PRON AMD: 01 ACRN: AA AMS CD: 32101366046 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W52H096223T700</td> <td>W52H1C J</td> <td>W52H1C</td> <td></td> <td>3</td> </tr> <tr> <td></td> <td style="border-bottom: 1px solid black;"><u>PROJ CD</u></td> <td style="border-bottom: 1px solid black;"><u>BRK BLK PT</u></td> <td colspan="3"></td> </tr> <tr> <td></td> <td colspan="5">G19</td> </tr> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td colspan="2"></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> <td></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>20-AUG-2009</td> <td></td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>30-SEP-2009</td> <td></td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>30-OCT-2009</td> <td></td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>27-NOV-2009</td> <td></td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>31-DEC-2009</td> <td></td> </tr> <tr> <td>006</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>29-JAN-2010</td> <td></td> </tr> <tr> <td>007</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>26-FEB-2010</td> <td></td> </tr> <tr> <td>008</td> <td style="text-align: center;">*</td> <td colspan="2"></td> <td>31-MAR-2010</td> <td></td> </tr> </table> FOB POINT: Destination SHIP TO: (W52H1C) XU WOKS USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 MARK FOR: XU WOKS USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W52H096223T700	W52H1C J	W52H1C		3		<u>PROJ CD</u>	<u>BRK BLK PT</u>					G19					<u>DEL REL CD</u>	<u>QUANTITY</u>			<u>DEL DATE</u>		001	*			20-AUG-2009		002	*			30-SEP-2009		003	*			30-OCT-2009		004	*			27-NOV-2009		005	*			31-DEC-2009		006	*			29-JAN-2010		007	*			26-FEB-2010		008	*			31-MAR-2010		*	EA	\$*	\$ 1,700,905.84
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																																																																														
001	W52H096223T700	W52H1C J	W52H1C		3																																																																														
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007	*			26-FEB-2010																																																																															
008	*			31-MAR-2010																																																																															

*Confidential Treatment Requested

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT								
	W52H09-05-D-0260/0002												
1001	SECURITY CLASS: Unclassified												
1001AB	<p><u>UNIT PRICE INCREASE</u></p> <p>NOUN: PACKAGING FOR PANTELS PRON: W19ACW35M1 PRON AMD: 01 ACRN: AB AMS CD: 53459562147</p> <p>Items shipped on CLIN 0001AB shall also billed against this CLIN 1001AB for 42.68 each up to 150 units</p> <p>THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPERATE DELIVERY REQUIRED.</p> <p style="text-align: center;">(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">DLVR SCH</td> <td style="width:30%;">PERF COMPL</td> <td style="width:40%;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DATE</td> </tr> <tr> <td>001</td> <td style="text-align: center;">0</td> <td>30-SEP-2011</td> </tr> </table> <p style="text-align: center;">\$ * ..</p>	DLVR SCH	PERF COMPL		REL CD	QUANTITY	DATE	001	0	30-SEP-2011			\$ * ..
DLVR SCH	PERF COMPL												
REL CD	QUANTITY	DATE											
001	0	30-SEP-2011											

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued	Page 5 of 5
	PIIN/SHN W52H09-05-D-0260/0002 MOD/AMD 02	

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
1001AB	W19ACW35M1 53459562147	AB	2 974W35	0.00 \$	*	*
				NET CHANGE \$	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AB	21 92035000096D6D02P53459525FB S11116	W52H09	*
				NET CHANGE \$

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$ *	\$ *	1,707,307.84

ACRN	EDI ACCOUNTING CLASSIFICATION
AB	21 091120350000 S11116 96D6D025345956214725FB 974W35S11116 W52H09

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 02 3. Effective Date 2009SEP10 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND CCTA-AR-FA MATTHEW KOPEL (309)782-7888 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0002 10B. Dated (See Item 13) 2006AUG18

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AB NET INCREASE: \$6,402.00

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: 43.103(a)(1) D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.L.KLEIN@US.ARMY.MIL (309)782-5051 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2009SEP10 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIN/SIN W52H09-05-D-0260/0002 MOD/AMD 02	Page 2 of 3
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

The purpose of this modification 02 to W52H09-05-D-0260 to DO 0002 is to:

1. Increase the unit price from ~~...~~ to ~~...~~ for a new unit price of \$11 ~~...~~
 2. For Administrative purposes, this increase will be represented on CLIN 1001AB.
 3. Therefore for each Panoramic Telescope shipped against CLIN 0001AB, the contractor shall bill against CLIN 0001AB ~~...~~ and 1001AB ~~...~~ for a total unit price of ~~...~~
 4. To date, the total left to deliver for CLIN 0001AB is ~~...~~ each for the Panoramic Telescope, NSN: 1240-01-483-6103, FN:12984713.
 5. Revised the delivery schedule, see section B.
- All other terms and conditions remain unchanged.

*** END OF NARRATIVE A0003 ***

***Confidential Treatment Requested**

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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																											
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS																																															
0001	NSN: 1240-01-483-6103 FSCN: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified																																															
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: 2C6AH1261A PRON AMD: 01 ACRN: AA AMS CD: 32101366046 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="font-size: small; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>001</td> <td>W52H096223T700</td> <td>W52H1C</td> <td>J</td> <td>W52H1C</td> <td>3</td> </tr> </table> <table style="font-size: small; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">PROJ CD</td> <td style="border-bottom: 1px solid black;">BRK BLK PT</td> </tr> <tr> <td>G19</td> <td></td> </tr> </table> <table style="font-size: small; border-collapse: collapse;"> <thead> <tr> <th style="border-bottom: 1px solid black;">DEL REL CD</th> <th style="border-bottom: 1px solid black;">QUANTITY</th> <th style="border-bottom: 1px solid black;">DEL DATE</th> </tr> </thead> <tbody> <tr><td>001</td><td>*</td><td>20-AUG-2009</td></tr> <tr><td>002</td><td>*</td><td>30-SEP-2009</td></tr> <tr><td>003</td><td>*</td><td>30-OCT-2009</td></tr> <tr><td>004</td><td>*</td><td>27-NOV-2009</td></tr> <tr><td>005</td><td>*</td><td>31-DEC-2009</td></tr> <tr><td>006</td><td>*</td><td>29-JAN-2010</td></tr> <tr><td>007</td><td>*</td><td>26-FEB-2010</td></tr> <tr><td>008</td><td>*</td><td>31-MAR-2010</td></tr> </tbody> </table> FOB POINT: Destination SHIP TO: (W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000 MARK FOR: XU W0K8 USA ROCK ISL ARSENAL TRANSPORTATION OFFICE BLDG 102 RODMAN AVE AND GILLESPIE ROCK ISLAND IL 61299-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u>	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001	W52H096223T700	W52H1C	J	W52H1C	3	PROJ CD	BRK BLK PT	G19		DEL REL CD	QUANTITY	DEL DATE	001	*	20-AUG-2009	002	*	30-SEP-2009	003	*	30-OCT-2009	004	*	27-NOV-2009	005	*	31-DEC-2009	006	*	29-JAN-2010	007	*	26-FEB-2010	008	*	31-MAR-2010	*	EA	\$ *	\$ 1,700,905.84
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																																											
001	W52H096223T700	W52H1C	J	W52H1C	3																																											
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007	*	26-FEB-2010																																														
008	*	31-MAR-2010																																														

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT								
1001	<p style="text-align: center;">W52H09-05-D-0260/0002</p> <p>SECURITY CLASS: Unclassified</p>												
1001AB	<p><u>UNIT PRICE INCREASE</u></p> <p>NOUN: PACKAGING FOR PANTELS PRON: W19ACW35M1 PRON AMD: 01 ACRN: AB AMS CD: 53459562147</p> <p>Items shipped on CLIN 0001AB shall also billed against this CLIN 1001AB for X each up to X units</p> <p>THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPERATE DELIVERY REQUIRED.</p> <p style="text-align: center;">(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">DLVR SCH</td> <td style="width:30%;">PERF COMPL</td> <td style="width:40%;"></td> </tr> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DATE</td> </tr> <tr> <td style="text-align: center;">001</td> <td style="text-align: center;">0</td> <td style="text-align: center;">30-SEP-2011</td> </tr> </table> <p style="text-align: center;">\$ X</p>	DLVR SCH	PERF COMPL		REL CD	QUANTITY	DATE	001	0	30-SEP-2011			\$ X
DLVR SCH	PERF COMPL												
REL CD	QUANTITY	DATE											
001	0	30-SEP-2011											

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0002 MOD/AMD 02	Page 5 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
1001AB	W19ACW35M1 53459562147	AB	2 974W35	0.00 \$	X	X
				NET CHANGE \$	X	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT	
Army	AB	21 92035000096D6D02P53459525FB 811116	W52H09	X	
				NET CHANGE \$	X

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$	X	X	\$ 1,707,307.84

ACRN	EDI ACCOUNTING CLASSIFICATION
AB	21 091120350000 811116 96D6D025345956214725FB 974W35811116 W52H09

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ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. W52H09-05-D-0260		2. DELIVERY ORDER/CALL NO. 0003		3. DATE OF ORDER/CALL (YYYYMMDD) 2007JUN15		4. REQUISITION/PURCH REQUEST NO. SEE SCHEDULE		5. PRIORITY DOAS								
6. ISSUED BY TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL			CODE W52H09		7. ADMINISTERED BY (If other than 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 SCD: A PAS: NONE ADP PT: HQ0339			CODE S4402A		8. DELIVERY FOB <input checked="" type="checkbox"/> DESTINATION <input type="checkbox"/> OTHER (See Schedule if other)						
9. CONTRACTOR OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 NAME AND ADDRESS TYPE BUSINESS: Other Small Business Performing in U.S.			CODE OBK64		FACILITY		10. DELIVER TO FOB POINT BY (Date) (YYYYMMDD) SEE SCHEDULE		11. X IF BUSINESS IS <input checked="" type="checkbox"/> SMALL <input type="checkbox"/> SMALL DISADVANTAGED <input type="checkbox"/> WOMAN-OWNED							
12. DISCOUNT TERMS			13. MAIL INVOICES TO THE ADDRESS IN BLOCK See Block 15			14. SHIP TO SEE SCHEDULE			CODE		15. PAYMENT WILL BE MADE BY DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182361 COLUMBUS OH 43218-2381		CODE HQ0339		MARK ALL PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2	
16. TYPE OF ORDER	DELIVERY/ CALL <input checked="" type="checkbox"/>	THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.														
PURCHASE	Reference your <input type="checkbox"/> Oral <input type="checkbox"/> Written Quotation _____, Dated _____	furnish the following on terms specified herein.														
ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.																
NAME OF CONTRACTOR			SIGNATURE			TYPED NAME AND TITLE			DATE SIGNED (YYYYMMDD)							
<input type="checkbox"/> If this box is marked, supplier must sign Acceptance and return the following number of copies:																
17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE SEE SCHEDULE																
18. ITEM NO.	19. SCHEDULE OF SUPPLIES/SERVICE				20. QUANTITY ORDERED/ACCEPTED*	21. UNIT	22. UNIT PRICE		23. AMOUNT							
	SEE SCHEDULE CONTRACT TYPE: Firm-Fixed-Price KIND OF CONTRACT: Supply Contracts and Priced Orders															
* If quantity accepted by the Government is same as quantity ordered, indicate by X. If different, enter actual quantity accepted below quantity ordered and encircle.					24. UNITED STATES OF AMERICA LISA DEVLIN /SIGNED/ LISA.DEVLIN@US.ARMY.MIL (309)782-5541 BY: _____ CONTRACTING/ORDERING OFFICER					25. TOTAL \$2,233,418.00		26. DIFFERENCES				
27a. QUANTITY IN COLUMN 20 HAS BEEN <input type="checkbox"/> INSPECTED <input type="checkbox"/> RECEIVED <input type="checkbox"/> ACCEPTED, AND CONFORMS TO CONTRACT EXCEPT AS NOTED																
b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE					c. DATE (YYYYMMDD)		d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE									
e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE					28. SHIP. NO.		29. D.O. VOUCHER NO.		30. INITIALS							
f. TELEPHONE NUMBER					g. E-MAIL ADDRESS		<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		31. PAID BY							
36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.					31. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL		32. AMOUNT VERIFIED CORRECT FOR			34. CHECK NUMBER						
a. DATE (YYYYMMDD)		b. SIGNATURE AND TITLE OF CERTIFYING OFFICER			33. BILL OF LADING NO.											
37. RECEIVED AT		38. RECEIVED BY (Print)		39. DATE RECEIVED (YYYYMMDD)		40. TOTAL CONTAINERS		41. S/R ACCOUNT NUMBER		42. S/R VOUCHER NO.						

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SHN W52H09-05-D-0260/0003 MOD/AMD	Page 2 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SUPPLEMENTAL INFORMATION

1. DELIVERY ORDER 0003 IS ISSUED FOR 200 EACH M137A2 PANORAMIC TELESCOPE, NSN 1240-01-483-6103, FN 12984713.
2. THE UNIT PRICE OF * EACH REFLECTS THE UNIT PRICE FOR CLIN 0001 FOR ORDERING PERIOD 02, 1 JUL 2006 THROUGH 30 JUN 2007. THE TOTAL VALUE OF THIS DELIVERY ORDER IS *
3. THE MAXIMUM ALLOWABLE QUANTITY UNDER THE LONG TERM CONTRACT IS * EACH OF M137A2 AND * EACH M137A3. TO DATE, THE TOTAL QUANTITY OBLIGATED UNDER THE CONTRACT IS * EACH M137A2 AND EACH M137A3.
4. THE DELIVERY SCHEDULE IS ESTABLISHED IN SECTION B. EARLY DELIVERY IS AUTHORIZED IF AT NO ADDITIONAL COST TO THE GOVERNMENT.
5. THIS DELIVERY ORDER IS SUBJECT TO THE TERMS AND CONDITIONS OF CONTRACT W52H09-05-D-0260.

*** END OF NARRATIVE A0001 ***

***Confidential Treatment Requested**

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	SUPPLIES OR SERVICES AND PRICES/COSTS NSN: 1240-01-483-6103 FSCN: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: M137A2 TELESCOPE, PANORAMIC PRON: M171R213M1 PRON AMD: 01 ACRN: AA AMS CD: 060011 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 W52H097151H975 W31G1Z J 1 DEL REL CD QUANTITY DEL DATE 001 * 30-AUG-2008 FOB POINT: Destination SHIP TO: (W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003 DOC SUPPL REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 002 W52H097151H976 W62G2T J 1 DEL REL CD QUANTITY DEL DATE 001 * 30-SEP-2008 002 * 30-NOV-2008 FOB POINT: Destination SHIP TO: (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 10 PH 209 839 4307 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u>	*	EA	\$*	2,233,418.00

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	W52H09-05-D-0260/0003				
	DOC SUPPL				
	REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD				
	003 W52H097151H977 W25G1U J 1				
	DEL REL CD QUANTITY DEL DATE				
	001 * 30-OCT-2008				
	002 * 30-DEC-2008				
	003 * 30-JAN-2009				
	004 * 28-FEB-2009				
	005 * 30-MAR-2009				
	006 * 30-APR-2009				
	FOB POINT: Destination				
	SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 MISSION DRIVE DOOR 113 134 NEW CUMBERLAND PA 17070-5001				
	<u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003				

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD	Page 5 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM	ACRN	STAT	ACCOUNTING CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
0001AB	M171R213M1 060011	AA	2	97 X4930AC9G 6D	26KB	S11116 W52H09 \$	*
TOTAL							\$ *

SERVICE NAME	TOTAL BY ACRN	ACRN	STAT	ACCOUNTING CLASSIFICATION	JOB ORDER NUMBER	ACCOUNTING STATION	OBLIGATED AMOUNT
Army	AA	97	X4930AC9G 6D	26KB	S11116	W52H09 \$	*
TOTAL							\$ 2,233,418.00

ACRN	EDI ACCOUNTING CLASSIFICATION
AA	97 0X0X4930AC9G S11116 76D00000600110000026KB S11116

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 01 3. Effective Date 2007OCT18 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GAMC-B CHRISTINE CARSON (309)782-4301 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code 0BK64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0003 10B. Dated (See Item 13) 2007JUN15 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AA NET INCREASE: \$4,616.00

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.

KIND MOD CODE: B A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) LISA DEVLIN LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 15B. Contractor/Offoror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2007OCT18 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 01	Page 2 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 01 TO W52H0905D0260 DO 0003 IS TO:

1) TO INCREASE THE UNIT PRICE OF 000128 BY \$23.08 EACH. DUE TO INCORPORATION OF ECP H07A2020 INTO BASIC AWARD. THIS IS A TOTAL INCREASE TO DELIVERY ORDER 0003 OF * ... FROM * ... TO *

2) TO REVISE THE DELIVERY SCHEDULE. SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0002 ***

***Confidential Treatment Requested**

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Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																							
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS																																											
0001	NSN: 1240-01-483-6103 FSCN: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified																																											
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: M171R213M1 PRON AMD: 02 ACRN: AA AMS CD: 060011 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>001</td> <td>W52H097151H975</td> <td>W31G1Z</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DEL DATE</td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-NOV-2008</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">REL CD</td> <td style="border-bottom: 1px solid black;">MILSTRIP</td> <td style="border-bottom: 1px solid black;">ADDR</td> <td style="border-bottom: 1px solid black;">SIG CD</td> <td style="border-bottom: 1px solid black;">MARK FOR</td> <td style="border-bottom: 1px solid black;">TP CD</td> </tr> <tr> <td>002</td> <td>W52H097151H976</td> <td>W62G2T</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;">DEL REL CD</td> <td style="border-bottom: 1px solid black;">QUANTITY</td> <td style="border-bottom: 1px solid black;">DEL DATE</td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-NOV-2008</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-DEC-2008</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 10 PH 209 839 4307 TRACY CA 95304-5000</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u></p>	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001	W52H097151H975	W31G1Z	J		1	DEL REL CD	QUANTITY	DEL DATE	001	*	30-NOV-2008	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	002	W52H097151H976	W62G2T	J		1	DEL REL CD	QUANTITY	DEL DATE	001	*	30-NOV-2008	002	*	30-DEC-2008	*	EA	\$-*	\$ 2,238,034.00
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																																							
001	W52H097151H975	W31G1Z	J		1																																							
DEL REL CD	QUANTITY	DEL DATE																																										
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REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																																							
002	W52H097151H976	W62G2T	J		1																																							
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002	*	30-DEC-2008																																										

*Confidential Treatment Requested

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																	
	W52H09-05-D-0260/0003																																					
	<p>DOC SUPPL</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>MILSTRIP</u></td> <td style="border-bottom: 1px solid black;"><u>ADDR</u></td> <td style="border-bottom: 1px solid black;"><u>SIG CD</u></td> <td style="border-bottom: 1px solid black;"><u>MARK FOR</u></td> <td style="border-bottom: 1px solid black;"><u>TP CD</u></td> </tr> <tr> <td>003</td> <td>W52H097151H977</td> <td>W25G1U</td> <td>J</td> <td></td> <td>1</td> </tr> </table> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"><u>DEL REL CD</u></td> <td style="border-bottom: 1px solid black;"><u>QUANTITY</u></td> <td style="border-bottom: 1px solid black;"><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td style="text-align: center;">*</td> <td>30-NOV-2008</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td>30-DEC-2008</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td>30-JAN-2009</td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td>28-FEB-2009</td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td>30-MAR-2009</td> </tr> <tr> <td>006</td> <td colspan="2">DELETED</td> </tr> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 MISSION DRIVE DOOR 113 134 NEW CUMBERLAND PA 17070-5001</p> <p style="text-align: center;"><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003</p>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	003	W52H097151H977	W25G1U	J		1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	30-NOV-2008	002	*	30-DEC-2008	003	*	30-JAN-2009	004	*	28-FEB-2009	005	*	30-MAR-2009	006	DELETED					
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																																	
003	W52H097151H977	W25G1U	J		1																																	
<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																																				
001	*	30-NOV-2008																																				
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005	*	30-MAR-2009																																				
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*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 5 of 5
	PHN/SIIN W52H09-05-D-0260/0003	MOD/AMD 01	

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AB	M171R213M1 060011	AA	2	*	*	*
				NET CHANGE	*	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AA	97 X4930AC9G 6D	W52H09	*
			NET CHANGE	*

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
*	*	*	2,238,034.00

ACRN	EDI ACCOUNTING CLASSIFICATION	
AA	97 0X0X4930AC9G S11116 76D00000600110000026KB	S11116

*Confidential Treatment Requested

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 5

2. Amendment/Modification No. 02 3. Effective Date 2008AUG06 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By TACOM-ROCK ISLAND AMSTA-LC-GFA-A MATTHEW KOPEL (309) 782-7888 ROCK ISLAND IL 61299-7630 Code W52H09 7. Administered By (If other than Item 6) DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 Code S4402A SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769 Code 08K64 Facility Code 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0003 10B. Dated (See Item 13) 2007JUN15 TYPE BUSINESS: Other Small Business Performing in U.S.

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: 8 It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 15B. Contractor/Officer (Signature of person authorized to sign) 15C. Date Signed 16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.KLEIN@US.ARMY.MIL (309) 782-5051 16B. United States Of America By /SIGNED/ (Signature of Contracting Officer) 16C. Date Signed 2008AUG06

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 02	Page 2 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

The purpose of this modification 02 to W52H09-05-D-0260 DO 0003 is to:

1) Divert Shipments of 175 ea

From: W31G1Z	W62G2T
XR W0L7 Anniston Munitions Center	XU DEF DIST DEPOT San Joaquin
Trans Officer 256 235 6837 CL V	25600 S Chrisman Road
7 Frankford Ave Bldg 380	Rec Whse 10 PH 209 839 4307
Anniston AL 36201-4199	Tracy CA 95304-5000

W25G1U
 SU Transportation Officer
 DEEP New Cumberland Facility
 2001 Mission Drive Door 113 134
 New Cumberland PA 17070-5001

To: W52H1C
 XU W0K8 USA Rock Island Arsenal
 Bldg 299 Gillespie Av and Beck Lane
 Rock Island IL 61299-5000

2) For administrative purposes, the diverted shipments from Anniston, Tracy, and New Cumberland (CLIN 0001AB DOC REL CODE 001, 002, 003) to Rock Island will be under Clin 0001AC.

3) The dollar value of CLIN 0001AB is decreased by * from * to * CLIN 0001AC is added for *

4) All other terms and conditions remain the same.

*** END OF NARRATIVE A0003 ***

***Confidential Treatment Requested**

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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS NSN: 1240-01-483-6103 FSCM: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: M171R213M1 PRON AMD: 02 ACRN: AA AMS CD: 060011 NSN: 1240-01-483-6103 (End of narrative B001) <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H097151H975 W31G12 J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-NOV-2008 FOB POINT: Destination SHIP TO: (W31G12) XR W0L7 ANNISTON MUNITIONS CENTER TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG 380 ANNISTON AL 36201-4199 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003 DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 002 W52H097151H976 W62G2T J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-NOV-2008 002 DELETED FOB POINT: Destination SHIP TO: (W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD	*	EA	\$ * _____	\$ * _____

*Confidential Treatment Requested

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Name of Offeror or Contractor: **OPTEX SYSTEMS INC**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																		
0001AC	<p>REC WHSE 16B FH 209 839 4307 TRACY CA 95304-5000</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003</p> <p>DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 003 DELETED</p> <p>Ship To: (W52H1C) XU WORKS USA Rock Island Arsenal Bldg 299 Gillespie Av amd Beck Lane Rock Island IL 61299-5000</p> <p style="text-align: center;">(End of narrative F001)</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: M119 HOWITZER M137 PRON: 2C8150221A PRON AMD: 01 ACRN: AB AMS CD: 32101366022</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W158W982073345 Y00000 M 3</p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>DEL REL CD</u></th> <th style="text-align: center;"><u>QUANTITY</u></th> <th style="text-align: right;"><u>DEL DATE</u></th> </tr> </thead> <tbody> <tr> <td>001</td> <td style="text-align: center;">*</td> <td style="text-align: right;">30-NOV-2008</td> </tr> <tr> <td>002</td> <td style="text-align: center;">*</td> <td style="text-align: right;">30-DEC-2008</td> </tr> <tr> <td>003</td> <td style="text-align: center;">*</td> <td style="text-align: right;">30-JAN-2009</td> </tr> <tr> <td>004</td> <td style="text-align: center;">*</td> <td style="text-align: right;">28-FEB-2009</td> </tr> <tr> <td>005</td> <td style="text-align: center;">*</td> <td style="text-align: right;">30-MAR-2009</td> </tr> </tbody> </table> <p>FOB POINT: Destination</p> <p>SHIP TO: (Y000000) SHIPPING INSTRUCTIONS FOR CONSIGNEE (SHIP TO) WILL BE FURNISHED PRIOR TO SCHEDULED DELIVERY DATE FOR ITEM PRODUCTION DELIVERY SCHEDULE, REQUIRED UNDER THIS REQUISITION.</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003</p>	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	*	30-NOV-2008	002	*	30-DEC-2008	003	*	30-JAN-2009	004	*	28-FEB-2009	005	*	30-MAR-2009	*	EA	\$ *	\$ *
<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																					
001	*	30-NOV-2008																					
002	*	30-DEC-2008																					
003	*	30-JAN-2009																					
004	*	28-FEB-2009																					
005	*	30-MAR-2009																					

*Confidential Treatment Requested

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 02	Page 5 of 5
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Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS CD/ MIPR	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AB	M171R213M1 060011	AA	2	\$ XXXXXX	\$ XXXXXX	\$ XXXXXX
0001AC	2C8150221A 32101366022 A18P30222R2C	AB	2 8RM223	\$ 0.00	\$ XXXXXX	\$ XXXXXX
NET CHANGE				\$	0.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AA	97 X4930AC9G 6D 26KB S11116	W52H09	\$ XXXXXX
Army	AB	21 82033000085R5R13P32101331E1 S28017	W52H09	\$ XXXXXX
NET CHANGE				\$ 0.00

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$	\$ XXXXXX	\$ 0.00	\$ 2,238,034.00

ACRN	EDI ACCOUNTING CLASSIFICATION
AA	97 0X0X4930AC9G S11116 76D000009600110000026KB S11116 W52H09
AB	21 081020330000 S28017 85R5R133210136602231E1 8RM223828017 W52H09

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT 1. Contract ID Code Firm-Fixed-Price Page 1 Of 6

2. Amendment/Modification No. 03 3. Effective Date 2009SEP10 4. Requisition/Purchase Req No. SEE SCHEDULE 5. Project No. (If applicable)

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code S4402A TACOM-ROCK ISLAND CCTA-AR-PA MATTHEW KOPEL (309)782-7888 ROCK ISLAND IL 61299-7630 DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) 9A. Amendment Of Solicitation No. 9B. Dated (See Item 11) 10A. Modification Of Contract/Order No. W52H09-05-D-0260/0003 10B. Dated (See Item 13) 2007JUN15 OPTYX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439 TYPE BUSINESS: Other Small Business Performing in U.S. Code 0BK64 Facility Code

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required) ACRN: AC NET INCREASE: \$0,536.00

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G It Modifies The Contract/Order No. As Described In Item 14. A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A. B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b). C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: 43.103(a)(1) D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print) 16A. Name And Title Of Contracting Officer (Type or print) JOYCE L KLEIN JOYCE.KLEIN@US.ARMY.MIL (309)782-5051 15B. Contractor/Offeror 15C. Date Signed 16B. United States Of America 16C. Date Signed 2009SEP10 (Signature of person authorized to sign) By /SIGNED/ (Signature of Contracting Officer)

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CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIN W52H09-05-D-0260/0003 MOD/AMD 03	Page 2 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION A - SUPPLEMENTAL INFORMATION

The purpose of this modification 03 to W52H09-05-D-0260 to DO 0003 is to:

1. Increase the unit price for CLINS 0001AB and 0001AC from \times by \times , for a new unit price of .
 2. For Administrative purposes, this increase will be represented on CLIN 1001AB.
 3. Therefore, for each Panoramic Telescope shipped against CLIN 0001AB, the contractor shall bill against CLIN 0001AB \times and 1001AB (\$ \times) for a total unit price of \times and for CLIN 0001AC, the contractor shall bill against CLIN 0001AC \times , or 1001AB (\$ \times) for a total unit price of : \times
 4. To date, the total quantity left for delivery for CLIN's 0001AB and 0001AC is \times each, Panoramic Telescope, NSN: 1240-01-483-6103, PN: 12984713.
 5. Revised the delivery schedule, see section B.
- All other terms and conditions remain unchanged.

*** END OF NARRATIVE A0004 ***

*Confidential Treatment Requested

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 03	Page 3 of 6
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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS NSN: 1240-01-483-6103 FSCM: 19200 PART NR: 12984713 SECURITY CLASS: Unclassified				
0001AB	<u>PRODUCTION QUANTITY</u> NOUN: TELESCOPE, PANORAMIC PRON: M171R213M1 PRON AMD: 02 ACRN: AA AMS CD: 060011 <u>Packaging and Marking</u> <u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin <u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 001 W52H097151H975 W31G1Z J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 31-MAR-2010 FOB POINT: Destination SHIP TO: (W31G1Z) XR W6L7 ANNISTON MUNITIONS CTR TRANS OFFICER 256 235 6837 CL V 7 FRANKFORD AVE BLDG #380 ANNISTON AL 36201-4199 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003 DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 002 W52H097151H976 J 1 <u>DEL REL CD QUANTITY DEL DATE</u> 001 * 30-APR-2010 FOB POINT: Destination SHIP TO: (W62G27) XR W1BG DEF DIST DEPOT SAN JOAQUIN 25600 S CHRISMAN ROAD REC WHSE 16B PH 209 839 4307 TRACY CA 95304-5000 <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003	*	EA	\$-*	\$-*

*Confidential Treatment Requested

Name of Offeror or Contractor: **OPTEX SYSTEMS INC.**

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																							
0001AC	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: M119 HOWITZER M137 PRON: 2C8150221A PRON AMD: 01 ACRN: AB AMS CD: 32101366022</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL</p> <table border="1" style="width:100%; border-collapse: collapse; font-size: small;"> <thead> <tr> <th>REL CD</th> <th>MILSTRIP</th> <th>ADDR</th> <th>SIG CD</th> <th>MARK FOR</th> <th>TP CD</th> </tr> </thead> <tbody> <tr> <td>001</td> <td>W15BW982073345</td> <td>Y00000</td> <td>M</td> <td></td> <td>3</td> </tr> </tbody> </table> <table border="1" style="width:100%; border-collapse: collapse; font-size: small;"> <thead> <tr> <th>DEL REL CD</th> <th>QUANTITY</th> <th>DEL DATE</th> </tr> </thead> <tbody> <tr><td>001</td><td style="text-align: center;">✗</td><td>30-APR-2010</td></tr> <tr><td>002</td><td style="text-align: center;">✗</td><td>28-MAY-2010</td></tr> <tr><td>003</td><td style="text-align: center;">✗</td><td>27-AUG-2010</td></tr> <tr><td>004</td><td style="text-align: center;">✗</td><td>30-SEP-2010</td></tr> <tr><td>005</td><td style="text-align: center;">✗</td><td>29-OCT-2010</td></tr> <tr><td>006</td><td style="text-align: center;">✗</td><td>30-NOV-2010</td></tr> <tr><td>007</td><td style="text-align: center;">✗</td><td>31-DEC-2010</td></tr> <tr><td>008</td><td style="text-align: center;">✗</td><td>30-JAN-2011</td></tr> </tbody> </table> <p>POB POINT: Destination</p> <p>SHIP TO: (Y00000) <u>CONTRACT/DELIVERY ORDER NUMBER</u> W52H09-05-D-0260/0003</p>	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001	W15BW982073345	Y00000	M		3	DEL REL CD	QUANTITY	DEL DATE	001	✗	30-APR-2010	002	✗	28-MAY-2010	003	✗	27-AUG-2010	004	✗	30-SEP-2010	005	✗	29-OCT-2010	006	✗	30-NOV-2010	007	✗	31-DEC-2010	008	✗	30-JAN-2011	✗	EA	\$ _____	\$ _____ ✗
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD																																							
001	W15BW982073345	Y00000	M		3																																							
DEL REL CD	QUANTITY	DEL DATE																																										
001	✗	30-APR-2010																																										
002	✗	28-MAY-2010																																										
003	✗	27-AUG-2010																																										
004	✗	30-SEP-2010																																										
005	✗	29-OCT-2010																																										
006	✗	30-NOV-2010																																										
007	✗	31-DEC-2010																																										
008	✗	30-JAN-2011																																										
1001	SECURITY CLASS: Unclassified																																											
1001AB	<p><u>UNIT PRICE INCREASE</u></p> <p>NOUN: PACKAGING FOR PANTELS PRON: W19ABW35M1 PRON AMD: 01 ACRN: AC AMS CD: 53459562147</p> <p>Items shipped on CLIN 0001AB or 0001AC shall also billed against this CLIN 1002AA for 42.68 each up to 200 units</p>				\$ _____ ✗																																							

*Confidential Treatment Requested

CONTINUATION SHEET

Reference No. of Document Being Continued
PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT									
	<p>THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPERATE DELIVERY REQUIRED.</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table border="0"> <tr> <td>DLVR SCH</td> <td></td> <td>PERF COMPL</td> </tr> <tr> <td><u>REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DATE</u></td> </tr> <tr> <td>001</td> <td>0</td> <td>30-SEP-2011</td> </tr> </table> <p>\$ ↗</p>	DLVR SCH		PERF COMPL	<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>	001	0	30-SEP-2011				
DLVR SCH		PERF COMPL												
<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>												
001	0	30-SEP-2011												

*Confidential Treatment Requested

C105

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 6 of 6

PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	AMS CD/ ITEM	PRON/ MIPR	ACRN	OBLG STAT/ JOB ORD NO.	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
1001AB	W19ABW35M1 53459562147		AC	2 974W35	0.00 \$	*	*
					NET CHANGE	\$ *	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AC	21 92035000096D6D02P53459525FB S11116	W52H09	\$ *
				NET CHANGE \$ *

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ *	\$ *	\$ *	\$ 2,246,570.00

ACRN	EDI ACCOUNTING CLASSIFICATION
AC	21 091120350000 S11116 96D6D025345956214725FB 974W35S11116 W52H09

*Confidential Treatment Requested

J)-1

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
Page 1 of 7

Ship To: General Dynamics Land Systems	PO Creation Date: 08-JUN-2009 10:03:27 Revision Date: PO Status: APPROVED Freight Terms: FCA SP Freight Carrier: REFER TO GDLS ROUTING GUI Total PO Value: 3,401,907.00 PO Award Code: 3A PO Description: Production PO	
Bill to: General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States		
Payment Terms: MNS2 PO Currency: USD		
SUPPLIER Company: Optex Systems Inc Supplier No.: 503610 Site: RICHARDSON Address: 1420 Presidential Drive Richardson, TX 75081 United States Attn: VCN 23230 - OPTEX SY	BUYER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com	PLANNER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com

Purchase Order Text

Purchaser agrees to purchase and seller agrees to furnish the supplies or services described below in accordance with the terms and conditions on the face hereof.


This is a rated order for national defense use, and you are required to follow all the provisions of the defense priorities and allocations system regulation (15 CFR, part 700). Supplier is required to place rated orders with sub-tier suppliers for items needed to fill this order.

(POTEXT)

Terms and Conditions

This order is subject to the terms and conditions listed on General Dynamics Land Systems (GDLS) form 84-005-807, 0808 and 0809, and 1032 (time and material) in effect of the date of this order. Terms and conditions can be found at www.gdls.com/procurement/html.

PROGRESS PAYMENTS IN ACCORDANCE WITH DFAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:


CONTRACT NO.	QUANTITY
G0006 RW00	
G0006 RX00	
G0006 RY00	
G0006 RZ00	

WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES PROMPTLY OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE, FOR ALL CONTRACTS AND QUANTITIES LISTED ABOVE WILL DELAY PAYMENT. ONLY THOSE QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS PAYMENTS. INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED BY AN SF1443 FOR EACH CONTRACT.

If a supplier/subcontractor becomes in possession of government owned property the supplier/subcontractor will comply with the instructions for control of government-owned property in the possession of suppliers/ sub-contractors" these instructions are available on the GDLS website at www.gdls.com/procurement/ Instructions for control of government owned property in the possession of suppliers/sub-contractors. (DTC3)

Technical Data Mangement

Technical data furnished by buyer to seller, in order to facilitate seller's execution of this purchase order, is governed by the US international traffic in arms regulations (ITAR) section 124.13. If technical data is to be exported, a state department export license will be requested by the buyer/GDLS contracts department. When this is received, the appropriate license will be lodged with the customs department and the license # will be furnished to you for inclusion on the paperwork in order to allow for transference of data outside of the USA.

<u>Terms and Conditions</u> Please refer to the General Dynamic www.gdls.com for purchase orde	 *Confidential Treatment Requested _____ MARY DONOHUE
--	--

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

D-2

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
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Seller hereby agrees to:

1. Limit the use of the technical data to the manufacture of the defense articles required by the purchase order only; and
2. Prohibit the disclosure of the technical data to any other person except subcontractors within seller's country; and
3. Prohibit the acquisition of any rights in the technical data by any foreign person; and
4. Assure that any subcontracts issued by seller to sub-contractors within seller's country, in order to facilitate seller's execution of this purchase order, include all six (6) limitations contained in this clause; and
5. Destroy or return to buyer all of the technical data exported by buyer pursuant to execution of the purchase order and upon fulfillment of its terms; and
6. Assure delivery of the defense articles manufactured by seller under the terms of this purchase order only to buyer in the US or to an agency of the US Government.

Furthermore, technical data which may be acquired or generated under this purchase order may require appropriate authorization from the department of state, office of defense trade controls or department of commerce, office of export administration before it is released to a foreign person. Therefore, seller understands that, if it is a foreign entity, it shall not re-export or, if it is a US entity, it shall not disclose to any foreign person, any technical data acquired under this purchase order until after notifying buyer and written authorization from the appropriate US Government agency is obtained.
{ELR}

Quantity Option

The total quantity of this purchase order may be increased during performance of said contracts at the same price, but may not exceed 20% of the total quantity authorized.

Military Standard

Supplier shall furnish military standard hardware to the drawing revision level contained in the technical data package. If no revision level is specified, parts must be supplied to the latest revision level established by government agencies as of the date of this purchase order.
{MSP}

No Change to Item

Seller shall make no change in design, materials, location, manufacturing processes, or sources of supply, after buyer's acceptance of the first production test item or after acceptance of the first completed end item, without the written approval of the buyer.

For electrical components: the approval of the buyer will not be required for the seller to make changes in the source of supply of component parts which are classified as "passive components" so long as such supply source changes do not affect form, fit, function, quality, reliability or safety of the end item.
{NCG}

Hexavalent Chromium (HC) - (This clause applies to the interim armored vehicle (IAV) Stryker vehicle only and should be ignored for Tank and other applications.)

The contract between US Tank Automotive and Armaments Command (TACOM) and GDLS for the provision of an interim armored vehicle (IAV) to the US Army prohibits the use of hexavalent chromium. GDLS is bound by this requirement. Also, note that no cadmium plated parts or fasteners, other than electrical connectors, are permitted to be incorporated into any component.

All GDLS parts that are chemical agent resistant coating (CARC) painted were originally prepared in accordance with mil-t-704. This military standard authorizes vinyl wash primers containing HC (dod-p-15328 and mil-p-8614) as one of a number of pre-treatments for ferrous and aluminum parts. This standard also allows the use of chromated chemical conversion pre-treatment (per mil-c-5541, class 1a) for aluminum parts. Mil-t-704 is now replaced by mil-c-53072. All parts are to be painted in accordance with mil-c-53072 with the exception of the application of hexavalent chromium based pre-treatments.

GDLS will no longer accept parts utilizing vinyl primers or chemical conversion finishes that contain HC for the BCT IAV program. Your company shall eliminate the use of the subject wash primer and/or conversion finishes from its paint process. The process for each material is defined as follows:

- high hard - abrasive blast, prime and paint per specification (omit the use of vinyl wash primer)
- mild steel - zinc phosphate, prime and paint per specification.
- aluminum - alodine 5200 or alodine 5700, prime and paint per specification.*
- stainless steel - omit both wash primer and paint, or passivate, prime and paint as specified.

(* aluminum parts used for electrical applications, where conductive surface is required for bonds & grounds, may use chemical conversion finish per mil-c-5541, class 3, only when specifically specified and pre-approved by GDLS. Then prime and paint per specification.
{HCB2}

Quality Requirements Details

The detail language for the quality requirements can be found on the General Dynamics Land Systems website at the world wide web address <http://www.gdls.com> under the procurement button.

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
Page 3 of 7

(WEB)

Invoice Policy

Vendor to invoice each non-deliverable line item exactly as shown on purchase order/release to insure prompt payment. Invoice must show vendor name, purchase order number/release number, line item number, item billed, and price.

(PS2)

Wood Packaging Requirements (WPR)

All non-manufactured coniferous wood (soft woods from coniferous trees and hard woods from non-coniferous trees), shall be treated to insure the wood is bug free. Material shall be heat treated (HT) material certified by an accredited agency and recognized by the American lumber standards committee (ALSC) and marked with the HT lumber is lumber that has been heated to 56 degrees C (core temperature) for 30 minutes and marked with the appropriate quality mark. The material may also be fumigated with methyl bromide (MB). The ALSC approved markings for boxes and crates shall be placed on both ends of the outer packaging between the end cleats or end battens in at least one inch high letters. Marks may be placed above required mill-std-129 markings. Internal blocking and bracing must comply also and be marked if at all possible. For product imported by a domestic supplier from an international source, it is the sole responsibility of the domestic source to insure that this standard (ISPM 15) is met.

(WPR)

Routing Instructions

*For complete freight routing instructions please go to the General Dynamics Land Systems website at <http://www.gdls.com>, click on procurement, then click on transportation routing instructions/routing guide. If you have freight routing questions, please forward them to traffic@gdls.com.

(RTE)

Purchase Order Delivery Schedules

Purchase order delivery schedules must be strictly adhered to. Early/late and/or over/under shipments to scheduled deliveries will not be tolerated. Any deviation to this policy, unless authorized by general dynamics procurement personnel, will result in material being returned at the supplier's expense. GDLS does not recognize any "industry shipping tolerances".

(PDS)

Receiving Acceptance Rate

Reference GDLS standard procurement clause for (RAR) receiving acceptance rate on website: <http://procurement.gdls.com>

(RAR)

Value Engineering Incentive

Value engineering incentive in accordance with FAR52.248-1 (instant contract saving only) applies. Seller's share is payable to seller promptly after payment of credit by the US Government to buyer.

(VE1)

Byrd Amendment Clause

The undersigned certifies, to the best of his or her knowledge and belief, that: no federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee or a member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form-III, "disclosure form to report lobbying," in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements).

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, US code.

(BAC)

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1	12548774	###	PERISCOPE	*	Each	*	*
			CONTRACT	MSDS	NOTE TO SUPPLIER		LINE STATUS
							Open

QA CLAUSE / ITEM TEXT:

1. ADDITIONAL PROCUREMENT DATA: NONE

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms

*Confidential Treatment Requested

MARY DONOHUE

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
Page 4 of 7

D-4

2. DRWG REV G, DATED 07/13/04 WITH OD1993-C021, OD1995-L008
WITH GDMY3077, GDMY3096, GDMY3188
** QUALITY REQUIREMENTS:

QY11
WEB
QG5
QJ21
QP93
QP6
QK11
MIL-STD-171
QY2
(205)
QY3
QL31
12548769
QJ8
QG2A
QK9
QP5
QP95

4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
(12548773)

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1	1	0	1	1		18-FEB-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
2	1	0	1	1		18-MAR-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
3	1	0	1	1		15-APR-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
4	1	0	1	1		13-MAY-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
5	1	0	1	1		17-JUN-2011			Open

Terms and Conditions
Please refer to the General Dynamics Land Sy
www.gdls.com for purchase order terms ar

*Confidential Treatment Requested RY DONOHUE

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
Page 5 of 7

D-5

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <u>6</u> , Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
6	<u>6</u>	0	<u>12:00:00</u>	<u>12:00:00</u>		15-JUL-2011 12:00:00			Open
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <u>7</u> , Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
7	<u>7</u>	0	<u>12:00:00</u>	<u>12:00:00</u>		12-AUG-2011 12:00:00			Open
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <u>8</u> , Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
8	<u>8</u>	0	<u>12:00:00</u>	<u>12:00:00</u>		16-SEP-2011 12:00:00			Open
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <u>9</u> , Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
9	<u>9</u>	0	<u>12:00:00</u>	<u>12:00:00</u>		16-SEP-2011 12:00:00			Open
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <u>10</u> , Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 2: Qty <u>10</u> , Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
10	<u>10</u>	0	<u>12:00:00</u>	<u>12:00:00</u>		14-OCT-2011 12:00:00			Open
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <u>11</u> , Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
11	<u>11</u>	0	<u>12:00:00</u>	<u>12:00:00</u>		18-NOV-2011 12:00:00			Open
SHIP TO						TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141						Distribution 1: Qty <u>11</u> , Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			

Terms and Conditions
Please refer to the General Dynamics Land
www.gdls.com for purchase order terms

***Confidential Treatment Requested** MARY DONOHUE

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
Page 6 of 7

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
12	0					16-DEC-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
13	0					13-JAN-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
14	0					17-FEB-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
15	0					16-MAR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
16	0					16-MAR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
17	0					16-MAR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
18	0					20-APR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems									

Terms and Conditions
Please refer to the General Dynamics Land S
www.gdls.com for purchase order terms &

*Confidential Treatment Requested ARY DONOHUE

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE ORDER

PO #40050551
PO Revision 0
Page 7 of 7

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
19	1	0	103,776.00	103,776.00		20-APR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1 , Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
22	1	0	103,776.00	103,776.00		18-MAY-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1 , Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
23	1	0	103,776.00	103,776.00		18-MAY-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1 , Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
24	1	0	103,776.00	103,776.00		18-MAY-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1 , Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
25	1	0	103,776.00	103,776.00		15-JUN-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1 , Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				

End of Contract

Terms and Conditions
Please refer to the General Dynamics Land System
www.gdls.com for purchase order terms and conditions

*Confidential Treatment Requested / DONOHUE

11-8

Ship To: General Dynamics Land Systems Bill to: General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States Payment Terms: MNS2 PO Currency: USD	PO Creation Date: 08-JUN-2009 10:03:27 Revision Date: 28-SEP-2009 10:57:45 PO Status: APPROVED Freight Terms: FCA-Seller's Dock (Incoterms 2000) Freight Carrier: REFER TO GDLS ROUTING GUI Total PO Value: 5,380,137.00 PO Award Code: 3A PO Description: Production PO	
SUPPLIER Company: Optex Systems Inc Supplier No.: 503610 Site: RICHARDSON Address: 1420 Presidential Drive Richardson, TX 75081 United States Attn: VCN 23230 - OPTEX SY	BUYER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com	PLANNER MARY DONOHUE Phone: Email: donohuem@gdls.com

 ORACLE REVISION 1 ISSUED 9/28/09 TO INCREASE PURCHASE ORDER QUANTITY BY 1000 PIECES AT SAME UNIT COST AND ADJUST PROJECT/TASK CODES TO BETTER MEET PLANT REQUIREMENTS. THE CONTRACTS/QUANTITIES LISTED IN THE PROGRESS PAYMENT CLAUSE HAVE ALSO BEEN ADJUSTED.

Original Purchase Order quantity: 1000 pieces

Purchase Order Text
 Purchaser agrees to purchase and seller agrees to furnish the supplies or services described below in accordance with the terms and conditions on the face hereof.

This is a rated order for national defense use, and you are required to follow all the provisions of the defense priorities and allocations system regulation (15 CFR, part 700). Supplier is required to place rated orders with sub-tier suppliers for items needed to fill this order.

{POTEXT}

Terms and Conditions
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 PROGRESS PAYMENTS IN ACCORDANCE WITH DFAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.	QUANTITY
G0006 RV00	
G0006 RW00	
G0006 RX00	
G0006 RY00	
G0006 RZ00	

 WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES PROMPTLY OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE, FOR ALL CONTRACTS AND QUANTITIES LISTED ABOVE WILL DELAY PAYMENT. ONLY THOSE QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS PAYMENTS. INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED BY AN SF1443 FOR EACH CONTRACT.

If a supplier/subcontractor becomes in possession of government owned property the supplier/subcontractor will comply with the instructions for control of government-owned property in the possession of suppliers/ sub-contractors" these instructions are available on the GDLS website at www.gdls.com/procurement/ instructions for control of government owned property in the possession of suppliers/sub-contractors.

Terms and Conditions Please refer to the General Dynamics Land S www.gdls.com for purchase order terms &	*Confidential Treatment Requested MARY DONOHUE
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GENERAL DYNAMICS
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STANDARD PURCHASE ORDER

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(DTC3)

Technical Data Management

Technical data furnished by buyer to seller, in order to facilitate seller's execution of this purchase order, is governed by the US international traffic in arms regulations (ITAR) section 124.13. If technical data is to be exported, a state department export license will be requested by the buyer/GDLS contracts department. When this is received, the appropriate license will be lodged with the customs department and the license # will be furnished to you for inclusion on the paperwork in order to allow for transference of data outside of the USA.

Seller hereby agrees to:

1. Limit the use of the technical data to the manufacture of the defense articles required by the purchase order only; and
2. Prohibit the disclosure of the technical data to any other person except subcontractors within seller's country; and
3. Prohibit the acquisition of any rights in the technical data by any foreign person; and
4. Assure that any subcontracts issued by seller to sub-contractors within seller's country, in order to facilitate seller's execution of this purchase order, include all six (6) limitations contained in this clause; and
5. Destroy or return to buyer all of the technical data exported by buyer pursuant to execution of the purchase order and upon fulfillment of its terms; and
6. Assure delivery of the defense articles manufactured by seller under the terms of this purchase order only to buyer in the US or to an agency of the US Government.

Furthermore, technical data which may be acquired or generated under this purchase order may require appropriate authorization from the department of state, office of defense trade controls or department of commerce, office of export administration before it is released to a foreign person. Therefore, seller understands that, if it is a foreign entity, it shall not re-export or, if it is a US entity, it shall not disclose to any foreign person, any technical data acquired under this purchase order until after notifying buyer and written authorization from the appropriate US Government agency is obtained.

{ELR}

Quantity Option

The total quantity of this purchase order may be increased during performance of said contracts at the same price, but may not exceed 20% of the total quantity authorized.

Military Standard

Supplier shall furnish military standard hardware to the drawing revision level contained in the technical data package. If no revision level is specified, parts must be supplied to the latest revision level established by government agencies as of the date of this purchase order.

{MSP}

No Change to Item

Seller shall make no change in design, materials, location, manufacturing processes, or sources of supply, after buyer's acceptance of the first production test item or after acceptance of the first completed end item, without the written approval of the buyer.

For electrical components: the approval of the buyer will not be required for the seller to make changes in the source of supply of component parts which are classified as "passive components" so long as such supply source changes do not affect form, fit, function, quality, reliability or safety of the end item.

{NCG}

Hexavalent Chromium (HC) - (This clause applies to the interim armored vehicle (IAV) Stryker vehicle only and should be ignored for Tank and other applications.)

The contract between US Tank Automotive and Armaments Command (TACOM) and GDLS for the provision of an interim armored vehicle (IAV) to the US Army prohibits the use of hexavalent chromium. GDLS is bound by this requirement. Also, note that no cadmium plated parts or fasteners, other than electrical connectors, are permitted to be incorporated into any component.

All GDLS parts that are chemical agent resistant coating (CARC) painted were originally prepared in accordance with mil-t-704. This military standard authorizes vinyl wash primers containing HC (dod-p-15328 and mil-p-8614) as one of a number of pre-treatments for ferrous and aluminum parts. This standard also allows the use of chromated chemical conversion pre-treatment (per mil-c-5541, class 1a) for aluminum parts. Mil-t-704 is now replaced by mil-c-53072. All parts are to be painted in accordance with mil-c-53072 with the exception of the application of hexavalent chromium based pre-treatments.

GDLS will no longer accept parts utilizing vinyl primers or chemical conversion finishes that contain HC for the BCT IAV program. Your company shall eliminate the use of the subject wash primer and/or conversion finishes from its paint process. The process for each material is defined as follows:

- high hard - abrasive blast, prime and paint per specification (omit the use of vinyl wash primer)
- mild steel - zinc phosphate, prime and paint per specification.
- aluminum - alodine 5200 or alodine 5700, prime and paint per specification.*
- stainless steel - omit both wash primer and paint, or passivate, prime and paint as specified.

Terms and Conditions

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(*) aluminum parts used for electrical applications, where conductive surface is required for bonds & grounds, may use chemical conversion finish per mil-c-5541, class 3, only when specifically specified and pre-approved by GDLS. Then prime and paint per specification.
(HCB2)

Quality Requirements Details

The detail language for the quality requirements can be found on the General Dynamics Land Systems website at the world wide web address <http://www.gdls.com> under the procurement button.
(WEB)

Invoice Policy

Vendor to invoice each non-deliverable line item exactly as shown on purchase order/release to insure prompt payment. Invoice must show vendor name, purchase order number/release number, line item number, item billed, and price.
(PS2)

Wood Packaging Requirements (WPR)

All non-manufactured coniferous wood (soft woods from coniferous trees and hard woods from non-coniferous trees), shall be treated to insure the wood is bug free. Material shall be heat treated (HT) material certified by an accredited agency and recognized by the American lumber standards committee (ALSC) and marked with the HT lumber is lumber that has been heated to 56 degrees C (core temperature) for 30 minutes and marked with the appropriate quality mark. The material may also be fumigated with methyl bromide (MB). The ALSC approved markings for boxes and crates shall be placed on both ends of the outer packaging between the end cleats or end battens in at least one inch high letters. Marks may be placed above required mil-std-129 markings. Internal blocking and bracing must comply also and be marked if at all possible. For product imported by a domestic supplier from an international source, it is the sole responsibility of the domestic source to insure that this standard (ISPM 15) is met.
(WPR)

Routing Instructions

*For complete freight routing instructions please go to the General Dynamics Land Systems website at <http://www.gdls.com>, click on procurement, then click on transportation routing instructions/routing guide. If you have freight routing questions, please forward them to traffic@gdls.com.
(RTE)

Purchase Order Delivery Schedules

Purchase order delivery schedules must be strictly adhered to. Early/late and/or over/under shipments to scheduled deliveries will not be tolerated. Any deviation to this policy, unless authorized by general dynamics procurement personnel, will result in material being returned at the supplier's expense. GDLS does not recognize any "industry shipping tolerances".
(PDS)

Receiving Acceptance Rate

Reference GDLS standard procurement clause for (RAR) receiving acceptance rate on website: <http://procurement.gdls.com>
(RAR)

Value Engineering Incentive

Value engineering incentive in accordance with FAR52.248-1 (instant contract saving only) applies. Seller's share is payable to seller promptly after payment of credit by the US Government to buyer.
(VE1)

Byrd Amendment Clause

The undersigned certifies, to the best of his or her knowledge and belief, that: no federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee or a member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form-III, "disclosure form to report lobbying," in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements).

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, US code.
(BAC)

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
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Terms and Conditions
Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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1	12548774	###	PERISCOPE	MSDS	Each	NOTE TO SUPPLIER	LINE STATUS
			CONTRACT	MSDS	NOTE TO SUPPLIER		Open

QA CLAUSE / (ITEM TEXT):

1. ADDITIONAL PROCUREMENT DATA: NONE
 2. DRWG REV G, DATED 07/13/04 WITH OD1993-C021, OD1995-L008
 WITH GDMY3077, GDMY3096, GDMY3188
 ** QUALITY REQUIREMENTS:
 QY11
 WEB
 QG5
 QJ21
 QP93
 QP6
 QK11
 MIL-STD-171
 QY2
 (205)
 QY3
 QL31
 12548769
 QJ8
 QG2A
 QK9
 QP5
 QP95
 4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
 REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
 (12548773)

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1	1	0	1	1		14-JAN-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY , Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W06HZV-06-G-0006, DPAS Rating DOA4				
2	1	0	1	1		18-FEB-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY , Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
3	1	0	1	1		18-MAR-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: QY , Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
4	1	0	1	1		15-APR-2011 12:00:00			Open
SHIP TO					TEXT				

Terms and Conditions

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General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
5	<i>1</i>	0	<i>1</i>	<i>1</i>		13-MAY-2011 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
6	<i>1</i>	0	<i>1</i>	<i>1</i>		17-JUN-2011 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
7	<i>1</i>	0	<i>1</i>	<i>1</i>		15-JUL-2011 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
8	<i>1</i>	0	<i>1</i>	<i>1</i>		12-AUG-2011 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
9	<i>1</i>	0	<i>1</i>	<i>1</i>		16-SEP-2011 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
10	<i>1</i>	0	<i>1</i>	<i>1</i>		16-SEP-2011 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty <i>1</i> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
11	<i>1</i>	0	<i>1</i>	<i>1</i>		14-OCT-2011			Open	

Terms and Conditions

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SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
12	0			0		18-NOV-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 2: Qty 1, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
13	0			0		16-DEC-2011 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
14	0			0		13-JAN-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
15	0			0		17-FEB-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
16	0			0		16-MAR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
17	0			0		16-MAR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS,				

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SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18	0					16-MAR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
19	0					20-APR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 2: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
20	0					20-APR-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
21	0					18-MAY-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
22	0					18-MAY-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
23	0					18-MAY-2012 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
24	0					15-JUN-2012 12:00:00			Open
SHIP TO					TEXT				

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General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
25	1	0	1	1		30-JUL-2012 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
26	1	0	1	1		31-AUG-2012 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
27	1	0	1	1		28-SEP-2012 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
28	1	0	1	1		31-OCT-2012 00:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
29	1	0	1	1		30-NOV-2012 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
30	1	0	1	1		07-JAN-2013 12:00:00			Open	
SHIP TO General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States						TEXT Distribution 1: Qty 1 Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
31	1	0	1	1		08-FEB-2013			Open	

Terms and Conditions
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					12:00:00		
SHIP TO				TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States				Distribution 1: Qty . . . Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			

End of Contract

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ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860000

NUMBER: 9726800650

GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/02/2007

ORDER NO: PCL860000

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815
GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

*BASE
ORDER*

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

EFFECTIVE DATE: 04/02/2007

EXPIRATION DATE: 12/30/2008

ORIGINAL BLANKET PO ISSUE DATE - 04/09/07

PART NUMBER : 12548774

DESCRIPTION: PERISCOPE ASSY

QUANTITY: PCS

PRICES STATED HEREIN ARE CEILING PRICES SUBJECT TO DOWNWARD
ONLY ADJUSTMENT RESULTING FROM BUYER'S OR U.S. GOVERNMENT'S
AUDIT REVIEW OF SELLER'S COST AND PRICING DATA AND SUBSEQUENT
FINAL NEGOTIATION.

ALL OTHER UNIT PRICES CONTAINED WITHIN THE BODY OF THIS PURCHASE
ORDER ARE ALSO NOT TO EXCEED (NTE) CEILING PRICES SUBJECT TO
THE SAME AUDIT/NEGOTIATION AND SHALL ALSO BE ADJUSTED AS
REQUIRED UPON CONTRACT PRICING DEFINITIZATION. SELLER AGREES
TO SUBMIT SUCH DATA IN FORM AND DETAIL ACCEPTABLE TO BUYER NOT
LATER THAN THIRTY (30) DAYS FROM THE DATE OF THIS PURCHASE
ORDER. PENDING FINAL AGREEMENT OF PRICE, THE AMOUNT ALLOCATED
TO THIS ORDER AND AVAILABLE FOR PAYMENT IS \$2,701,891.90
UNLESS INCREASED BY BUYER IN WRITING. FINAL PRICE AGREEMENT
WILL BE SET FORTH IN A PURCHASE ORDER CHANGE HERETO NO LATER
THAN 180 DAYS FROM DATE HEREOF.

CONVERSION OF NOT TO EXCEED PRICE TO A FIRM FIXED PRICE
AUTOMATICALLY CANCELS THIS CLAUSE.

SCHEDULE FOR DEFINITIZATION

SUBMISSION OF PRICE PROPOSAL	COMPLETE
AUDIT	5/11/2007
COMMENCE NEGOTIATIONS	6/11/2007

BUYER:

EXPEDITOR: E003

JULIE M. SCHNEIDER BUYER: B003
P: 586-825-8756 F: 586-268-7437

ORDER NO: PCL860000

EMAIL: SCHNEIDJ@GDLS.COM
GENERAL DYNAMICS

PAGE 1 OF
BLANKET ORDER

DATE: 04/02/2007

ORDER NO: PCL860000

TARGET DATE FOR PRICE DEFINITIZATION 7/11/2007

THIS ORDER HAS BEEN RELEASED AS A BLANKET PURCHASE ORDER.
THE SUPPLIER WILL RECEIVE SUBSEQUENT RELEASES THAT WILL
CONFIRM THE SHIPPING SCHEDULE FOR THIS ORDER. ALL SHIPMENTS
AGAINST THESE RELEASES MUST MEET THE REQUIREMENTS SPECIFIED
IN THE BLANKET PURCHASE ORDER. SUBSEQUENT RELEASES WILL
HAVE THE SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER,
EXCEPT IT WILL BE SEQUENTIALLY INCREASED BY ONE FOR EACH
RELEASE, (IE: BLANKET P.O. NO.: PBA020000; RELEASES;
PBA020001, PBA020002, ETC.).

(BPL)

VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248-1
(INSTANT CONTRACT SAVING ONLY) APPLIES. SELLER'S SHARE IS
PAYABLE TO SELLER PROMPTLY AFTER PAYMENT OF CREDIT BY THE
GOVERNMENT TO BUYER.

(VE1)

PURCHASER AGREES TO PURCHASE AND SELLER AGREES TO FURNISH THE SUPPLIES
OR SERVICES DESCRIBED BELOW IN ACCORDANCE WITH THE TERMS AND CONDITIONS
ON THE FACE HEREOF.

THIS IS A RATED ORDER FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO
FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS
SYSTEM REGULATION (15 CFR PART 700). SUPPLIER IS REQUIRED TO PLACE
RATED ORDERS WITH SUB-TIER SUPPLIERS FOR ITEMS NEEDED TO FILL THIS
ORDER.

(POTEXT)

SELLER SHALL MAKE NO CHANGE IN DESIGN, MATERIALS, MANUFACTURING
LOCATION, MANUFACTURING PROCESSES, OR SOURCES OF SUPPLY, AFTER
BUYER'S ACCEPTANCE OF THE FIRST PRODUCTION TEST ITEM OR AFTER
ACCEPTANCE OF THE FIRST COMPLETED END ITEM, WITHOUT THE WRITTEN
APPROVAL OF THE BUYER.

FOR ELECTRICAL COMPONENTS:

THE APPROVAL OF THE BUYER WILL NOT BE REQUIRED FOR THE SELLER TO
MAKE CHANGES IN THE SOURCE OF SUPPLY OF COMPONENT PARTS WHICH
ARE CLASSIFIED AS "PASSIVE COMPONENTS" SO LONG AS SUCH SUPPLY
SOURCE CHANGES DO NOT AFFECT FORM, FIT, FUNCTION, QUALITY,
RELIABILITY OR SAFETY OF THE END ITEM.

(NCG)

BUYER:

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P:586-825-8756 F:586-268-7437
EMAIL: SCHNEIDJ@GDLS.COM

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 2 OF

GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/02/2007

ORDER NO: PCL860000

SCHEDULE ADJUSTMENT CLAUSE

GENERAL DYNAMICS LAND SYSTEMS DIVISION (GDLS) RESERVES THE RIGHT TO ADJUST EACH DELIVERY SCHEDULE DATE IN OR OUT BY UP TO FOUR (4) WEEKS (30 CALENDAR DAYS) FROM THE SCHEDULED ON DOCK NEED DATE. NOTIFICATION BY GDLS WILL BE RELEASED NO LATER THAN 60 DAYS PRIOR TO THE DELIVERY DATE IMPACTED.

(SAC)

STATISTICAL METHODS AND STATISTICAL PROCESS CONTROL (SPC) IS MANDATORY FOR UTILIZATION BY THE SUPPLIER TO CONTROL THE MANUFACTURING PROCESS, CONTINUALLY IMPROVE QUALITY, AND REDUCE COSTS ASSOCIATED WITH THE DELIVERABLE END PRODUCT.

THE REQUIREMENTS FOR A PROCEDURE, CONTROL PLAN, AND SUPPLIER CERTIFICATION SHALL BE IN ACCORDANCE WITH THE GDLS SUPPLIER INSTRUCTIONS QCS-83-7.

ANY QUESTIONS REGARDING THE GDLS SPC PROGRAM SHOULD BE DIRECTED TO YOUR BUYER.

(SPC1)

VENDOR TO INVOICE EACH LINE ITEM EXACTLY AS SHOWN ON PURCHASE ORDER/RELEASE TO INSURE PROMPT PAYMENT. INVOICE MUST SHOW VENDOR NAME, PURCHASE ORDER NUMBER/RELEASE NUMBER, LINE ITEM NUMBER, PART NUMBER, QUANTITY SHIPPED, AND PRICE.

(PS2)

ALL COMMUNICATION CONCERNING THIS P.O. SHOULD BE DIRECTED TO THE UNDERSIGNED GDLS BUYER:

***** THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON GDLS FORM 84-005-807, 0808 AND 0809 IN EFFECT OF THE DATE OF THIS ORDER. TERMS AND CONDITIONS CAN BE FOUND AT WWW.GDLS.COM/PROCUREMENT/HTML.

(DTC3)

THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENGINEERING CHANGE OR ANY ACTION AFFECTING HARDWARE CONFIGURATION AND/OR TECHNICAL DATA PACKAGE (TDP) REQUIREMENTS. ALL PRICES THAT SHALL APPLY WILL BE THOSE REFLECTING THE MOST RECENT HARDWARE CONFIGURATION OR TDP REQUIREMENTS.

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, IS

BUYER:

JULIE M. SCHNEIDER BUYER:B003
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EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
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BLANKET ORDER

DATE: 04/02/2007

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GOVERNED BY THE U.S. INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SECTION 124.13. IF TECHNICAL DATA IS TO BE EXPORTED, A STATE DEPARTMENT EXPORT LICENSE WILL BE REQUESTED BY THE BUYER/GDLS CONTRACTS DEPARTMENT. WHEN THIS IS RECEIVED, THE APPROPRIATE LICENSE WILL BE LODGED WITH THE CUSTOMS DEPARTMENT AND THE LICENSE # WILL BE FURNISHED TO YOU FOR INCLUSION ON THE PAPERWORK IN ORDER TO ALLOW FOR TRANSFERENCE OF TECHNICAL DATA OUTSIDE OF THE USA.

SELLER HEREBY AGREES TO:

1. LIMIT THE USE OF THE TECHNICAL DATA TO THE MANUFACTURE OF THE DEFENSE ARTICLES REQUIRED BY THE PURCHASE ORDER ONLY; AND
2. PROHIBIT THE DISCLOSURE OF THE TECHNICAL DATA TO ANY OTHER PERSON EXCEPT SUBCONTRACTORS WITHIN SELLER'S COUNTRY; AND
3. PROHIBIT THE ACQUISITION OF ANY RIGHTS IN THE TECHNICAL DATA BY ANY FOREIGN PERSON; AND
4. ASSURE THAT ANY SUBCONTRACTS ISSUED BY SELLER TO SUB CONTRACTORS WITHIN SELLER'S COUNTRY, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, INCLUDE ALL SIX (6) LIMITATIONS CONTAINED IN THIS CLAUSE; AND
5. DESTROY OR RETURN TO BUYER ALL OF THE TECHNICAL DATA EXPORTED BY BUYER PURSUANT TO EXECUTION OF THE PURCHASE ORDER AND UPON FULFILLMENT OF ITS TERMS; AND
6. ASSURE DELIVERY OF THE DEFENSE ARTICLES MANUFACTURED BY SELLER UNDER THE TERMS OF THIS PURCHASE ORDER ONLY TO BUYER IN THE U.S. OR TO AN AGENCY OF THE U.S. GOVERNMENT.

X

FURTHERMORE, TECHNICAL DATA WHICH MAY BE ACQUIRED OR GENERATED UNDER THIS PURCHASE ORDER MAY REQUIRE APPROPRIATE AUTHORIZATION FROM THE DEPARTMENT OF STATE, OFFICE OF DEFENSE TRADE CONTROLS OR DEPARTMENT OF COMMERCE, OFFICE OF EXPORT ADMINISTRATION BEFORE IT IS RELEASED TO A FOREIGN PERSON. THEREFORE, SELLER UNDERSTANDS THAT, IF IT IS A FOREIGN ENTITY, IT SHALL NOT RE-EXPORT OR, IF IT IS A U.S. ENTITY, IT SHALL NOT DISCLOSE TO ANY FOREIGN PERSON, ANY TECHNICAL DATA ACQUIRED UNDER THIS PURCHASE ORDER UNTIL AFTER NOTIFYING BUYER AND WRITTEN AUTHORIZATION FROM THE APPROPRIATE U.S. GOVERNMENT AGENCY IS OBTAINED.
(ELR)

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, THAT:

NO FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID,

BUYER:

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ORDER NO: PCL860000
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BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OR A MEMBER OF CONGRESS IN CONNECTION WITH THE AWARDING OF ANY FEDERAL CONTRACT, THE MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN, THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

IF ANY FUNDS OTHER THAN FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID, OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM-LLL, "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS INSTRUCTIONS.

THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS, AND CONTRACTS UNDER GRANTS, LOANS, AND COOPERATIVE AGREEMENTS).

THIS CERTIFICATION IS A MATERIAL REPRESENTATION OF FACT UPON WHICH RELIANCE WAS PLACED WHEN THIS TRANSACTION WAS MADE OR ENTERED INTO. SUBMISSION OF THIS CERTIFICATION IS A PRE-REQUISITE FOR MAKING OR ENTERING INTO THIS TRANSACTION IMPOSED BY SECTION 1352, TITLE 31, U.S. CODE.

(BAC)

WOOD PACKAGING REQUIREMENTS (WPR)

ALL NON-MANUFACTURED CONIFEROUS WOOD (SOFT WOODS FROM CONIFEROUS TREES AND HARD WOODS FROM NON-CONIFEROUS TREES), SHALL BE TREATED TO INSURE THE WOOD IS BUG FREE. MATERIAL SHALL BE HEAT TREATED (HT) MATERIAL CERTIFIED BY AN ACCREDITED AGENCY AND RECOGNIZED BY THE AMERICAN LUMBER STANDARDS COMMITTEE (ALSC) AND MARKED WITH THE HT STAMP. HT LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES

BUYER:

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C (CORE TEMPERATURE) FOR 30 MINUTES AND MARKED WITH THE APPROPRIATE QUALITY MARK. THE MATERIAL MAY ALSO BE FUMIGATED (MB) WITH METHYL BROMIDE. THE ALSO APPROVED MARKINGS FOR BOXES AND CRATES SHALL BE PLACED ON BOTH ENDS OF THE OUTER PACKAGING BETWEEN THE END CLEATS OR END BATTENS IN AT LEAST ONE INCH HIGH LETTERS. MARKS MAY BE PLACED ABOVE REQUIRED MIL-STD-129 MARKINGS. INTERNAL BLOCKING AND BRACING MUST COMPLY ALSO AND BE MARKED IF AT ALL POSSIBLE. FOR PRODUCT IMPORTED BY A DOMESTIC SUPPLIER FROM AN INTERNATIONAL SOURCE, IT IS THE SOLE RESPONSIBILITY OF THE DOMESTIC SOURCE TO INSURE THAT THIS STANDARD (ISPM 15) IS MET.
(WPR)

PROGRESS PAYMENTS IN ACCORDANCE WITH DFMAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.	QUANTITY
-----	-----
GNO01 RK00	*
G0006 RN00	*
G0006 RP00	*
G0006 RST3	*

WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES PROMPTLY OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE, FOR ALL CONTRACTS AND QUANTITIES LISTED ABOVE WILL DELAY PAYMENT. ONLY THOSE QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS PAYMENTS. INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED BY AN SF1443 FOR EACH CONTRACT.

(PP4)

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT.PRICE
0001	*) 12548774 PERISCOPE ASSEMBLY	*	EA	*

TOTAL BLANKET LIMIT

\$6,754,729.80

1. ADDITIONAL PROCUREMENT DATA: NONE
 2. DRWG REV G, DATED 07/26/04
WITH OD1993-C021, OD1995-L008
- ** QUALITY REQUIREMENTS:

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ORDER NO: PCL860000

*Confidential Treatment Requested

QY11.8 (5/21/98) FIRST PIECE INSPECTION

THE DETAIL LANGUAGE FOR THE QUALITY REQUIREMENTS CAN BE FOUND
IN THE GENERAL DYNAMICS WEBSITE ON THE WORLD WIDE WEB
ADDRESS HTTP://WWW.GDLS.COM UNDER THE PROCUREMENT BUTTON.
(WEB)

QG5.2 (04/18/00) C = O SAMPLING PLAN
QJ21.1 (12/8/97) INSPECTION DELEGATION
QP93.0 (5/1/90) PACKING SLIP REQUIREMENT
QP6.0 (1/1/86) ORDERING DATA SHEETS
QK11.1 (1/19/99) PHY/TEST DATA-FILL IN
MIL-STD-171
QY2.9 (09/26/01) FAT-QCS-4
(205)
QY3.5 (1/22/94) C.T. - QCS-4A (TDP)
QL31.0 (12/4/87) FUNCTIONAL TEST (FILL-IN)
12548769
QJ8.1 (1/18/88) GOVERNMENT SELECTIVE EVALUATION
QG2A.4 (11/21/96) (MIL-1-45208 ANSI/ISO 9000)
QK9.1 (1/19/99) QAP-CERT (FILL-IN)
4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
(12548773)

CONTRACTS ARE ASSIGNED AS FOLLOWS:

ALIAS	SEGMENT	WBS	PRIORITY RATING
G0006	RN00 --	---	-----
G0006	RP00		
G0006	RST3		

BUYER:

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THE APPROXIMATE FORECASTED QUANTITY OF PARTS TO BE RELEASED
PER YEAR IS 1927 PIECES STARTING JANUARY 2008.

THESE RELEASES WILL BE SUBJECT TO A 20% INCREASE OR DECREASE
IN QUANTITY.

RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS
PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME
VARIATION DUE TO SCRAP RATE, RETURNS, MANUFACTURING SCHEDULE
CHANGES ETC.

SUPPLIERS MUST BE PREPARED TO SUPPORT GDLS DELIVERY REQUIRE-
MENTS WITH AS LITTLE AS SEVEN (7) DAYS NOTICE. (TQR)

BUYER:

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SUPPLIER NO: 23230

ORDER NO: PCL860000
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Verified at: 9:43:20 AM on: 4/2/2007 by Domino Process

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860000

NUMBER: 9726800650

GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/11/2007
SUPPL. DATE: 04/11/2007

ORDER NO: PCL860000
SUPPL. NO: 001

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815
GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

EFFECTIVE DATE: 04/02/2007

EXPIRATION DATE: 12/30/2008

ORIGINAL BLANKET PO ISSUE DATE - 04/09/07

PART NUMBER : 12548774 DESCRIPTION: PERISCOPE ASSY

QUANTITY: * PCS

SUPPLEMENT 001 ISSUED 4/11/07 CHANGES AUDIT AND NEGOTIATION SCHEDULE
BELOW. PLEASE NOTE.

PRICES STATED HEREIN ARE CEILING PRICES SUBJECT TO DOWNWARD
ONLY ADJUSTMENT RESULTING FROM BUYER'S OR U.S. GOVERNMENT'S
AUDIT REVIEW OF SELLER'S COST AND PRICING DATA AND SUBSEQUENT
FINAL NEGOTIATION.

ALL OTHER UNIT PRICES CONTAINED WITHIN THE BODY OF THIS PURCHASE
ORDER ARE ALSO NOT TO EXCEED (NTE) CEILING PRICES SUBJECT TO
THE SAME AUDIT/NEGOTIATION AND SHALL ALSO BE ADJUSTED AS
REQUIRED UPON CONTRACT PRICING DEFINITIZATION. SELLER AGREES
TO SUBMIT SUCH DATA IN FORM AND DETAIL ACCEPTABLE TO BUYER NOT
LATER THAN THIRTY (30) DAYS FROM THE DATE OF THIS PURCHASE
ORDER. PENDING FINAL AGREEMENT OF PRICE, THE AMOUNT ALLOCATED
TO THIS ORDER AND AVAILABLE FOR PAYMENT IS \$2,701,891.90
UNLESS INCREASED BY BUYER IN WRITING. FINAL PRICE AGREEMENT
WILL BE SET FORTH IN A PURCHASE ORDER CHANGE HERETO NO LATER
THAN 180 DAYS FROM DATE HEREOF.

CONVERSION OF NOT TO EXCEED PRICE TO A FIRM FIXED PRICE
AUTOMATICALLY CANCELS THIS CLAUSE.

SCHEDULE FOR DEFINITIZATION

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GENERAL DYNAMICS

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DATE: 04/11/2007
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ORDER NO: PCL860000
SUPPL.NO: 001

SUBMISSION OF PRICE PROPOSAL	COMPLETE
AUDIT	6/11/2007
COMMENCE NEGOTIATIONS	7/11/2007
TARGET DATE FOR PRICE DEFINITIZATION	8/11/2007

THIS ORDER HAS BEEN RELEASED AS A BLANKET PURCHASE ORDER. THE SUPPLIER WILL RECEIVE SUBSEQUENT RELEASES THAT WILL CONFIRM THE SHIPPING SCHEDULE FOR THIS ORDER. ALL SHIPMENTS AGAINST THESE RELEASES MUST MEET THE REQUIREMENTS SPECIFIED IN THE BLANKET PURCHASE ORDER. SUBSEQUENT RELEASES WILL HAVE THE SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER, EXCEPT IT WILL BE SEQUENTIALLY INCREASED BY ONE FOR EACH RELEASE, (IE: BLANKET P.O. NO.: PBA020000; RELEASES; PBA020001, PBA020002, ETC.).

{BPL}

VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248-1 (INSTANT CONTRACT SAVING ONLY) APPLIES. SELLER'S SHARE IS PAYABLE TO SELLER PROMPTLY AFTER PAYMENT OF CREDIT BY THE GOVERNMENT TO BUYER.

{VE1}

PURCHASER AGREES TO PURCHASE AND SELLER AGREES TO FURNISH THE SUPPLIES OR SERVICES DESCRIBED BELOW IN ACCORDANCE WITH THE TERMS AND CONDITIONS ON THE FACE HEREOF.

THIS IS A RATED ORDER FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS SYSTEM REGULATION (15 CFR PART 700). SUPPLIER IS REQUIRED TO PLACE RATED ORDERS WITH SUB-TIER SUPPLIERS FOR ITEMS NEEDED TO FILL THIS ORDER.

{POTEXT}

BUYER:

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EXPEDITOR: E003
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GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/11/2007
SUPPL.DATE: 04/11/2007

ORDER NO: PCL860000
SUPPL.NO: 001

SELLER SHALL MAKE NO CHANGE IN DESIGN, MATERIALS, MANUFACTURING LOCATION, MANUFACTURING PROCESSES, OR SOURCES OF SUPPLY, AFTER BUYER'S ACCEPTANCE OF THE FIRST PRODUCTION TEST ITEM OR AFTER ACCEPTANCE OF THE FIRST COMPLETED END ITEM, WITHOUT THE WRITTEN APPROVAL OF THE BUYER.

FOR ELECTRICAL COMPONENTS:
THE APPROVAL OF THE BUYER WILL NOT BE REQUIRED FOR THE SELLER TO MAKE CHANGES IN THE SOURCE OF SUPPLY OF COMPONENT PARTS WHICH ARE CLASSIFIED AS "PASSIVE COMPONENTS" SO LONG AS SUCH SUPPLY SOURCE CHANGES DO NOT AFFECT FORM, FIT, FUNCTION, QUALITY, RELIABILITY OR SAFETY OF THE END ITEM.

{NCG}

SCHEDULE ADJUSTMENT CLAUSE

GENERAL DYNAMICS LAND SYSTEMS DIVISION (GDLS) RESERVES THE RIGHT TO ADJUST EACH DELIVERY SCHEDULE DATE IN OR OUT BY UP TO FOUR (4) WEEKS (30 CALENDAR DAYS) FROM THE SCHEDULED ON DOCK NEED DATE. NOTIFICATION BY GDLS WILL BE RELEASED NO LATER THAN 60 DAYS PRIOR TO THE DELIVERY DATE IMPACTED.

{SAC}

STATISTICAL METHODS AND STATISTICAL PROCESS CONTROL (SPC) IS MANDATORY FOR UTILIZATION BY THE SUPPLIER TO CONTROL THE MANUFACTURING PROCESS, CONTINUALLY IMPROVE QUALITY, AND REDUCE COSTS ASSOCIATED WITH THE DELIVERABLE END PRODUCT. THE REQUIREMENTS FOR A PROCEDURE, CONTROL PLAN, AND SUPPLIER CERTIFICATION SHALL BE IN ACCORDANCE WITH THE GDLS SUPPLIER INSTRUCTIONS QCS-83-7. ANY QUESTIONS REGARDING THE GDLS SPC PROGRAM SHOULD BE DIRECTED TO YOUR BUYER.

{SPC1}

VENDOR TO INVOICE EACH LINE ITEM EXACTLY AS SHOWN ON PURCHASE ORDER/RELEASE TO INSURE PROMPT PAYMENT. INVOICE MUST SHOW VENDOR NAME, PURCHASE ORDER NUMBER/RELEASE NUMBER, LINE ITEM NUMBER, PART NUMBER, QUANTITY SHIPPED, AND PRICE.
ALL COMMUNICATION CONCERNING THIS P.O. SHOULD BE DIRECTED TO THE UNDERSIGNED GDLS BUYER:

{PS2}

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON GDLS FORM 84-005-807, 0808 AND 0809 IN EFFECT OF THE DATE OF THIS ORDER. TERMS AND CONDITIONS CAN BE FOUND AT WWW.GDLS.COM/PROCUREMENT/HTML.
(DTC3)

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ORDER NO: PCL860000
SUPPL. NO: 001

THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENGINEERING CHANGE OR ANY ACTION AFFECTING HARDWARE CONFIGURATION AND/OR TECHNICAL DATA PACKAGE (TDP) REQUIREMENTS. ALL PRICES THAT SHALL APPLY WILL BE THOSE REFLECTING THE MOST RECENT HARDWARE CONFIGURATION OR TDP REQUIREMENTS.

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, IS GOVERNED BY THE U.S. INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SECTION 124.13. IF TECHNICAL DATA IS TO BE EXPORTED, A STATE DEPARTMENT EXPORT LICENSE WILL BE REQUESTED BY THE BUYER/GDLS CONTRACTS DEPARTMENT. WHEN THIS IS RECEIVED, THE APPROPRIATE LICENSE WILL BE LODGED WITH THE CUSTOMS DEPARTMENT AND THE LICENSE # WILL BE FURNISHED TO YOU FOR INCLUSION ON THE PAPERWORK IN ORDER TO ALLOW FOR TRANSFERENCE OF TECHNICAL DATA OUTSIDE OF THE USA.

SELLER HEREBY AGREES TO:

1. LIMIT THE USE OF THE TECHNICAL DATA TO THE MANUFACTURE OF THE DEFENSE ARTICLES REQUIRED BY THE PURCHASE ORDER ONLY; AND
2. PROHIBIT THE DISCLOSURE OF THE TECHNICAL DATA TO ANY OTHER PERSON EXCEPT SUBCONTRACTORS WITHIN SELLER'S COUNTRY; AND
3. PROHIBIT THE ACQUISITION OF ANY RIGHTS IN THE TECHNICAL DATA BY ANY FOREIGN PERSON; AND
4. ASSURE THAT ANY SUBCONTRACTS ISSUED BY SELLER TO SUB CONTRACTORS WITHIN SELLER'S COUNTRY, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, INCLUDE ALL SIX (6) LIMITATIONS CONTAINED IN THIS CLAUSE; AND
5. DESTROY OR RETURN TO BUYER ALL OF THE TECHNICAL DATA EXPORTED BY BUYER PURSUANT TO EXECUTION OF THE PURCHASE ORDER AND UPON FULFILLMENT OF ITS TERMS; AND
6. ASSURE DELIVERY OF THE DEFENSE ARTICLES MANUFACTURED BY SELLER UNDER THE TERMS OF THIS PURCHASE ORDER ONLY TO BUYER IN THE U.S. OR TO AN AGENCY OF THE U.S. GOVERNMENT.

X

FURTHERMORE, TECHNICAL DATA WHICH MAY BE ACQUIRED OR GENERATED UNDER THIS PURCHASE ORDER MAY REQUIRE APPROPRIATE AUTHORIZATION

BUYER:

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
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FROM THE DEPARTMENT OF STATE, OFFICE OF DEFENSE TRADE CONTROLS
 OR DEPARTMENT OF COMMERCE, OFFICE OF EXPORT ADMINISTRATION
 BEFORE IT IS RELEASED TO A FOREIGN PERSON. THEREFORE, SELLER
 UNDERSTANDS THAT, IF IT IS A FOREIGN ENTITY, IT SHALL NOT
 RE-EXPORT OR, IF IT IS A U.S. ENTITY, IT SHALL NOT DISCLOSE
 TO ANY FOREIGN PERSON, ANY TECHNICAL DATA ACQUIRED UNDER THIS
 PURCHASE ORDER UNTIL AFTER NOTIFYING BUYER AND WRITTEN AUTHOR-
 IZATION FROM THE APPROPRIATE U.S. GOVERNMENT AGENCY IS OBTAINED.
 (ELR)

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE
 AND BELIEF, THAT:

NO FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID,
 BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR
 INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE
 OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE
 OF CONGRESS, OR AN EMPLOYEE OR A MEMBER OF CONGRESS IN
 CONNECTION WITH THE AWARDED OF ANY FEDERAL CONTRACT, THE
 MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN,
 THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE
 EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION
 OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

IF ANY FUNDS OTHER THAN FEDERAL APPROPRIATED FUNDS HAVE BEEN
 PAID, OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR
 ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY,
 A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR
 AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS
 FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE
 UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM-LLL,
 "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS
 INSTRUCTIONS.

THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS
 CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL
 SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS,
 AND CONTRACTS UNDER GRANTS, LOANS, AND COOPERATIVE
 AGREEMENTS).

THIS CERTIFICATION IS A MATERIAL REPRESENTATION OF FACT UPON
 WHICH RELIANCE WAS PLACED WHEN THIS TRANSACTION WAS MADE OR
 ENTERED INTO. SUBMISSION OF THIS CERTIFICATION IS A PRE-

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REQUISITE FOR MAKING OR ENTERING INTO THIS TRANSACTION
IMPOSED BY SECTION 1352, TITLE 31, U.S. CODE.

(BAC)

WOOD PACKAGING REQUIREMENTS (WPR)

ALL NON-MANUFACTURED CONIFEROUS WOOD (SOFT WOODS FROM CONIFEROUS TREES AND HARD WOODS FROM NON-CONIFEROUS TREES), SHALL BE TREATED TO INSURE THE WOOD IS BUG FREE. MATERIAL SHALL BE HEAT TREATED (HT) MATERIAL CERTIFIED BY AN ACCREDITED AGENCY AND RECOGNIZED BY THE AMERICAN LUMBER STANDARDS COMMITTEE (ALSC) AND MARKED WITH THE HT STAMP. HT LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES C (CORE TEMPERATURE) FOR 30 MINUTES AND MARKED WITH THE APPROPRIATE QUALITY MARK. THE MATERIAL MAY ALSO BE FUMIGATED (MB) WITH METHYL BROMIDE. THE ALSO APPROVED MARKINGS FOR BOXES AND CRATES SHALL BE PLACED ON BOTH ENDS OF THE OUTER PACKAGING BETWEEN THE END CLEATS OR END BATTENS IN AT LEAST ONE INCH HIGH LETTERS. MARKS MAY BE PLACED ABOVE REQUIRED MIL-STD-129 MARKINGS. INTERNAL BLOCKING AND BRACING MUST COMPLY ALSO AND BE MARKED IF AT ALL POSSIBLE. FOR PRODUCT IMPORTED BY A DOMESTIC SUPPLIER FROM AN INTERNATIONAL SOURCE, IT IS THE SOLE RESPONSIBILITY OF THE DOMESTIC SOURCE TO INSURE THAT THIS STANDARD (ISPM 15) IS MET.
(WPR)

PROGRESS PAYMENTS IN ACCORDANCE WITH DFAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.	QUANTITY
GN001 RK00	X
G0006 RN00	X
G0006 RP00	X
G0006 RST3	X

WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT

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AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES PROMPTLY OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE, FOR ALL CONTRACTS AND QUANTITIES LISTED ABOVE WILL DELAY PAYMENT. ONLY THOSE QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS PAYMENTS. INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED BY AN SF1443 FOR EACH CONTRACT.

(PP4)

ITEM	QUANTITY	PART-DESCRIPTION	PRICE P	UM-REV.	EXT.PRICE
0001	*	12548774 PERISCOPE ASSEMBLY	*	EA	*

TOTAL BLANKET LIMIT

\$6,754,729.80

1. ADDITIONAL PROCUREMENT DATA: NONE

2. DRWG REV G, DATED 07/26/04
WITH OD1993-C021, OD1995-L008

** QUALITY REQUIREMENTS:

QY11.8 (5/21/98) FIRST PIECE INSPECTION

THE DETAIL LANGUAGE FOR THE QUALITY REQUIREMENTS CAN BE FOUND IN THE GENERAL DYNAMICS WEBSITE ON THE WORLD WIDE WEB ADDRESS [HTTP://WWW.GDLS.COM](http://www.gdls.com) UNDER THE PROCUREMENT BUTTON.

(WEB)

QG5.2 (04/18/00) C = O SAMPLING PLAN
QJ21.1 (12/8/97) INSPECTION DELEGATION

QP93.0 (5/1/90) PACKING SLIP REQUIREMENT

QP6.0 (1/1/86) ORDERING DATA SHEETS

QK11.1 (1/19/99) PHY/TEST DATA-FILL IN
MIL-STD-171QY2.9 (09/26/01) FAT-QCS-4
(205)

QY3.5 (1/22/94) C.T. - QCS-4A (TDP)

QL31.0 (12/4/87) FUNCTIONAL TEST (FILL-IN)
12548769

QJ8.1 (1/18/88) GOVERNMENT SELECTIVE EVALUATION

QG2A.4 (11/21/96) (MIL-1-45208 ANSI/ISO 9000)

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QK9.1 (1/19/99) QAP-CERT (FILL-IN)
4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
(12548773)

CONTRACTS ARE ASSIGNED AS FOLLOWS:

ALIAS	SEGMENT	WBS	PRIORITY RATING
G0006	RN00 --	---	-----
G0006	RPO0		
G0006	RST3		

THE APPROXIMATE FORECASTED QUANTITY OF PARTS TO BE RELEASED
PER YEAR IS 1927 PIECES STARTING JANUARY 2008.

THESE RELEASES WILL BE SUBJECT TO A 20% INCREASE OR DECREASE
IN QUANTITY.

RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS
PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME
VARIATION DUE TO SCRAP RATE, RETURNS, MANUFACTURING SCHEDULE
CHANGES ETC.

SUPPLIERS MUST BE PREPARED TO SUPPORT GDLS DELIVERY REQUIRE-
MENTS WITH AS LITTLE AS SEVEN (7) DAYS NOTICE. (TQR)

BUYER:

JULIE M. SCHNEIDER BUYER:0003
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Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

THE APPROXIMATE FORECASTED QUANTITY OF PARTS TO BE RELEASED
PER YEAR IS 1927 PIECES STARTING JANUARY 2008.

THESE RELEASES WILL BE SUBJECT TO A 20% INCREASE OR DECREASE
IN QUANTITY.

RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS
PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME
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CHANGES ETC.

SUPPLIERS MUST BE PREPARED TO SUPPORT GDLS DELIVERY REQUIRE-
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EXPEDITOR: E003
SUPPLIER NO: 23230

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Verified at: 9:43:20 AM on: 4/2/2007 by Domino Process

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860000

NUMBER: 9726800650

GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/17/2007
SUPPL. DATE: 04/17/2007

ORDER NO: PCL860000
SUPPL. NO: 002

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

EFFECTIVE DATE: 04/02/2007

EXPIRATION DATE: 12/30/2008

ORIGINAL BLANKET PO ISSUE DATE - 04/09/07

PART NUMBER : 12548774 DESCRIPTION: PERISCOPE ASSY

QUANTITY: X PCS

SUPPLEMENT 002 ISSUED 04/17/07 TO INCREASE ORDER BY X PCS AT CURRENT
UNIT PRICE, REF SB0128225. THIS PRICE IS PART OF THE NTE ORDER AND IS
SUBJECT TO DOWNWARD PRICE ADJUSTMENT BASED ON AUDIT AND NEGOTIATIONS.

SUPPLEMENT 001 ISSUED 4/11/07 CHANGES AUDIT AND NEGOTIATION SCHEDULE
BELOW. PLEASE NOTE.

PRICES STATED HEREIN ARE CEILING PRICES SUBJECT TO DOWNWARD
ONLY ADJUSTMENT RESULTING FROM BUYER'S OR U.S. GOVERNMENT'S
AUDIT REVIEW OF SELLER'S COST AND PRICING DATA AND SUBSEQUENT
FINAL NEGOTIATION.

ALL OTHER UNIT PRICES CONTAINED WITHIN THE BODY OF THIS PURCHASE
ORDER ARE ALSO NOT TO EXCEED (NTE) CEILING PRICES SUBJECT TO
THE SAME AUDIT/NEGOTIATION AND SHALL ALSO BE ADJUSTED AS
REQUIRED UPON CONTRACT PRICING DEFINITIZATION. SELLER AGREES
TO SUBMIT SUCH DATA IN FORM AND DETAIL ACCEPTABLE TO BUYER NOT
LATER THAN THIRTY (30) DAYS FROM THE DATE OF THIS PURCHASE
ORDER. PENDING FINAL AGREEMENT OF PRICE, THE AMOUNT ALLOCATED
TO THIS ORDER AND AVAILABLE FOR PAYMENT IS \$2,701,891.90
UNLESS INCREASED BY BUYER IN WRITING. FINAL PRICE AGREEMENT
WILL BE SET FORTH IN A PURCHASE ORDER CHANGE HERETO NO LATER
THAN 180 DAYS FROM DATE HEREOF.

BUYER:

EXPEDITOR: E003

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EMAIL: SCHNEIDJ@GDLS.COM
GENERAL DYNAMICS

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CONVERSION OF NOT TO EXCEED PRICE TO A FIRM FIXED PRICE
AUTOMATICALLY CANCELS THIS CLAUSE.

SCHEDULE FOR DEFINITIZATION

SUBMISSION OF PRICE PROPOSAL	COMPLETE
AUDIT	6/11/2007
COMMENCE NEGOTIATIONS	7/11/2007
TARGET DATE FOR PRICE DEFINITIZATION	8/11/2007

THIS ORDER HAS BEEN RELEASED AS A BLANKET PURCHASE ORDER.
THE SUPPLIER WILL RECEIVE SUBSEQUENT RELEASES THAT WILL
CONFIRM THE SHIPPING SCHEDULE FOR THIS ORDER. ALL SHIPMENTS
AGAINST THESE RELEASES MUST MEET THE REQUIREMENTS SPECIFIED
IN THE BLANKET PURCHASE ORDER. SUBSEQUENT RELEASES WILL
HAVE THE SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER,
EXCEPT IT WILL BE SEQUENTIALLY INCREASED BY ONE FOR EACH
RELEASE, (IE: BLANKET P.O. NO.: PBA020000; RELEASES;
PBA020001, PBA020002, ETC.).

{BPL}

VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248-1
(INSTANT CONTRACT SAVING ONLY) APPLIES. SELLER'S SHARE IS
PAYABLE TO SELLER PROMPTLY AFTER PAYMENT OF CREDIT BY THE
GOVERNMENT TO BUYER.

{VE1}

PURCHASER AGREES TO PURCHASE AND SELLER AGREES TO FURNISH THE SUPPLIES
OR SERVICES DESCRIBED BELOW IN ACCORDANCE WITH THE TERMS AND CONDITIONS
ON THE FACE HEREOF.

THIS IS A RATED ORDER FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO
FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS
SYSTEM REGULATION (15 CFR PART 700). SUPPLIER IS REQUIRED TO PLACE
RATED ORDERS WITH SUB-TIER SUPPLIERS FOR ITEMS NEEDED TO FILL THIS
ORDER.

{POTEXT}

BUYER:

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GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/17/2007
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ORDER NO: PCL860000
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SELLER SHALL MAKE NO CHANGE IN DESIGN, MATERIALS, MANUFACTURING LOCATION, MANUFACTURING PROCESSES, OR SOURCES OF SUPPLY, AFTER BUYER'S ACCEPTANCE OF THE FIRST PRODUCTION TEST ITEM OR AFTER ACCEPTANCE OF THE FIRST COMPLETED END ITEM, WITHOUT THE WRITTEN APPROVAL OF THE BUYER.

FOR ELECTRICAL COMPONENTS:
THE APPROVAL OF THE BUYER WILL NOT BE REQUIRED FOR THE SELLER TO MAKE CHANGES IN THE SOURCE OF SUPPLY OF COMPONENT PARTS WHICH ARE CLASSIFIED AS "PASSIVE COMPONENTS" SO LONG AS SUCH SUPPLY SOURCE CHANGES DO NOT AFFECT FORM, FIT, FUNCTION, QUALITY, RELIABILITY OR SAFETY OF THE END ITEM.

{NCG}

SCHEDULE ADJUSTMENT CLAUSE

GENERAL DYNAMICS LAND SYSTEMS DIVISION (GDLS) RESERVES THE RIGHT TO ADJUST EACH DELIVERY SCHEDULE DATE IN OR OUT BY UP TO FOUR (4) WEEKS (30 CALENDAR DAYS) FROM THE SCHEDULED ON DOCK NEED DATE. NOTIFICATION BY GDLS WILL BE RELEASED NO LATER THAN 60 DAYS PRIOR TO THE DELIVERY DATE IMPACTED.

{SAC}

STATISTICAL METHODS AND STATISTICAL PROCESS CONTROL (SPC) IS MANDATORY FOR UTILIZATION BY THE SUPPLIER TO CONTROL THE MANUFACTURING PROCESS, CONTINUALLY IMPROVE QUALITY, AND REDUCE COSTS ASSOCIATED WITH THE DELIVERABLE END PRODUCT. THE REQUIREMENTS FOR A PROCEDURE, CONTROL PLAN, AND SUPPLIER CERTIFICATION SHALL BE IN ACCORDANCE WITH THE GDLS SUPPLIER INSTRUCTIONS QCS-83-7. ANY QUESTIONS REGARDING THE GDLS SPC PROGRAM SHOULD BE DIRECTED TO YOUR BUYER.

{SPC1}

VENDOR TO INVOICE EACH LINE ITEM EXACTLY AS SHOWN ON PURCHASE ORDER/RELEASE TO INSURE PROMPT PAYMENT. INVOICE MUST SHOW VENDOR NAME, PURCHASE ORDER NUMBER/RELEASE NUMBER, LINE ITEM NUMBER, PART NUMBER, QUANTITY SHIPPED, AND PRICE.
ALL COMMUNICATION CONCERNING THIS P.O. SHOULD BE DIRECTED TO THE UNDERSIGNED GDLS BUYER:

{PS2}

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON GDLS FORM 84-005-807, 0808 AND 0809 IN EFFECT OF THE DATE OF THIS ORDER. TERMS AND CONDITIONS CAN BE FOUND AT WWW.GDLS.COM/PROCUREMENT/HTML.
(DTC3)

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THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENGINEERING CHANGE OR ANY ACTION AFFECTING HARDWARE CONFIGURATION AND/OR TECHNICAL DATA PACKAGE (TDP) REQUIREMENTS. ALL PRICES THAT SHALL APPLY WILL BE THOSE REFLECTING THE MOST RECENT HARDWARE CONFIGURATION OR TDP REQUIREMENTS.

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, IS GOVERNED BY THE U.S. INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SECTION 124.13. IF TECHNICAL DATA IS TO BE EXPORTED, A STATE DEPARTMENT EXPORT LICENSE WILL BE REQUESTED BY THE BUYER/GDLS CONTRACTS DEPARTMENT. WHEN THIS IS RECEIVED, THE APPROPRIATE LICENSE WILL BE LODGED WITH THE CUSTOMS DEPARTMENT AND THE LICENSE # WILL BE FURNISHED TO YOU FOR INCLUSION ON THE PAPERWORK IN ORDER TO ALLOW FOR TRANSFERENCE OF TECHNICAL DATA OUTSIDE OF THE USA.

SELLER HEREBY AGREES TO:

1. LIMIT THE USE OF THE TECHNICAL DATA TO THE MANUFACTURE OF THE DEFENSE ARTICLES REQUIRED BY THE PURCHASE ORDER ONLY; AND
2. PROHIBIT THE DISCLOSURE OF THE TECHNICAL DATA TO ANY OTHER PERSON EXCEPT SUBCONTRACTORS WITHIN SELLER'S COUNTRY; AND
3. PROHIBIT THE ACQUISITION OF ANY RIGHTS IN THE TECHNICAL DATA BY ANY FOREIGN PERSON; AND
4. ASSURE THAT ANY SUBCONTRACTS ISSUED BY SELLER TO SUB CONTRACTORS WITHIN SELLER'S COUNTRY, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, INCLUDE ALL SIX (6) LIMITATIONS CONTAINED IN THIS CLAUSE; AND
5. DESTROY OR RETURN TO BUYER ALL OF THE TECHNICAL DATA EXPORTED BY BUYER PURSUANT TO EXECUTION OF THE PURCHASE ORDER AND UPON FULFILLMENT OF ITS TERMS; AND
6. ASSURE DELIVERY OF THE DEFENSE ARTICLES MANUFACTURED BY SELLER UNDER THE TERMS OF THIS PURCHASE ORDER ONLY TO BUYER IN THE U.S. OR TO AN AGENCY OF THE U.S. GOVERNMENT.

X

FURTHERMORE, TECHNICAL DATA WHICH MAY BE ACQUIRED OR GENERATED UNDER THIS PURCHASE ORDER MAY REQUIRE APPROPRIATE AUTHORIZATION

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FROM THE DEPARTMENT OF STATE, OFFICE OF DEFENSE TRADE CONTROLS
 OR DEPARTMENT OF COMMERCE, OFFICE OF EXPORT ADMINISTRATION
 BEFORE IT IS RELEASED TO A FOREIGN PERSON. THEREFORE, SELLER
 UNDERSTANDS THAT, IF IT IS A FOREIGN ENTITY, IT SHALL NOT
 RE-EXPORT OR, IF IT IS A U.S. ENTITY, IT SHALL NOT DISCLOSE
 TO ANY FOREIGN PERSON, ANY TECHNICAL DATA ACQUIRED UNDER THIS
 PURCHASE ORDER UNTIL AFTER NOTIFYING BUYER AND WRITTEN AUTHOR-
 IZATION FROM THE APPROPRIATE U.S. GOVERNMENT AGENCY IS OBTAINED.
 (ELR)

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE
 AND BELIEF, THAT:

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 BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR
 INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE
 OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE
 OF CONGRESS, OR AN EMPLOYEE OR A MEMBER OF CONGRESS IN
 CONNECTION WITH THE AWARDED OF ANY FEDERAL CONTRACT, THE
 MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN,
 THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE
 EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION
 OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

IF ANY FUNDS OTHER THAN FEDERAL APPROPRIATED FUNDS HAVE BEEN
 PAID, OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR
 ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY,
 A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR
 AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS
 FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE
 UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM-LLL,
 "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS
 INSTRUCTIONS.

THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS
 CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL
 SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS,
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REQUISITE FOR MAKING OR ENTERING INTO THIS TRANSACTION
IMPOSED BY SECTION 1352, TITLE 31, U.S. CODE.

(BAC)

WOOD PACKAGING REQUIREMENTS (WPR)

ALL NON-MANUFACTURED CONIFEROUS WOOD (SOFT WOODS FROM CONIFEROUS TREES AND HARD WOODS FROM NON-CONIFEROUS TREES), SHALL BE TREATED TO INSURE THE WOOD IS BUG FREE. MATERIAL SHALL BE HEAT TREATED (HT) MATERIAL CERTIFIED BY AN ACCREDITED AGENCY AND RECOGNIZED BY THE AMERICAN LUMBER STANDARDS COMMITTEE (ALSC) AND MARKED WITH THE HT STAMP. HT LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES C (CORE TEMPERATURE) FOR 30 MINUTES AND MARKED WITH THE APPROPRIATE QUALITY MARK. THE MATERIAL MAY ALSO BE FUMIGATED (MB) WITH METHYL BROMIDE. THE ALSC APPROVED MARKINGS FOR BOXES AND CRATES SHALL BE PLACED ON BOTH ENDS OF THE OUTER PACKAGING BETWEEN THE END CLEATS OR END BATTENS IN AT LEAST ONE INCH HIGH LETTERS. MARKS MAY BE PLACED ABOVE REQUIRED MIL-STD-129 MARKINGS. INTERNAL BLOCKING AND BRACING MUST COMPLY ALSO AND BE MARKED IF AT ALL POSSIBLE. FOR PRODUCT IMPORTED BY A DOMESTIC SUPPLIER FROM AN INTERNATIONAL SOURCE, IT IS THE SOLE RESPONSIBILITY OF THE DOMESTIC SOURCE TO INSURE THAT THIS STANDARD (ISPM 15) IS MET.

{WPR}

PROGRESS PAYMENTS IN ACCORDANCE WITH DFAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.	QUANTITY
GN001 RK00	X
G0006 RN00	X
G0006 RP00	X
G0006 RST3	X

WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT

BUYER:

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 6 OF
BLANKET ORDER

DATE: 04/17/2007
SUPPL.DATE: 04/17/2007

ORDER NO: PCL860000
SUPPL.NO: 002

*Confidential Treatment Requested

AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES PROMPTLY OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE, FOR ALL CONTRACTS AND QUANTITIES LISTED ABOVE WILL DELAY PAYMENT. ONLY THOSE QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS PAYMENTS. INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED BY AN SFI443 FOR EACH CONTRACT.

(PP4)

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT.PRICE
0001	*	12548774 PERISCOPE ASSEMBLY	*	EA	*

TOTAL BLANKET LIMIT

\$6,814,227.42

1. ADDITIONAL PROCUREMENT DATA: NONE

2. DRWG REV G, DATED 07/26/04
WITH OD1993-C021, OD1995-L008

** QUALITY REQUIREMENTS:

QY11.8 (5/21/98) FIRST PIECE INSPECTION

THE DETAIL LANGUAGE FOR THE QUALITY REQUIREMENTS CAN BE FOUND IN THE GENERAL DYNAMICS WEBSITE ON THE WORLD WIDE WEB ADDRESS [HTTP://WWW.GDLS.COM](http://WWW.GDLS.COM) UNDER THE PROCUREMENT BUTTON.

(WEB)

QY5.2 (04/18/00) C - O SAMPLING PLAN
QJ21.1 (12/8/97) INSPECTION DELEGATION

QP93.0 (5/1/90) PACKING SLIP REQUIREMENT

QP6.0 (1/1/86) ORDERING DATA SHEETS

QK11.1 (1/19/99) PHY/TEST DATA-FILL IN
MIL-STD-171QY2.9 (09/26/01) FAT-QCS-4
(205)

QY3.5 (1/22/94) C.T. - QCS-4A (TDP)

QL31.0 (12/4/87) FUNCTIONAL TEST (FILL-IN)
12548769

QJ8.1 (1/18/88) GOVERNMENT SELECTIVE EVALUATION

QG2A.4 (11/21/96) (MIL-1-45208 ANSI/ISO 9000)

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EXPEDITOR: E003
SUPPLIER NO: 23230ORDER NO: PCL860000
PAGE 7 OF
BLANKET ORDERDATE: 04/17/2007
SUPPL.DATE: 04/17/2007ORDER NO: PCL860000
SUPPL.NO: 002

*Confidential Treatment Requested

- QK9.1 (1/19/99) QAP-CERT (FILL-IN)
- 4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET. (12548773)

CONTRACTS ARE ASSIGNED AS FOLLOWS:

ALIAS	SEGMENT	WBS	PRIORITY RATING
G0006	RN00 --	---	-----
G0006	RP00		
G0006	RST3		

THE APPROXIMATE FORECASTED QUANTITY OF PARTS TO BE RELEASED PER YEAR IS * PIECES STARTING JANUARY 2008.

THESE RELEASES WILL BE SUBJECT TO A 20% INCREASE OR DECREASE IN QUANTITY.

RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME VARIATION DUE TO SCRAP RATE, RETURNS, MANUFACTURING SCHEDULE CHANGES ETC.

SUPPLIERS MUST BE PREPARED TO SUPPORT GDLS DELIVERY REQUIREMENTS WITH AS LITTLE AS SEVEN (7) DAYS NOTICE. (TQR)

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EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 8 OF 8

Verified at: 11:03:38 AM on: 4/17/2007 by Domino Process

***Confidential Treatment Requested**

Bueller

6/10 2004

E26

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860000

NUMBER: 9726800650

GENERAL DYNAMICS

BLANKET ORDER

DATE: 06/26/2007
SUPPL. DATE: 06/26/2007

ORDER NO: PCL860000
SUPPL. NO: 003

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815
GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

EFFECTIVE DATE: 04/02/2007

EXPIRATION DATE: 12/30/2008

ORIGINAL BLANKET PO ISSUE DATE - 04/09/07

PART NUMBER : 12548774 DESCRIPTION: PERISCOPE ASSY

QUANTITY: * PCS

SUPPLEMENT 003 ISSUED 6-26-07 TO INCREASE ORDER BY * PCS AT THE
CURRENT UNIT PRICE. THESE ARE PART OF THE NTE AGREEMENT AND ARE SUBJECT
TO DOWNWARD PRICE ADJUSTMENT.

SUPPLEMENT 002 ISSUED 04/17/07 TO INCREASE ORDER BY * PCS AT CURRENT
UNIT PRICE. REF SBO128225. THIS PRICE IS PART OF THE NTE ORDER AND IS
SUBJECT TO DOWNWARD PRICE ADJUSTMENT BASED ON AUDIT AND NEGOTIATIONS.

SUPPLEMENT 001 ISSUED 4/11/07 CHANGES AUDIT AND NEGOTIATION SCHEDULE
BELOW. PLEASE NOTE.

PRICES STATED HEREIN ARE CEILING PRICES SUBJECT TO DOWNWARD
ONLY ADJUSTMENT RESULTING FROM BUYER'S OR U.S. GOVERNMENT'S
AUDIT REVIEW OF SELLER'S COST AND PRICING DATA AND SUBSEQUENT
FINAL NEGOTIATION.

ALL OTHER UNIT PRICES CONTAINED WITHIN THE BODY OF THIS PURCHASE
ORDER ARE ALSO NOT TO EXCEED (NTE) CEILING PRICES SUBJECT TO
THE SAME AUDIT/NEGOTIATION AND SHALL ALSO BE ADJUSTED AS
REQUIRED UPON CONTRACT PRICING DEFINITIZATION. SELLER AGREES
TO SUBMIT SUCH DATA IN FORM AND DETAIL ACCEPTABLE TO BUYER NOT
LATER THAN THIRTY (30) DAYS FROM THE DATE OF THIS PURCHASE
ORDER. PENDING FINAL AGREEMENT OF PRICE, THE AMOUNT ALLOCATED
TO THIS ORDER AND AVAILABLE FOR PAYMENT IS \$2,701,891.90

BUYER:

EXPEDITOR: E003

JULIE M. SCHNEIDER BUYER: B003
P: 586-825-8756 F: 586-268-7437

ORDER NO: PCL860000

*Confidential Treatment Requested

EMAIL: SCHNEIDJ@GDLS.COM
GENERAL DYNAMICS

PAGE 1 OF
BLANKET ORDER

DATE: 06/26/2007
SUPPL.DATE: 06/26/2007

ORDER NO: PCL860000
SUPPL.NO: 003

UNLESS INCREASED BY BUYER IN WRITING. FINAL PRICE AGREEMENT
WILL BE SET FORTH IN A PURCHASE ORDER CHANGE HERETO NO LATER
THAN 180 DAYS FROM DATE HEREOF.

CONVERSION OF NOT TO EXCEED PRICE TO A FIRM FIXED PRICE
AUTOMATICALLY CANCELS THIS CLAUSE.

SCHEDULE FOR DEFINITIZATION

SUBMISSION OF PRICE PROPOSAL	COMPLETE
AUDIT	6/11/2007
COMMENCE NEGOTIATIONS	7/11/2007
TARGET DATE FOR PRICE DEFINITIZATION	8/11/2007

THIS ORDER HAS BEEN RELEASED AS A BLANKET PURCHASE ORDER.
THE SUPPLIER WILL RECEIVE SUBSEQUENT RELEASES THAT WILL
CONFIRM THE SHIPPING SCHEDULE FOR THIS ORDER. ALL SHIPMENTS
AGAINST THESE RELEASES MUST MEET THE REQUIREMENTS SPECIFIED
IN THE BLANKET PURCHASE ORDER. SUBSEQUENT RELEASES WILL
HAVE THE SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER,
EXCEPT IT WILL BE SEQUENTIALLY INCREASED BY ONE FOR EACH
RELEASE, (IE: BLANKET P.O. NO.: PBA020000; RELEASES;
PBA020001, PBA020002, ETC.).

{BPL}

VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248-1
(INSTANT CONTRACT SAVING ONLY) APPLIES. SELLER'S SHARE IS
PAYABLE TO SELLER PROMPTLY AFTER PAYMENT OF CREDIT BY THE
GOVERNMENT TO BUYER.

{VE1}

PURCHASER AGREES TO PURCHASE AND SELLER AGREES TO FURNISH THE SUPPLIES
OR SERVICES DESCRIBED BELOW IN ACCORDANCE WITH THE TERMS AND CONDITIONS
ON THE FACE HEREOF.

THIS IS A RATED ORDER FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO
FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS
SYSTEM REGULATION (15 CFR PART 700). SUPPLIER IS REQUIRED TO PLACE
RATED ORDERS WITH SUB-TIER SUPPLIERS FOR ITEMS NEEDED TO FILL THIS
ORDER.

{POTEXT}

BUYER:

EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
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ORDER NO: PCL860000
PAGE 2 OF

GENERAL DYNAMICS

BLANKET ORDER

DATE: 06/26/2007
SUPPL. DATE: 06/26/2007

ORDER NO: PCL860000
SUPPL. NO: 003

SELLER SHALL MAKE NO CHANGE IN DESIGN, MATERIALS, MANUFACTURING LOCATION, MANUFACTURING PROCESSES, OR SOURCES OF SUPPLY, AFTER BUYER'S ACCEPTANCE OF THE FIRST PRODUCTION TEST ITEM OR AFTER ACCEPTANCE OF THE FIRST COMPLETED END ITEM, WITHOUT THE WRITTEN APPROVAL OF THE BUYER.

FOR ELECTRICAL COMPONENTS:
THE APPROVAL OF THE BUYER WILL NOT BE REQUIRED FOR THE SELLER TO MAKE CHANGES IN THE SOURCE OF SUPPLY OF COMPONENT PARTS WHICH ARE CLASSIFIED AS "PASSIVE COMPONENTS" SO LONG AS SUCH SUPPLY SOURCE CHANGES DO NOT AFFECT FORM, FIT, FUNCTION, QUALITY, RELIABILITY OR SAFETY OF THE END ITEM.

(NCG)

SCHEDULE ADJUSTMENT CLAUSE

GENERAL DYNAMICS LAND SYSTEMS DIVISION (GDLS) RESERVES THE RIGHT TO ADJUST EACH DELIVERY SCHEDULE DATE IN OR OUT BY UP TO FOUR (4) WEEKS (30 CALENDAR DAYS) FROM THE SCHEDULED ON DOCK NEED DATE. NOTIFICATION BY GDLS WILL BE RELEASED NO LATER THAN 60 DAYS PRIOR TO THE DELIVERY DATE IMPACTED.

(SAC)

STATISTICAL METHODS AND STATISTICAL PROCESS CONTROL (SPC) IS MANDATORY FOR UTILIZATION BY THE SUPPLIER TO CONTROL THE MANUFACTURING PROCESS, CONTINUALLY IMPROVE QUALITY, AND REDUCE COSTS ASSOCIATED WITH THE DELIVERABLE END PRODUCT.

THE REQUIREMENTS FOR A PROCEDURE, CONTROL PLAN, AND SUPPLIER CERTIFICATION SHALL BE IN ACCORDANCE WITH THE GDLS SUPPLIER INSTRUCTIONS QCS-83-7.

ANY QUESTIONS REGARDING THE GDLS SPC PROGRAM SHOULD BE DIRECTED TO YOUR BUYER.

(SPC1)

VENDOR TO INVOICE EACH LINE ITEM EXACTLY AS SHOWN ON PURCHASE ORDER/RELEASE TO INSURE PROMPT PAYMENT. INVOICE MUST SHOW VENDOR NAME, PURCHASE ORDER NUMBER/RELEASE NUMBER, LINE ITEM NUMBER, PART NUMBER, QUANTITY SHIPPED, AND PRICE.

(PS2)

ALL COMMUNICATION CONCERNING THIS P.O. SHOULD BE DIRECTED TO THE UNDERSIGNED GDLS BUYER:

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON GDLS FORM 84-005-807, 0808 AND 0809 IN EFFECT OF THE DATE OF THIS ORDER. TERMS AND CONDITIONS CAN BE FOUND AT WWW.GDLS.COM/PROCUREMENT/HTML.

(DTC3)

BUYER:

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GENERAL DYNAMICS

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ORDER NO: PCL860000
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BLANKET ORDER

DATE: 06/26/2007
SUPPL.DATE: 06/26/2007

ORDER NO: PCL860000
SUPPL.NO: 003

THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENGINEERING CHANGE OR ANY ACTION AFFECTING HARDWARE CONFIGURATION AND/OR TECHNICAL DATA PACKAGE (TDP) REQUIREMENTS. ALL PRICES THAT SHALL APPLY WILL BE THOSE REFLECTING THE MOST RECENT HARDWARE CONFIGURATION OR TDP REQUIREMENTS.

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, IS GOVERNED BY THE U.S. INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SECTION 124.13. IF TECHNICAL DATA IS TO BE EXPORTED, A STATE DEPARTMENT EXPORT LICENSE WILL BE REQUESTED BY THE BUYER/GDLS CONTRACTS DEPARTMENT. WHEN THIS IS RECEIVED, THE APPROPRIATE LICENSE WILL BE LODGED WITH THE CUSTOMS DEPARTMENT AND THE LICENSE # WILL BE FURNISHED TO YOU FOR INCLUSION ON THE PAPERWORK IN ORDER TO ALLOW FOR TRANSFERENCE OF TECHNICAL DATA OUTSIDE OF THE USA.

SELLER HEREBY AGREES TO:

1. LIMIT THE USE OF THE TECHNICAL DATA TO THE MANUFACTURE OF THE DEFENSE ARTICLES REQUIRED BY THE PURCHASE ORDER ONLY; AND
2. PROHIBIT THE DISCLOSURE OF THE TECHNICAL DATA TO ANY OTHER PERSON EXCEPT SUBCONTRACTORS WITHIN SELLER'S COUNTRY; AND
3. PROHIBIT THE ACQUISITION OF ANY RIGHTS IN THE TECHNICAL DATA BY ANY FOREIGN PERSON; AND
4. ASSURE THAT ANY SUBCONTRACTS ISSUED BY SELLER TO SUB CONTRACTORS WITHIN SELLER'S COUNTRY, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, INCLUDE ALL SIX (6) LIMITATIONS CONTAINED IN THIS CLAUSE; AND
5. DESTROY OR RETURN TO BUYER ALL OF THE TECHNICAL DATA EXPORTED BY BUYER PURSUANT TO EXECUTION OF THE PURCHASE ORDER AND UPON FULFILLMENT OF ITS TERMS; AND
6. ASSURE DELIVERY OF THE DEFENSE ARTICLES MANUFACTURED BY SELLER UNDER THE TERMS OF THIS PURCHASE ORDER ONLY TO BUYER IN THE U.S. OR TO AN AGENCY OF THE U.S. GOVERNMENT.

X

FURTHERMORE, TECHNICAL DATA WHICH MAY BE ACQUIRED OR GENERATED UNDER THIS PURCHASE ORDER MAY REQUIRE APPROPRIATE AUTHORIZATION

BUYER:

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ORDER NO: PCL860000
PAGE 4 OF
BLANKET ORDER

DATE: 06/26/2007
 SUPPL. DATE: 06/26/2007

ORDER NO: PCL860000
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FROM THE DEPARTMENT OF STATE, OFFICE OF DEFENSE TRADE CONTROLS
 OR DEPARTMENT OF COMMERCE, OFFICE OF EXPORT ADMINISTRATION
 BEFORE IT IS RELEASED TO A FOREIGN PERSON. THEREFORE, SELLER
 UNDERSTANDS THAT, IF IT IS A FOREIGN ENTITY, IT SHALL NOT
 RE-EXPORT OR, IF IT IS A U.S. ENTITY, IT SHALL NOT DISCLOSE
 TO ANY FOREIGN PERSON, ANY TECHNICAL DATA ACQUIRED UNDER THIS
 PURCHASE ORDER UNTIL AFTER NOTIFYING BUYER AND WRITTEN AUTHORIZATION
 FROM THE APPROPRIATE U.S. GOVERNMENT AGENCY IS OBTAINED.
 (ELR)

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE
 AND BELIEF, THAT:

NO FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID,
 BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR
 INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE
 OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE
 OF CONGRESS, OR AN EMPLOYEE OR A MEMBER OF CONGRESS IN
 CONNECTION WITH THE AWARDED OF ANY FEDERAL CONTRACT, THE
 MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN,
 THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE
 EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION
 OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

IF ANY FUNDS OTHER THAN FEDERAL APPROPRIATED FUNDS HAVE BEEN
 PAID, OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR
 ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY,
 A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR
 AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS
 FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE
 UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM-LLL,
 "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS
 INSTRUCTIONS.

THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS
 CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL
 SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS,
 AND CONTRACTS UNDER GRANTS, LOANS, AND COOPERATIVE
 AGREEMENTS).

THIS CERTIFICATION IS A MATERIAL REPRESENTATION OF FACT UPON
 WHICH RELIANCE WAS PLACED WHEN THIS TRANSACTION WAS MADE OR
 ENTERED INTO. SUBMISSION OF THIS CERTIFICATION IS A PRE-

BUYER:

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ORDER NO: PCL860000
 PAGE 5 OF
 BLANKET ORDER

DATE: 06/26/2007

ORDER NO: PCL860000

SUPPL.DATE: 06/26/2007

SUPPL.NO: 003

REQUISITE FOR MAKING OR ENTERING INTO THIS TRANSACTION
IMPOSED BY SECTION 1352, TITLE 31, U.S. CODE.

(BAC)

WOOD PACKAGING REQUIREMENTS (WPR)

ALL NON-MANUFACTURED CONIFEROUS WOOD (SOFT WOODS FROM CONIFEROUS TREES AND HARD WOODS FROM NON-CONIFEROUS TREES), SHALL BE TREATED TO INSURE THE WOOD IS BUG FREE. MATERIAL SHALL BE HEAT TREATED (HT) MATERIAL CERTIFIED BY AN ACCREDITED AGENCY AND RECOGNIZED BY THE AMERICAN LUMBER STANDARDS COMMITTEE (ALSC) AND MARKED WITH THE HT STAMP. HT LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES C (CORE TEMPERATURE) FOR 30 MINUTES AND MARKED WITH THE APPROPRIATE QUALITY MARK. THE MATERIAL MAY ALSO BE FUMIGATED (MB) WITH METHYL BROMIDE. THE ALSO APPROVED MARKINGS FOR BOXES AND CRATES SHALL BE PLACED ON BOTH ENDS OF THE OUTER PACKAGING BETWEEN THE END CLEATS OR END BATTENS IN AT LEAST ONE INCH HIGH LETTERS. MARKS MAY BE PLACED ABOVE REQUIRED MIL-STD-129 MARKINGS. INTERNAL BLOCKING AND BRACING MUST COMPLY ALSO AND BE MARKED IF AT ALL POSSIBLE. FOR PRODUCT IMPORTED BY A DOMESTIC SUPPLIER FROM AN INTERNATIONAL SOURCE, IT IS THE SOLE RESPONSIBILITY OF THE DOMESTIC SOURCE TO INSURE THAT THIS STANDARD (ISPM 15) IS MET.
(WPR)

PROGRESS PAYMENTS IN ACCORDANCE WITH DFAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.	QUANTITY
GN001 RK00	*
G0006 RN00	*
G0006 RP00	*
G0006 RST3	*

WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT

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(PP4)

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT.PRICE
0001	*----	12548774	*	EA	*
		PERISCOPE ASSEMBLY			

TOTAL BLANKET LIMIT

\$8,067,177.30

1. ADDITIONAL PROCUREMENT DATA: NONE

2. DRWG REV G, DATED 07/26/04

WITH OD1993-C021, OD1995-L008

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QY11.8 (5/21/98) FIRST PIECE INSPECTION

THE DETAIL LANGUAGE FOR THE QUALITY REQUIREMENTS CAN BE FOUND IN THE GENERAL DYNAMICS WEBSITE ON THE WORLD WIDE WEB ADDRESS [HTTP://WWW.GDLS.COM](http://www.gdls.com) UNDER THE PROCUREMENT BUTTON.

(WEB)

QG5.2 (04/18/00) C = O SAMPLING PLAN
 QJ21.1 (12/8/97) INSPECTION DELEGATION

QP93.0 (5/1/90) PACKING SLIP REQUIREMENT

QP6.0 (1/1/86) ORDERING DATA SHEETS

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 MIL-STD-171

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 (205)

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QL31.0 (12/4/87) FUNCTIONAL TEST (FILL-IN)
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QJ8.1 (1/18/88) GOVERNMENT SELECTIVE EVALUATION

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DATE: 06/26/2007

SUPPL.DATE: 06/26/2007

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- 4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET. (12548773)

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ALIAS	SEGMENT	WBS	PRIORITY RATING
G0006	RN00 --	---	-----
G0006	RP00		
G0006	RST3		

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RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME VARIATION DUE TO SCRAP RATE, RETURNS, MANUFACTURING SCHEDULE CHANGES ETC.

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PAGE 8 OF 8

Verified at: 7:45:49 AM on: 6/26/2007 by Domino Process

ORIGINATOR: JULIE M ADAMSON
MESSAGE: B003 PCL860000

NUMBER: 9726800650

GENERAL DYNAMICS

BLANKET ORDER

DATE: 02/08/2008
SUPPL.DATE: 02/08/2008

ORDER NO: PCL860000
SUPPL.NO: 004

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

INVOICE TO: GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

EFFECTIVE DATE: 04/02/2007

EXPIRATION DATE: 12/30/2008

ORIGINAL BLANKET PO ISSUE DATE - 04/09/07

PART NUMBER : 12548774 DESCRIPTION: PERISCOPE ASSY

QUANTITY: * PCS

SUPPLEMENT 004 ISSUED 2-08-08 TO DEFINITIZE THIS CONTRACT. UPON AUDIT AND NEGOTIATIONS, THIS PURCHASE ORDER IS CHANGED FROM A NOT TO EXCEED ORDER, TO A FIRM FIXED PRICE. THE UNIT PRICE CHANGED FROM * 5 TO FFP OF *. THIS ALSO REMOVES NTE LANGUAGE ON THIS PURCHASE ORDER TEXT. THIS SUPPLEMENT ALSO REMOVES PROGRESS PAYMENT CLAUSE, AS VENDOR HAS ASKED NOT TO HAVE PROGRESS PAYMENTS ANY LONGER.

SUPPLEMENT 003 ISSUED 6-26-07 TO INCREASE ORDER BY * PCS AT THE CURRENT UNIT PRICE. THESE ARE PART OF THE NTE AGREEMENT AND ARE SUBJECT TO DOWNWARD PRICE ADJUSTMENT.

SUPPLEMENT 002 ISSUED 04/17/07 TO INCREASE ORDER BY * PCS AT CURRENT UNIT PRICE. REF SBO128225. THIS PRICE IS PART OF THE NTE ORDER AND IS SUBJECT TO DOWNWARD PRICE ADJUSTMENT BASED ON AUDIT AND NEGOTIATIONS.

SUPPLEMENT 001 ISSUED 4/11/07 CHANGES AUDIT AND NEGOTIATION SCHEDULE BELOW. PLEASE NOTE.

THIS ORDER HAS BEEN RELEASED AS A BLANKET PURCHASE ORDER.
THE SUPPLIER WILL RECEIVE SUBSEQUENT RELEASES THAT WILL CONFIRM THE SHIPPING SCHEDULE FOR THIS ORDER. ALL SHIPMENTS AGAINST THESE RELEASES MUST MEET THE REQUIREMENTS SPECIFIED IN THE BLANKET PURCHASE ORDER. SUBSEQUENT RELEASES WILL HAVE THE SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER,

BUYER:

EXPEDITOR: E003

*Confidential Treatment Requested

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000
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EXCEPT IT WILL BE SEQUENTIALLY INCREASED BY ONE FOR EACH
RELEASE, (IE: BLANKET P.O. NO.: PBA020000; RELEASES;
PBA020001, PBA020002, ETC.).

{BPL}

VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248-1
(INSTANT CONTRACT SAVING ONLY) APPLIES. SELLER'S SHARE IS
PAYABLE TO SELLER PROMPTLY AFTER PAYMENT OF CREDIT BY THE
GOVERNMENT TO BUYER.

{VE1}

PURCHASER AGREES TO PURCHASE AND SELLER AGREES TO FURNISH THE SUPPLIES
OR SERVICES DESCRIBED BELOW IN ACCORDANCE WITH THE TERMS AND CONDITIONS
ON THE FACE HEREOF.

THIS IS A RATED ORDER FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO
FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS
SYSTEM REGULATION (15 CFR PART 700). SUPPLIER IS REQUIRED TO PLACE
RATED ORDERS WITH SUB-TIER SUPPLIERS FOR ITEMS NEEDED TO FILL THIS
ORDER.

{POTEXT}

SELLER SHALL MAKE NO CHANGE IN DESIGN, MATERIALS, MANUFACTURING
LOCATION, MANUFACTURING PROCESSES, OR SOURCES OF SUPPLY, AFTER
BUYER'S ACCEPTANCE OF THE FIRST PRODUCTION TEST ITEM OR AFTER
ACCEPTANCE OF THE FIRST COMPLETED END ITEM, WITHOUT THE WRITTEN
APPROVAL OF THE BUYER.

FOR ELECTRICAL COMPONENTS:

THE APPROVAL OF THE BUYER WILL NOT BE REQUIRED FOR THE SELLER TO
MAKE CHANGES IN THE SOURCE OF SUPPLY OF COMPONENT PARTS WHICH
ARE CLASSIFIED AS "PASSIVE COMPONENTS" SO LONG AS SUCH SUPPLY
SOURCE CHANGES DO NOT AFFECT FORM, FIT, FUNCTION, QUALITY,
RELIABILITY OR SAFETY OF THE END ITEM.

{NCG}

SCHEDULE ADJUSTMENT CLAUSE

GENERAL DYNAMICS LAND SYSTEMS DIVISION (GDLS) RESERVES THE RIGHT
TO ADJUST EACH DELIVERY SCHEDULE DATE IN OR OUT BY UP TO FOUR (4)
WEEKS (30 CALENDAR DAYS) FROM THE SCHEDULED ON DOCK NEED DATE.
NOTIFICATION BY GDLS WILL BE RELEASED NO LATER THAN 60 DAYS PRIOR
TO THE DELIVERY DATE IMPACTED.

{SAC}

BUYER:

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P:586-825-8756 F:586-268-7437
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GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230
ORDER NO: PCL860000
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DATE: 02/08/2008
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STATISTICAL METHODS AND STATISTICAL PROCESS CONTROL (SPC) IS MANDATORY FOR UTILIZATION BY THE SUPPLIER TO CONTROL THE MANUFACTURING PROCESS, CONTINUALLY IMPROVE QUALITY, AND REDUCE COSTS ASSOCIATED WITH THE DELIVERABLE END PRODUCT.

THE REQUIREMENTS FOR A PROCEDURE, CONTROL PLAN, AND SUPPLIER CERTIFICATION SHALL BE IN ACCORDANCE WITH THE GDLS SUPPLIER INSTRUCTIONS QCS-83-7.

ANY QUESTIONS REGARDING THE GDLS SPC PROGRAM SHOULD BE DIRECTED TO YOUR BUYER.

(SPC1)

VENDOR TO INVOICE EACH LINE ITEM EXACTLY AS SHOWN ON PURCHASE ORDER/RELEASE TO INSURE PROMPT PAYMENT. INVOICE MUST SHOW VENDOR NAME, PURCHASE ORDER NUMBER/RELEASE NUMBER, LINE ITEM NUMBER, PART NUMBER, QUANTITY SHIPPED, AND PRICE.

(PS2)

ALL COMMUNICATION CONCERNING THIS P.O. SHOULD BE DIRECTED TO THE UNDERSIGNED GDLS BUYER:

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON GDLS FORM 84-005-807, 0808 AND 0809 IN EFFECT OF THE DATE OF THIS ORDER. TERMS AND CONDITIONS CAN BE FOUND AT WWW.GDLS.COM/PROCUREMENT/HTML.

(DTC3)

THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENGINEERING CHANGE OR ANY ACTION AFFECTING HARDWARE CONFIGURATION AND/OR TECHNICAL DATA PACKAGE (TDP) REQUIREMENTS. ALL PRICES THAT SHALL APPLY WILL BE THOSE REFLECTING THE MOST RECENT HARDWARE CONFIGURATION OR TDP REQUIREMENTS.

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, IS GOVERNED BY THE U.S. INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SECTION 124.13. IF TECHNICAL DATA IS TO BE EXPORTED, A STATE DEPARTMENT EXPORT LICENSE WILL BE REQUESTED BY THE BUYER/GDLS CONTRACTS DEPARTMENT. WHEN THIS IS RECEIVED, THE APPROPRIATE LICENSE WILL BE LODGED WITH THE CUSTOMS DEPARTMENT

AND THE LICENSE # WILL BE FURNISHED TO YOU FOR INCLUSION ON
THE PAPERWORK IN ORDER TO ALLOW FOR TRANSFERENCE OF TECHNICAL

BUYER:

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GENERAL DYNAMICS

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DATA OUTSIDE OF THE USA.

SELLER HEREBY AGREES TO:

1. LIMIT THE USE OF THE TECHNICAL DATA TO THE MANUFACTURE OF THE DEFENSE ARTICLES REQUIRED BY THE PURCHASE ORDER ONLY;
AND
2. PROHIBIT THE DISCLOSURE OF THE TECHNICAL DATA TO ANY OTHER PERSON EXCEPT SUBCONTRACTORS WITHIN SELLER'S COUNTRY; AND
3. PROHIBIT THE ACQUISITION OF ANY RIGHTS IN THE TECHNICAL DATA BY ANY FOREIGN PERSON; AND
4. ASSURE THAT ANY SUBCONTRACTS ISSUED BY SELLER TO SUB CONTRACTORS WITHIN SELLER'S COUNTRY, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, INCLUDE ALL SIX (6) LIMITATIONS CONTAINED IN THIS CLAUSE; AND
5. DESTROY OR RETURN TO BUYER ALL OF THE TECHNICAL DATA EXPORTED BY BUYER PURSUANT TO EXECUTION OF THE PURCHASE ORDER AND UPON FULFILLMENT OF ITS TERMS; AND
6. ASSURE DELIVERY OF THE DEFENSE ARTICLES MANUFACTURED BY SELLER UNDER THE TERMS OF THIS PURCHASE ORDER ONLY TO BUYER IN THE U.S. OR TO AN AGENCY OF THE U.S. GOVERNMENT.

X

FURTHERMORE, TECHNICAL DATA WHICH MAY BE ACQUIRED OR GENERATED UNDER THIS PURCHASE ORDER MAY REQUIRE APPROPRIATE AUTHORIZATION FROM THE DEPARTMENT OF STATE, OFFICE OF DEFENSE TRADE CONTROLS OR DEPARTMENT OF COMMERCE, OFFICE OF EXPORT ADMINISTRATION BEFORE IT IS RELEASED TO A FOREIGN PERSON. THEREFORE, SELLER UNDERSTANDS THAT, IF IT IS A FOREIGN ENTITY, IT SHALL NOT RE-EXPORT OR, IF IT IS A U.S. ENTITY, IT SHALL NOT DISCLOSE TO ANY FOREIGN PERSON, ANY TECHNICAL DATA ACQUIRED UNDER THIS PURCHASE ORDER UNTIL AFTER NOTIFYING BUYER AND WRITTEN AUTHORIZATION FROM THE APPROPRIATE U.S. GOVERNMENT AGENCY IS OBTAINED.
(ELR)

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, THAT:

NO FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID, BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE

OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OR A MEMBER OF CONGRESS IN CONNECTION WITH THE AWARDING OF ANY FEDERAL CONTRACT, THE MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN,

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SUPPLIER NO: 23230

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THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

IF ANY FUNDS OTHER THAN FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID, OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM-LLL, "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS INSTRUCTIONS.

THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS, AND CONTRACTS UNDER GRANTS, LOANS, AND COOPERATIVE AGREEMENTS).

THIS CERTIFICATION IS A MATERIAL REPRESENTATION OF FACT UPON WHICH RELIANCE WAS PLACED WHEN THIS TRANSACTION WAS MADE OR ENTERED INTO. SUBMISSION OF THIS CERTIFICATION IS A PRE-REQUISITE FOR MAKING OR ENTERING INTO THIS TRANSACTION IMPOSED BY SECTION 1352, TITLE 31, U.S. CODE.

(BAC)

WOOD PACKAGING REQUIREMENTS (WPR)

ALL NON-MANUFACTURED CONIFEROUS WOOD (SOFT WOODS FROM CONIFEROUS TREES AND HARD WOODS FROM NON-CONIFEROUS TREES), SHALL BE TREATED TO INSURE THE WOOD IS BUG FREE. MATERIAL SHALL BE HEAT TREATED (HT) MATERIAL CERTIFIED BY AN ACCREDITED AGENCY AND RECOGNIZED BY THE AMERICAN LUMBER STANDARDS COMMITTEE (ALSC) AND MARKED WITH THE HT

STAMP. HT LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES C (CORE TEMPERATURE) FOR 30 MINUTES AND MARKED WITH THE APPROPRIATE QUALITY MARK. THE MATERIAL MAY ALSO BE FUMIGATED (MB) WITH METHYL BROMIDE. THE ALSO APPROVED MARKINGS FOR BOXES AND CRATES SHALL BE PLACED ON BOTH ENDS OF THE OUTER PACKAGING BETWEEN THE END CLEATS OR END BATTENS IN AT LEAST ONE INCH HIGH LETTERS.

BUYER:

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MARKS MAY BE PLACED ABOVE REQUIRED MIL-STD-129 MARKINGS. INTERNAL BLOCKING AND BRACING MUST COMPLY ALSO AND BE MARKED IF AT ALL POSSIBLE. FOR PRODUCT IMPORTED BY A DOMESTIC SUPPLIER FROM AN INTERNATIONAL SOURCE, IT IS THE SOLE RESPONSIBILITY OF THE DOMESTIC SOURCE TO INSURE THAT THIS STANDARD (ISPM 15) IS MET.
{WPR}

"FOR COMPLETE FREIGHT ROUTING INSTRUCTIONS PLEASE GO TO THE GENERAL DYNAMICS LAND SYSTEMS WEBSITE AT HTTP://WWW.GDLS.COM, CLICK ON PROCUREMENT, THEN CLICK ON TRANSPORTATION ROUTING INSTRUCTIONS/ROUTING GUIDE. IF YOU HAVE FREIGHT ROUTING QUESTIONS, PLEASE FORWARD THEM TO 'TRAFFIC@GDLS.COM'."
{RTE}

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
EXT.PRICE				
0001	✎	12548774	✎	EA
✎		PERISCOPE ASSEMBLY		

TOTAL BLANKET LIMIT

\$7,786,589.65

1. ADDITIONAL PROCUREMENT DATA: NONE
 2. DRWG REV G, DATED 07/26/04
WITH OD1993-C021, OD1995-L008
- ** QUALITY REQUIREMENTS:

QY11.8 (5/21/98) FIRST PIECE INSPECTION

THE DETAIL LANGUAGE FOR THE QUALITY REQUIREMENTS CAN BE FOUND IN THE GENERAL DYNAMICS WEBSITE ON THE WORLD WIDE WEB ADDRESS HTTP://WWW.GDLS.COM UNDER THE PROCUREMENT BUTTON.
(WEB)

QG5.2 (04/18/00) C = O SAMPLING PLAN
QJ21.1 (12/8/97) INSPECTION DELEGATION

*Confidential Treatment Requested

QP93.0 (5/1/90) PACKING SLIP REQUIREMENT
 QP6.0 (1/1/86) ORDERING DATA SHEETS
 QK11.1 (1/19/99) PHY/TEST DATA-FILL IN
 MIL-STD-171
 QY2.9 (09/26/01) FAT-QCS-4
 (205)

BUYER:

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QY3.5 (1/22/94) C.T. - QCS-4A (TDP)
 QL31.0 (12/4/87) FUNCTIONAL TEST (FILL-IN)
 12548769
 QJ8.1 (1/18/88) GOVERNMENT SELECTIVE EVALUATION
 QG2A.4 (11/21/96) (MIL-1-45208 ANSI/ISO 9000)
 QK9.1 (1/19/99) QAP-CERT (FILL-IN)
 4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
 REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
 (12548773)

CONTRACTS ARE ASSIGNED AS FOLLOWS:

ALIAS	SEGMENT	WBS	PRIORITY RATING
G0006	RN00 --	---	-----
G0006	RP00		
G0006	RST3		

THE APPROXIMATE FORECASTED QUANTITY OF PARTS TO BE RELEASED
 PER YEAR IS 1927 PIECES STARTING JANUARY 2008.

THESE RELEASES WILL BE SUBJECT TO A 20% INCREASE OR DECREASE
IN QUANTITY.

RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS
PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME
VARIATION DUE TO SCRAP RATE, RETURNS, MANUFACTURING SCHEDULE
CHANGES ETC.

SUPPLIERS MUST BE PREPARED TO SUPPORT GDLS DELIVERY REQUIRE-
MENTS WITH AS LITTLE AS SEVEN (7) DAYS NOTICE. {TQR}

BUYER:

EXPEDITOR: E003
SUPPLIER NO: 23230

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ORDER NO: PCL860000
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...

Verified at: 8:45:35 AM on: 2/8/2008 by Domino Process

ORIGINATOR: JULIE M ADAMSON
MESSAGE: B003 PCL860000

NUMBER: 9726800650

GENERAL DYNAMICS

BLANKET ORDER

DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
SUPPL.NO: 005

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

INVOICE TO: GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

EFFECTIVE DATE: 04/02/2007

EXPIRATION DATE: 12/30/2008

ORIGINAL BLANKET PO ISSUE DATE - 04/09/07

 PART NUMBER : 12548774 DESCRIPTION: PERISCOPE ASSY

 QUANTITY: * PCS

 SUPPLEMENT 005 ISSUED TO MODIFY THE LANGUAGE WRITTEN IN SUPPLEMENT 004.
 SEE CHANGES BELOW.

 SUPPLEMENT 004 ISSUED 2-08-08 TO DEFINITIZE THIS CONTRACT. UPON AUDIT
 AND NEGOTIATIONS, THIS PURCHASE ORDER IS CHANGED FROM A NOT TO EXCEED
 ORDER, TO A FIRM FIXED PRICE. THE UNIT PRICE CHANGED FROM * TO
 FFP OF *. THIS ALSO REMOVES NTE LANGUAGE ON THIS PURCHASE ORDER
 TEXT. THIS SUPPLEMENT ALSO REMOVES PROGRESS PAYMENT CLAUSE, AS ASKED FOR
 BY THE VENDOR AND MUTUALLY AGREED UPON BY GDLS.

 SUPPLEMENT 003 ISSUED 6-26-07 TO INCREASE ORDER BY * 1 PCS AT THE
 CURRENT UNIT PRICE. THESE ARE PART OF THE NTE AGREEMENT AND ARE SUBJECT
 TO DOWNWARD PRICE ADJUSTMENT.

 SUPPLEMENT 002 ISSUED 04/17/07 TO INCREASE ORDER BY * PCS AT CURRENT
 UNIT PRICE. REF SBO128225. THIS PRICE IS PART OF THE NTE ORDER AND IS
 SUBJECT TO DOWNWARD PRICE ADJUSTMENT BASED ON AUDIT AND NEGOTIATIONS.

 SUPPLEMENT 001 ISSUED 4/11/07 CHANGES AUDIT AND NEGOTIATION SCHEDULE
 BELOW. PLEASE NOTE.

THIS ORDER HAS BEEN RELEASED AS A BLANKET PURCHASE ORDER.
THE SUPPLIER WILL RECEIVE SUBSEQUENT RELEASES THAT WILL
CONFIRM THE SHIPPING SCHEDULE FOR THIS ORDER. ALL SHIPMENTS

BUYER:

EXPEDITOR: E003

***Confidential Treatment Requested**

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GENERAL DYNAMICS

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AGAINST THESE RELEASES MUST MEET THE REQUIREMENTS SPECIFIED
IN THE BLANKET PURCHASE ORDER. SUBSEQUENT RELEASES WILL
HAVE THE SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER,
EXCEPT IT WILL BE SEQUENTIALLY INCREASED BY ONE FOR EACH
RELEASE, (IE: BLANKET P.O. NO.: PBA020000; RELEASES;
PBA020001, PBA020002, ETC.).

{BPL}

VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248-1
(INSTANT CONTRACT SAVING ONLY) APPLIES. SELLER'S SHARE IS
PAYABLE TO SELLER PROMPTLY AFTER PAYMENT OF CREDIT BY THE
GOVERNMENT TO BUYER.

{VE1}

PURCHASER AGREES TO PURCHASE AND SELLER AGREES TO FURNISH THE SUPPLIES
OR SERVICES DESCRIBED BELOW IN ACCORDANCE WITH THE TERMS AND CONDITIONS
ON THE FACE HEREOF.

THIS IS A RATED ORDER FOR NATIONAL DEFENSE USE, AND YOU ARE REQUIRED TO
FOLLOW ALL THE PROVISIONS OF THE DEFENSE PRIORITIES AND ALLOCATIONS
SYSTEM REGULATION (15 CFR PART 700). SUPPLIER IS REQUIRED TO PLACE
RATED ORDERS WITH SUB-TIER SUPPLIERS FOR ITEMS NEEDED TO FILL THIS
ORDER. {POTEXT}

SELLER SHALL MAKE NO CHANGE IN DESIGN, MATERIALS, MANUFACTURING
LOCATION, MANUFACTURING PROCESSES, OR SOURCES OF SUPPLY, AFTER
BUYER'S ACCEPTANCE OF THE FIRST PRODUCTION TEST ITEM OR AFTER
ACCEPTANCE OF THE FIRST COMPLETED END ITEM, WITHOUT THE WRITTEN
APPROVAL OF THE BUYER.

FOR ELECTRICAL COMPONENTS:
THE APPROVAL OF THE BUYER WILL NOT BE REQUIRED FOR THE SELLER TO
MAKE CHANGES IN THE SOURCE OF SUPPLY OF COMPONENT PARTS WHICH
ARE CLASSIFIED AS "PASSIVE COMPONENTS" SO LONG AS SUCH SUPPLY
SOURCE CHANGES DO NOT AFFECT FORM, FIT, FUNCTION, QUALITY,
RELIABILITY OR SAFETY OF THE END ITEM.

{NCG}

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SCHEDULE ADJUSTMENT CLAUSE

GENERAL DYNAMICS LAND SYSTEMS DIVISION (GDLS) RESERVES THE RIGHT TO ADJUST EACH DELIVERY SCHEDULE DATE IN OR OUT BY UP TO FOUR (4) WEEKS (30 CALENDAR DAYS) FROM THE SCHEDULED ON DOCK NEED DATE. NOTIFICATION BY GDLS WILL BE RELEASED NO LATER THAN 60 DAYS PRIOR TO THE DELIVERY DATE IMPACTED. (SAC)

STATISTICAL METHODS AND STATISTICAL PROCESS CONTROL (SPC) IS MANDATORY FOR UTILIZATION BY THE SUPPLIER TO CONTROL THE MANUFACTURING PROCESS, CONTINUALLY IMPROVE QUALITY, AND REDUCE COSTS ASSOCIATED WITH THE DELIVERABLE END PRODUCT. THE REQUIREMENTS FOR A PROCEDURE, CONTROL PLAN, AND SUPPLIER CERTIFICATION SHALL BE IN ACCORDANCE WITH THE GDLS SUPPLIER INSTRUCTIONS QCS-83-7. ANY QUESTIONS REGARDING THE GDLS SPC PROGRAM SHOULD BE DIRECTED TO YOUR BUYER. (SPC1)

VENDOR TO INVOICE EACH LINE ITEM EXACTLY AS SHOWN ON PURCHASE ORDER/RELEASE TO INSURE PROMPT PAYMENT. INVOICE MUST SHOW VENDOR NAME, PURCHASE ORDER NUMBER/RELEASE NUMBER, LINE ITEM NUMBER, PART NUMBER, QUANTITY SHIPPED, AND PRICE. (PS2)

ALL COMMUNICATION CONCERNING THIS P.O. SHOULD BE DIRECTED TO THE UNDERSIGNED GDLS BUYER:

THIS ORDER IS SUBJECT TO THE TERMS AND CONDITIONS LISTED ON GDLS FORM 84-005-807, 0808 AND 0809 IN EFFECT OF THE DATE OF THIS ORDER. TERMS AND CONDITIONS CAN BE FOUND AT WWW.GDLS.COM/PROCUREMENT/HTML. (DTC3)

THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENGINEERING CHANGE OR ANY ACTION AFFECTING HARDWARE CONFIGURATION AND/OR TECHNICAL DATA PACKAGE (TDP) REQUIREMENTS. ALL PRICES THAT SHALL APPLY WILL BE THOSE REFLECTING THE MOST RECENT HARDWARE CONFIGURATION OR TDP REQUIREMENTS.

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO

BUYER:

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GENERAL DYNAMICS

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DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
SUPPL.NO: 005

FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, IS GOVERNED BY THE U.S. INTERNATIONAL TRAFFIC IN ARMS REGULATIONS (ITAR) SECTION 124.13. IF TECHNICAL DATA IS TO BE EXPORTED, A STATE DEPARTMENT EXPORT LICENSE WILL BE REQUESTED BY THE BUYER/GDLS CONTRACTS DEPARTMENT. WHEN THIS IS RECEIVED, THE APPROPRIATE LICENSE WILL BE LODGED WITH THE CUSTOMS DEPARTMENT AND THE LICENSE # WILL BE FURNISHED TO YOU FOR INCLUSION ON THE PAPERWORK IN ORDER TO ALLOW FOR TRANSFERENCE OF TECHNICAL DATA OUTSIDE OF THE USA.

SELLER HEREBY AGREES TO:

1. LIMIT THE USE OF THE TECHNICAL DATA TO THE MANUFACTURE OF THE DEFENSE ARTICLES REQUIRED BY THE PURCHASE ORDER ONLY; AND
2. PROHIBIT THE DISCLOSURE OF THE TECHNICAL DATA TO ANY OTHER PERSON EXCEPT SUBCONTRACTORS WITHIN SELLER'S COUNTRY; AND
3. PROHIBIT THE ACQUISITION OF ANY RIGHTS IN THE TECHNICAL DATA BY ANY FOREIGN PERSON; AND
4. ASSURE THAT ANY SUBCONTRACTS ISSUED BY SELLER TO SUB CONTRACTORS WITHIN SELLER'S COUNTRY, IN ORDER TO FACILITATE SELLER'S EXECUTION OF THIS PURCHASE ORDER, INCLUDE ALL SIX (6) LIMITATIONS CONTAINED IN THIS CLAUSE; AND
5. DESTROY OR RETURN TO BUYER ALL OF THE TECHNICAL DATA EXPORTED BY BUYER PURSUANT TO EXECUTION OF THE PURCHASE ORDER AND UPON FULFILLMENT OF ITS TERMS; AND
6. ASSURE DELIVERY OF THE DEFENSE ARTICLES MANUFACTURED BY SELLER UNDER THE TERMS OF THIS PURCHASE ORDER ONLY TO BUYER IN THE U.S. OR TO AN AGENCY OF THE U.S. GOVERNMENT.

X

FURTHERMORE, TECHNICAL DATA WHICH MAY BE ACQUIRED OR GENERATED UNDER THIS PURCHASE ORDER MAY REQUIRE APPROPRIATE AUTHORIZATION FROM THE DEPARTMENT OF STATE, OFFICE OF DEFENSE TRADE CONTROLS OR DEPARTMENT OF COMMERCE, OFFICE OF EXPORT ADMINISTRATION BEFORE IT IS RELEASED TO A FOREIGN PERSON. THEREFORE, SELLER UNDERSTANDS THAT, IF IT IS A FOREIGN ENTITY, IT SHALL NOT RE-EXPORT OR, IF IT IS A U.S. ENTITY, IT SHALL NOT DISCLOSE TO ANY FOREIGN PERSON, ANY TECHNICAL DATA ACQUIRED UNDER THIS PURCHASE ORDER UNTIL AFTER NOTIFYING BUYER AND WRITTEN AUTHORIZATION FROM THE APPROPRIATE U.S. GOVERNMENT AGENCY IS OBTAINED.

{ELR}

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, THAT:

BUYER:

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM
GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 4 OF
BLANKET ORDER

DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
SUPPL.NO: 005

NO FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID OR WILL BE PAID, BY OR ON BEHALF OF THE UNDERSIGNED, TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OR A MEMBER OF CONGRESS IN CONNECTION WITH THE AWARDING OF ANY FEDERAL CONTRACT, THE MAKING OF ANY FEDERAL GRANT, THE MAKING OF ANY FEDERAL LOAN, THE ENTERING INTO OF ANY COOPERATIVE AGREEMENT, AND THE EXTENSION, CONTINUATION, RENEWAL, AMENDMENT, OR MODIFICATION OF ANY FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT.

IF ANY FUNDS OTHER THAN FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID, OR WILL BE PAID TO ANY PERSON FOR INFLUENCING OR ATTEMPTING TO INFLUENCE AN OFFICER OR EMPLOYEE OF ANY AGENCY, A MEMBER OF CONGRESS, AN OFFICER OR EMPLOYEE OF CONGRESS, OR AN EMPLOYEE OF A MEMBER OF CONGRESS IN CONNECTION WITH THIS FEDERAL CONTRACT, GRANT, LOAN, OR COOPERATIVE AGREEMENT, THE UNDERSIGNED SHALL COMPLETE AND SUBMIT STANDARD FORM-LLL, "DISCLOSURE FORM TO REPORT LOBBYING," IN ACCORDANCE WITH ITS INSTRUCTIONS.

THE UNDERSIGNED SHALL REQUIRE THAT THE LANGUAGE OF THIS CERTIFICATION BE INCLUDED IN THE AWARD DOCUMENTS FOR ALL SUBAWARDS AT ALL TIERS (INCLUDING SUBCONTRACTS, SUBGRANTS, AND CONTRACTS UNDER GRANTS, LOANS, AND COOPERATIVE AGREEMENTS).

THIS CERTIFICATION IS A MATERIAL REPRESENTATION OF FACT UPON WHICH RELIANCE WAS PLACED WHEN THIS TRANSACTION WAS MADE OR ENTERED INTO. SUBMISSION OF THIS CERTIFICATION IS A PRE-REQUISITE FOR MAKING OR ENTERING INTO THIS TRANSACTION IMPOSED BY SECTION 1352, TITLE 31, U.S. CODE.

(BAC)

WOOD PACKAGING REQUIREMENTS (WPR)

ALL NON-MANUFACTURED CONIFEROUS WOOD (SOFT WOODS FROM CONIFEROUS TREES AND HARD WOODS FROM NON-CONIFEROUS TREES), SHALL BE TREATED TO INSURE THE WOOD IS BUG FREE. MATERIAL SHALL BE HEAT TREATED (HT)

BUYER:

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SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 5 OF
BLANKET ORDER

DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
SUPPL.NO: 005

MATERIAL CERTIFIED BY AN ACCREDITED AGENCY AND RECOGNIZED BY THE AMERICAN LUMBER STANDARDS COMMITTEE (ALSC) AND MARKED WITH THE HT STAMP. HT LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES C (CORE TEMPERATURE) FOR 30 MINUTES AND MARKED WITH THE APPROPRIATE QUALITY MARK. THE MATERIAL MAY ALSO BE FUMIGATED (MB) WITH METHYL BROMIDE. THE ALSC APPROVED MARKINGS FOR BOXES AND CRATES SHALL BE PLACED ON BOTH ENDS OF THE OUTER PACKAGING BETWEEN THE END CLEATS OR END BATTENS IN AT LEAST ONE INCH HIGH LETTERS. MARKS MAY BE PLACED ABOVE REQUIRED MIL-STD-129 MARKINGS. INTERNAL BLOCKING AND BRACING MUST COMPLY ALSO AND BE MARKED IF AT ALL POSSIBLE. FOR PRODUCT IMPORTED BY A DOMESTIC SUPPLIER FROM AN INTERNATIONAL SOURCE, IT IS THE SOLE RESPONSIBILITY OF THE DOMESTIC SOURCE TO INSURE THAT THIS STANDARD (ISPM 15) IS MET.
(WPR)

"FOR COMPLETE FREIGHT ROUTING INSTRUCTIONS PLEASE GO TO THE GENERAL DYNAMICS LAND SYSTEMS WEBSITE AT HTTP://WWW.GDLS.COM, CLICK ON PROCUREMENT, THEN CLICK ON TRANSPORTATION ROUTING INSTRUCTIONS/ROUTING GUIDE. IF YOU HAVE FREIGHT ROUTING QUESTIONS, PLEASE FORWARD THEM TO 'TRAFFIC@GDLS.COM'."
(RTE)

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
EXT.PRICE				
0001	*	12548774	*	EA
		PERISCOPE ASSEMBLY		

TOTAL BLANKET LIMIT

\$7,786,589.65

1. ADDITIONAL PROCUREMENT DATA: NONE
2. DRWG REV G, DATED 07/26/04
WITH OD1993-C021, OD1995-L008

** QUALITY REQUIREMENTS:

QY11.8 (5/21/98) FIRST PIECE INSPECTION

---*Confidential Treatment Requested

THE DETAIL LANGUAGE FOR THE QUALITY REQUIREMENTS CAN BE FOUND
 IN THE GENERAL DYNAMICS WEBSITE ON THE WORLD WIDE WEB
 ADDRESS HTTP://WWW.GDLS.COM UNDER THE PROCUREMENT BUTTON.
 (WEB)

QG5.2 (04/18/00) C = O SAMPLING PLAN
 QJ21.1 (12/8/97) INSPECTION DELEGATION
 QP93.0 (5/1/90) PACKING SLIP REQUIREMENT

BUYER:

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 EMAIL: ADAMSONJ@GDLS.COM
 GENERAL DYNAMICS

EXPEDITOR: E003
 SUPPLIER NO: 23230

ORDER NO: PCL860000
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 BLANKET ORDER

DATE: 03/20/2008
 SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
 SUPPL.NO: 005

QP6.0 (1/1/86) ORDERING DATA SHEETS
 QK11.1 (1/19/99) PHY/TEST DATA-FILL IN
 MIL-STD-171
 QY2.9 (09/26/01) FAT-QCS-4
 (205)
 QY3.5 (1/22/94) C.T. - QCS-4A (TDP)
 QL31.0 (12/4/87) FUNCTIONAL TEST (FILL-IN)
 12548769
 QJ8.1 (1/18/88) GOVERNMENT SELECTIVE EVALUATION
 QG2A.4 (11/21/96) (MIL-1-45208 ANSI/ISO 9000)
 QK9.1 (1/19/99) QAP-CERT (FILL-IN)
 4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
 REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
 (12548773)

CONTRACTS ARE ASSIGNED AS FOLLOWS:

ALIAS	SEGMENT	WBS	PRIORITY RATING
G0006	RN00 --	---	-----
G0006	RP00		
G0006	RST3		

THE APPROXIMATE FORECASTED QUANTITY OF PARTS TO BE RELEASED
PER YEAR IS * PIECES STARTING JANUARY 2008.

THESE RELEASES WILL BE SUBJECT TO A 20% INCREASE OR DECREASE
IN QUANTITY.

BUYER:

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GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 7 OF
BLANKET ORDER

DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
SUPPL.NO: 005

RELEASES WILL BE GENERATED AND MAILED APPROXIMATELY 4 WEEKS
PRIOR TO "DUE ON DOCK" DATES. THESE DATES MAY SHOW SOME
VARIATION DUE TO SCRAP RATE, RETURNS, MANUFACTURING SCHEDULE
CHANGES ETC.

SUPPLIERS MUST BE PREPARED TO SUPPORT GDLS DELIVERY REQUIRE-
MENTS WITH AS LITTLE AS SEVEN (7) DAYS NOTICE. (TQR)

***Confidential Treatment Requested**

BUYER:

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860000
PAGE 8 OF 8

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~~*~*~*~*~*~*~*~*

Verified at: 1:32:26 PM on: 3/20/2008 by Domino Process

~~*~*~*~*~*~*~*~*

ES1

5/0 2004

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860001

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET ORDER

DATE: 04/09/2007

ORDER NO: PCL860001

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

INVOICE TO:

GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT.PRICE
0001	*	12548774	*	EA	*
PERISCOPE ASSEMBLY					

DELIVERY SCHEDULE:

DATE	ORIG PROM	QUANTITY	CONTRACT:	ALIAS	SEG	WBS
12/20/2007		*	G0006	RN00		
12/20/2007		*	GN001	RK00		
12/20/2007		*	G0006	RST3		
01/20/2008		*	G0006	RST3		
02/20/2008		*	G0006	RST3		
03/20/2008		*	G0006	RST3		
04/20/2008		*	G0006	RN00		
04/20/2008		*	G0006	RST3		
05/20/2008		*	G0006	RN00		
06/20/2008		*	G0006	RN00		
07/20/2008		*	G0006	RN00		
08/20/2008		*	G0006	RN00		
08/20/2008		*	G0006	RP00		
09/20/2008		*	G0006	RP00		
10/20/2008		*	G0006	RP00		
01/20/2009		*	G0006	RP00		
02/20/2009		*	G0006	RP00		
03/20/2009		*	G0006	RP00		
04/20/2009		*	G0006	RP00		
05/20/2009		*	G0006	RP00		

CONTRACT	SEG	PRIORITY RATING	ACCUMULATIVE QUANTITY
DAAE07-01-G-N001	RK00	DXA4	* 000
W56HZV-06-G-0006	RN00	NONE	* .000
W56HZV-06-G-0006	RP00	NONE	* .000
W56HZV-06-G-0006	RST3	DOA4	* .000

BUYER:

EXPEDITOR: E003

JULIE M. SCHNEIDER BUYER: B003
P: 586-825-8756 F: 586-268-7437

ORDER NO: PCL860001

*Confidential Treatment Requested

E52

EMAIL: SCHNEIDJ@GDLS.COM
GENERAL DYNAMICS

PAGE 1 OF
RELEASE TO BLANKET ORDER

DATE: 04/09/2007

ORDER NO: PCL860001

ACCOUNTS:	ORGANIZATION	ACCOUNT	CENTER
	DIV	79500	2313

TOTAL P.O. VALUE \$6,754,729.80

BLANKET AMOUNT REMAINING \$0.00

BUYER:

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: SCHNEIDJ@GDLS.COM

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860001
PAGE 2 OF 2

ORIGINATOR: JULIE M ADAMSON
 MESSAGE: B003 PCL860001

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET

ORDER

DATE: 04/30/2008
 SUPPL. DATE: 04/30/2008

ORDER NO: PCL860001
 SUPPL. NO: 004

TO: OPTEX SYSTEMS INC
 1420 PRESIDENTIAL DRIVE
 RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
 LIMA FACILITY
 1161 BUCKEYE RD
 LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
 SHIP VIA: TRUCK CRC2A
 F.O.B.: RICHARDSON TX
 TERMS: NET 30 DAYS

GENERAL DYNAMICS
 LAND SYSTEMS DIVISION
 ACCOUNTING DEPARTMENT
 1161 BUCKEYE ROAD
 LIMA OH 45804-1815

SUPPLEMENT 001 ISSUED 6-26-07 TO INCREASE RELEASE QTY BY * PCS.
 PLEASE NOTE DELIVERY SCHEDULE AND QTY CHANGES.

 SUPPLEMENT 002 ISSUED 9-6-07 TO MODIFY DELIVERY SCHEDULE TO HELP MEET
 PRODUCTION REQUIERMENTS.

 SUPPLMENT 003 ISSUED 04-30-08 TO INCREASE RELEASE QTY BY * PCS.
 PLEASE NOTE DELIVERY SCHEDULE AND QTY CHANGES.

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
EXT. PRICE				
0001	* .	12548774	*	EA

*
 PERISCOPE ASSEMBLY

SUPPLEMENT 001 TO THIS RELEASE CHANGES THE UNIT PRICE FROM . . . 6 EA
 TO THE NEGOTIATED PRICE OF .3 EACH. THIS IS NO LONGER AN NTE ORDER,
 IT HAS BEEN CHANGED TO FFP.

DELIVERY SCHEDULE:

DATE	ORIG PROM	QUANTITY	CONTRACT:	ALIAS	SEG	WBS
01/18/2008		*	G0006		RN00	
01/25/2008		*	G0006		RN00	
02/01/2008		*	G0006		RL00	
02/01/2008		*	G0006		RN00	
02/08/2008		*	G0006		RL00	
02/08/2008		*	2G0009		SK73	
02/08/2008		*	G0006		RST3	
02/15/2008		*	G0006		RST3	
02/22/2008		*	G0006		RST3	
02/29/2008		*	G0006		RST3	
03/07/2008		*	G0006		RST3	
03/14/2008		*	G0006		RST3	

*Confidential Treatment Requested

03/21/2008



G0006

RST3

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

ORDER NO: PCL860001
PAGE 1 OF
RELEASE TO BLANKET

GENERAL DYNAMICS

ORDER

DATE: 04/30/2008
SUPPL.DATE: 04/30/2008

ORDER NO: PCL860001
SUPPL.NO: 004

03/28/2008	*	G0006	RN00
03/28/2008	*	2G0009	SK73
03/28/2008	*	G0006	RST3
04/05/2008	*	G0006	RN00
04/05/2008	*	G0006	RST3
04/08/2008	*	2G0009	SK73
04/12/2008	*	G0006	RN00
04/12/2008	*	2G0009	SK73
04/19/2008	*	G0006	RN00
04/26/2008	*	G0006	RN00
05/03/2008	*	G0006	RN00
05/03/2008	*	2G0009	SK73
05/10/2008	*	G0006	RN00
05/10/2008	*	2G0009	SK73
05/17/2008	*	G0006	RN00
05/17/2008	*	G0006	RST3
05/24/2008	*	7G0001	FB01
05/24/2008	*	2G0009	SK73
05/24/2008	*	G0006	RST3
06/01/2008	*	G0006	RP00
06/01/2008	*	2G0009	SK73
06/08/2008	*	G0006	RP00
06/15/2008	*	G0006	RST3
06/15/2008	*	G0006	RP00
06/22/2008	*	G0006	RP00
06/22/2008	*	2G0009	SK73
06/29/2008	*	G0006	RP00
07/15/2008	*	G0006	RP00
07/15/2008	*	2G0009	SK73
07/22/2008	*	G0006	RL00
07/29/2008	*	G0006	RP00
07/29/2008	*	G0006	RL00
08/07/2008	*	G0006	RP00
08/14/2008	*	G0006	RST3
08/21/2008	*	G0006	RP00
08/28/2008	*	G0006	RP00
09/05/2008	*	G0006	RP00
09/18/2008	*	G0006	RP00
09/25/2008	*	G0006	RP00
10/02/2008	*	G0006	RP00
10/09/2008	*	G0006	RP00

*Confidential Treatment Requeste

10/16/2008	*	G0006	RP00
10/23/2008	*	G0006	RP00
10/30/2008	*	G0006	RP00
11/07/2008	*	G0006	RP00

BUYER:

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GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860001
PAGE 2 OF
RELEASE TO BLANKET

ORDER

DATE: 04/30/2008
SUPPL.DATE: 04/30/2008

ORDER NO: PCL860001
SUPPL.NO: 004

11/14/2008	*	G0006	RP00
11/21/2008	*	G0006	RP00
12/21/2008	*	G0006	RST3
02/20/2009	*	G0006	RP00
03/20/2009	*	G0006	RQ00
04/20/2009	*	G0006	RQ00
05/20/2009	*	G0006	RQ00
06/20/2009	*	G0006	RQ00
07/20/2009	*	G0006	RQ00
08/20/2009	*	G0006	RQ00
08/20/2009	*	G0006	RT00
09/20/2009	*	G0006	RT00
10/20/2009	*	G0006	RT00
11/20/2009	*	G0006	RT00
12/20/2009	*	G0006	RT00
01/20/2010	*	G0006	RT00
02/20/2010	*	G0006	RT00
03/20/2010	*	G0006	RT00
04/20/2010	*	G0006	RT00
04/20/2010	*	G0006	RU00
05/20/2010	*	G0006	RV00
05/20/2010	*	G0006	RV00
06/20/2010	*	G0006	RV00
07/20/2010	*	G0006	RV00
08/20/2010	*	G0006	RV00
09/20/2010	*	G0006	RV00
10/20/2010	*	G0006	RV00

CONTRACT	SEG	PRIORITY RATING	ACCUMULATIVE QUANTITY
W56HZV-06-G-0006	RL00	DOA4	* .000
W56HZV-06-G-0006	RN00	NONE	* .000
W56HZV-06-G-0006	RP00	NONE	* .000
W56HZV-06-G-0006	RQ00	DOA4	* .000
W56HZV-06-G-0006	RST3	DOA4	* .000
W56HZV-06-G-0006	RT00	DOA4	* .000
W56HZV-06-G-0006	RU00	DOA4	* .000
W56HZV-06-G-0006	RV00	DOA4	* .000

*Confidential Treatment Requeste

DAAE20-02-G-0009
W52H09-07-G-0001

SK73 DXA5
FB01 DOA5

✕ .000
* .000

ACCOUNTS: ORGANIZATION ACCOUNT CENTER
DIV 79500 2313

TOTAL P.O. VALUE

\$14,080,045.84

BUYER:

JULIE M. ADAMSON BUYER: B003
P: 586-825-8756 F: 586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

GENERAL DYNAMICS

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860001
PAGE 3 OF
RELEASE TO BLANKET

ORDER

DATE: 04/30/2008
SUPPL. DATE: 04/30/2008

ORDER NO: PCL860001
SUPPL. NO: 004

BLANKET AMOUNT REMAINING

\$0.00

BUYER:

JULIE M. ADAMSON BUYER: B003
P: 586-825-8756 F: 586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

EXPEDITOR: E003
SUPPLIER NO: 23230

ORDER NO: PCL860001
PAGE 4 OF 4

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Verified at: 4:58:06 PM on: 4/30/2008 by Domino Process

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURC

PO #PCL860001
PO Revision 19
Page 1 of 14

Ship To: General Dynamics Land Systems Division	PO Creation Date: 09-JUL-2008 15:08:23 Revision Date: 19-AUG-2009 16:38:11 PO Status: APPROVED Freight Terms: FCA SP Freight Carrier: REFER TO GDLS ROUTING GUI Total PO Value: 12,566,643.60 PO Award Code: 2A PO Description: Purchase Order
Bill to: General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States	
Payment Terms: NET30 PO Currency: USD	
SUPPLIER Company: Optex Systems Inc Supplier No.: 503610 Site: RICHARDSON Address: 1420 Presidential Drive Richardson, TX 75081 United States Attn: VCN 23230 - OPTEX SY	BUYER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com
	PLANNER MARY DONOHUE Phone: Email: donohuem@gdls.com

ORACLE REVISION 6 ISSUED 9/4/08 TO INCORPORATE GDMY3096 AT NO COST TO GDLS. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

ORACLE REVISION 7 ISSUED 9/15/08 TO CORRECT DRAWING INFORMATION. THIS CHANGE AT NO COST TO GDLS. IN ADDITION, A MATERIAL CHANGE NOTICE (MCN) IS ATTACHED FOR SUPPLIER RESPONSE TO GDMY3104. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

ORACLE REVISION 8 ISSUED 2/24/09 TO ADJUST DELIVERY SCHEDULE TO REFLECT ACTUAL SHIPMENTS BY SUPPLIER. WAS: *PCS DUE 2/20/09. (PCS ALREADY REC'D LEAVING BALANCE OF 12). NOW: *PCS DUE 3/10/09. (ALLOWS FOR *PIECES IN-TRANSIT PLUS *PIECES SHIPPING 2/24/09). REFERENCE: EMAIL FROM M.DONOHUE TO D.SCHOENING 2/24/09).

ORACLE REVISION 9 ISSUED 4/2/09 TO INCREASE PURCHASE ORDER QUANTITY BY *PIECES AT SAME UNIT COST. THIS QUANTITY ADDED AS LINE 2 FOR DELIVERY DURING THE MONTH OF APRIL 2009 AS AGREED TO WITH D.SCHOENING.

ORACLE REVISION 10 ISSUED 4/3/09 TO PROVIDE SUPPLIER WITH MATERIAL CHANGE NOTICE MCN09154A, ENGINEERING CHANGES GDMY3188, GDLV4616, AND MARKED-UP DRAWING 12548774. THE DOCUMENTS ARE ATTACHED TO LINE 1. CHANGES WILL NOT BE INCORPORATED UNTIL SUPPLIER RESPONDS TO THIS MCN/CHANGES. THIS REVISION AT NO COST TO GDLS.

ORACLE REVISION 11 ISSUED 4/23/09 TO MOVE DELIVERY TO RIGHT TO REFLECT SHIPMENT OF *PIECES BY SUPPLIER 5/23/09. THIS CHANGE AT NO COST.

ORACLE REVISION 12 ISSUED 4/24/09 TO UPDATE DRAWING INFORMATION TO REFLECT RELEASE OF REV H DRAWING & INCORPORATION OF ENGINEERING CHANGES/MCNs PREVIOUSLY SENT TO SUPPLIER. COPY OF DRAWING ATTACHED TO LINE 1. THIS CHANGE AT NO COST TO GDLS.

ORACLE REVISION 13 ISSUED 5/14/09 TO MOVE DELIVERY DATE OUT ON LINE 1:47, 1:48 & 2:3 TO 5/22/09 AND MOVE *PIECES FROM LINE 1:49 TO 1:48. THIS REFLECTS THE 56 PIECE SHIPMENT FROM OPTEX 5/14/09.

ORACLE REVISION 14 ISSUED 5/18/09 TO SPLIT SHIP-TO LOCATION ON LINE 1:55. WAS *PIECES SHIP-TO LIM 11/20/09, NOW *PIECES SHIP-TO LIM 11/20/09 & *PIECES SHIP-TO AND (BLDG 136) 11/20/09. THIS CHANGE AT NO ADDITIONAL CHARGE TO GDLS.

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCH

E59

PO #PCL860001
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ORACLE REVISION 15 ISSUED 5/21/09 TO MOVE DELIVERY ~~IN~~ ON JUNE 2009 SHIPMENT FROM SUPPLIER - WAS 6/20/09, NOW 6/5/09. PER SUPPLIER 5/20 ~~X~~ PIECES READY TO SHIP. BALANCE OF ~~X~~ PIECES CAN BE ADJUSTED BACK OUT TO 6/20/09.

ORACLE REVISION 16 ISSUED 6/3/09 TO UPDATE DRAWING INFORMATION. REVISION H WAS RELEASED PER GDLV4616 WHICH IMPACTS FUTURE PROGRAMS/CONTRACTS ONLY. IT SHOULD NOT BE INCORPORATED IN THIS ORDER. DRAWING INFO CHANGED TO READ: REV G WITH OD1993-C021, OD1995-L008, WITH GDMY3096, GDMY3077, GDMY3188. THIS CHANGE AT NO COST TO GDLS.

ORACLE REVISION 17 ISSUED 7/10/09 TO REVISE DELIVERY QUANTITIES MAY-JULY 2010. THE FOLLOWING QUANTITIES WERE MOVED OUT: MAY 2010 - 73 PCS TO NOV 2010, JUN 2010 - ~~X~~ PCS TO DEC 2010, JUL 2010 - ~~X~~ PCS TO JAN 2011. THESE CHANGES WERE REFERENCED IN BUYER'S EMAIL DATED 5/13/09.

ORACLE REVISION 18 ISSUED 7/13/09 TO MOVE DELIVERY OF ~~X~~ PIECES FROM LIMA TO ANNISTON (AND-BLDG 136). THIS CHANGE MADE ON LINE 1, SHIPMENT 50.

ORACLE REVISION 19 ISSUED 8/19/09 TO MOVE DELIVERY OF ~~X~~ PIECES FROM LINE 1/SHIP#54 TO LINE 1/SHIP#53. THIS CHANGE COVERS THE ~~X~~ PIECES SHIPPED BY SUPPLIER 8/12/09.

ORACLE REVISION 5 ISSUED 8/18/08 TO PROVIDE CORRECT CHANGE DOCUMENTATION FOR 8/12/08 MCN (GDMY3096).

ORACLE REVISION 4 ISSUED 8/18/08 FOR INTERNAL CHANGE TO PROJECT INFO ONLY.

ORACLE REVISION 3 ISSUED 8/12/08 TO PROVIDE CHANGE DOCUMENTATION. CHANGE WILL NOT BE INCORPORATED ON PURCHASE ORDER UNTIL RESPONSE IS RECEIVED FROM SUPPLIER.

ORACLE REVISION 2 ISSUED 7/28/08 TO REFLECT RELEASE OF GDMY3104. COPY OF ENGINEERING CHANGE SENT TO SUPPLIER 7/28/08 VIA VENDOR FREE FORM.

ORACLE REVISION 1 ISSUED 7/25/08 TO ADD PROGRESS PAYMENTS CLAUSE BACK ONTO THE ORDER PER VENDOR REQUEST.

SUPPLEMENT 001 ISSUED 6-26-07 TO INCREASE RELEASE QTY BY ~~X~~ PCS. PLEASE NOTE DELIVERY SCHEDULE AND QTY CHANGES.

SUPPLEMENT 002 ISSUED 9-6-07 TO MODIFY DELIVERY SCHEDULE TO HELP MEET PRODUCTION REQUIERMENTS.

SUPPLEMENT 003 ISSUED 04-30-08 TO INCREASE RELEASE QTY BY ~~X~~ PCS. PLEASE NOTE DELIVERY SCHEDULE AND QTY CHANGES.

SUPPLEMENT 004 ISSUED 05-12-08 TO MODIFY DELIVERY SCHEDULE TO HELP VENDOR MEET SCHEDULE.

PROGRESS PAYMENTS IN ACCORDANCE WITH DFAR 232.501-1 ARE AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.	X QUANTITY
G0006 RP00	X
G0006 RQ00	X
G0006 RT00	X
G0006 RU00	X
G0006 RV00	X
G0006 RST3	X

WITHIN 30 DAYS AFTER RECEIPT OF THIS ORDER, SELLER SHALL SUBMIT IN WRITING, A BILLING FORECAST SCHEDULE TO THE BUYER OF THE ESTIMATED PROGRESS BILLINGS FOR EACH CONTRACT, BY MONTH, FOR THE DURATION OF THE ORDER. ANY REVISIONS TO THE ORIGINAL SCHEDULE MUST HAVE THE APPROVAL OF GDLS PROCUREMENT AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES PROMPTLY OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE, FOR ALL CONTRACTS AND QUANTITIES LISTED ABOVE WILL

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DELAY PAYMENT. ONLY THOSE QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS PAYMENTS. INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED BY AN SF1443 FOR EACH CONTRACT.

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1	12548774		PERISCOPE ASSEMBLY		Each		*
			CONTRACT	MSDS	NOTE TO SUPPLIER	LINE STATUS	
						Open	

QA CLAUSE / ITEM TEXT:

1. ADDITIONAL PROCUREMENT DATA: NONE
 2. DRWG REV G, DATED 07/13/04
 WITH OD1993-C021, OD1995-L008
 WITH GDMY3096, GDMY3077, GDMY3188
 ** QUALITY REQUIREMENTS:

QY11
 WEB
 QG5
 QJ21
 QP93
 QP6
 QK11
 MIL-STD-171
 QY2
 (205)
 QY3
 QL31
 12548769
 QJ8
 QG2A
 QK9

4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
 (12548773)

SUPPLEMENT 001 TO THIS RELEASE CHANGES THE UNIT PRICE FROM * EA TO THE NEGOTIATED PRICE OF * 3 EACH. THIS IS NO LONGER AN NTE ORDER, IT HAS BEEN CHANGED TO FFP.

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1	*	*	*	*		12-APR-2008 00:00:00			Closed For Invoice
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task RN00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
2	*	*	*	*		13-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 2: Qty * Project ABRAMS 2006 PROD BOA, Task RN00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
3	*	*	*	*		08-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 3: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				

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SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
4	*	*	*	*		15-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 4: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
5	*	*	*	*		15-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 5: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
6	*	*	*	*		20-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 6: Qty * Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
7	*	*	*	*		20-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 7: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				
8	*	*	*	*		20-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 8: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
9	*	*	*	*		27-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 9: Qty * Project ABRAMS 2006 PROD BOA, Task RN00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
10	*	*	*	*		22-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 10: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
11	*	*	*	*		22-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				

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SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
12	*	*	*	*		14-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 11: Qty * Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
13	*	*	*	*		29-JUN-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 12: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
14	*	*	*	*		18-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 13: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
15	*	*	*	*		15-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 15: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
16	*	*	*	*		15-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 16: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				
17	*	*	*	*		25-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 17: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				
18	*	*	*	*		22-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 18: Qty * Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				

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19	*	*	*	*		01-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 19: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
20	*	*	*	*		29-JUL-2008 12:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 20: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
21	*	*	*	*		29-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 21: Qty * Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
22	*	*	*	*		08-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 22: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				
23	*	*	*	*		07-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 23: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
24	*	*	*	*		15-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 24: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
25	*	*	*	*		14-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 25: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
26	*	*	*	*		22-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division									

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1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 26: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
27	*	*	*	*		21-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 27: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
28	*	*	*	*		29-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 28: Qty * Project ABRAM SPARES BOA 07-12, Task FB01NONWBS, Contract Number W52H09-07-G-0001, DPAS Rating DOA5				
29	*	*	*	*		28-AUG-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 29: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
30	*	*	*	*		05-SEP-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 30: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				
31	*	*	*	*		05-SEP-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 31: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
32	*	*	*	*		05-SEP-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 32: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
33	*	*	*	1 *		18-SEP-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 33: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS

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SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
34	X	X	X	X		25-SEP-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 34: Qty X Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
35	X	X	X	X		02-OCT-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 35: Qty X Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				
36	X	X	X	X		02-OCT-2008 02:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 36: Qty X Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
37	X	X	X	X		09-OCT-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 37: Qty X Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
38	X	X	X	X		16-OCT-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 38: Qty X Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
39	X	X	X	X		23-OCT-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 39: Qty X Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
40	X	X	X	X		30-OCT-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 40: Qty X Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
41	X	X	X	X		07-NOV-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division									

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SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1161 Buckeye Road Lima, OH 45804-1815 United States						Distribution 41: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
42	*	*	*	*		14-NOV-2008 00:00:00			Closed
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 42: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
43	*	*	*	*		21-NOV-2008 00:00:00			Closed
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 43: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
44	*	*	*	*		21-DEC-2008 00:00:00			Closed
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 44: Qty * Project ABRAMS 2006 PROD BOA, Task RST3NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4			
45	*	*	*	*		10-MAR-2009 12:00:00			Closed
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 45: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 46: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE			
46	*	*	*	*		20-MAR-2009 00:00:00			Closed For Invoice
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 46: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE			
47	*	*	*	*		22-MAY-2009 12:00:00			Closed
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 47: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE			
48	*	*	*	*		22-MAY-2009 12:00:00			Closed
SHIP TO General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States						TEXT Distribution 48: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE			

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SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
49	*	*	*	*		05-JUN-2009 12:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 49: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
50	*	*	*	*		20-JUL-2009 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 50: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
51	*	*	*	*		31-AUG-2009 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Commander Anniston Army Depot 7 Frankford Ave. Bldg 136 Attn: AIM & SEP Programs Anniston, AL 36201-4199 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task MT05NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
52	*	*	*	*		20-AUG-2009 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 51: Qty * Project ABRAMS 2006 PROD BOA, Task RQ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
53	*	*	*	*		31-AUG-2009 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 52: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
54	*	*	*	*		20-SEP-2009 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 53: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
55	*	*	*	*		20-OCT-2009 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 54: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
56	*	*	*	*		20-NOV-2009 00:00:00			Open
SHIP TO					TEXT				

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCH

E68

PO #PCL860001
PO Revision 19
Page 11 of 14

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
57	*	*	*	*		20-NOV-2009 12:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 55: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
58	*	*	*	*		20-DEC-2009 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Commander Anniston Army Depot 7 Frankford Ave. Bldg 136 Attn: AIM & SEP Programs Anniston, AL 36201-4199 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task MT05NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
59	*	*	*	*		20-JAN-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 56: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
60	*	*	*	*		20-FEB-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 58: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
61	*	*	*	*		20-MAR-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 59: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
62	*	*	*	*		20-APR-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 60: Qty * Project ABRAMS 2006 PROD BOA, Task RT00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				
63	*	*	*	*		20-APR-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 61: Qty * Project ABRAMS 2006 PROD BOA, Task RU00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCH.

PO #PCL860001
PO Revision 19
Page 12 of 14

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
64	*	*	*	*		20-MAY-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 62: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
65	*	*	*	*		20-JUN-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 64: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
66	*	*	*	*		20-JUL-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 65: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
67	*	*	*	*		20-AUG-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 66: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
68	*	*	*	*		20-SEP-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 67: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
69	*	*	*	*		20-OCT-2010 00:00:00			Open
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 68: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
70	*	*	*	*		21-JUL-2008 00:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty *, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
71	*	*	*	*		19-NOV-2010 12:00:00			Open
SHIP TO					TEXT				

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

***Confidential Treatment Requested**

GENERAL DYNAMICS
 Land Systems
 38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASING

PO #PCL860001
 PO Revision 19
 Page 13 of 14

General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States				Distribution 63: Qty <input checked="" type="checkbox"/> Project ABRAMS 2006 PROD BOA, Task RU00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE Distribution 64: Qty <input checked="" type="checkbox"/> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4						
SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
72	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		17-DEC-2010 12:00:00			Open	
SHIP TO					TEXT					
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States				Distribution 1: Qty <input checked="" type="checkbox"/> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4						
SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS	
73	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		21-JAN-2011 12:00:00			Open	
SHIP TO					TEXT					
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States				Distribution 1: Qty <input checked="" type="checkbox"/> Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4						

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
2	12548774		PERISCOPE	<input checked="" type="checkbox"/>	Each	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
CONTRACT				MSDS	NOTE TO SUPPLIER		LINE STATUS
							Open

QA CLAUSE / ITEM TEXT:

1. ADDITIONAL PROCUREMENT DATA: NONE
 2. DRWG REV G, DATED 07/13/04
 WITH OD1993-C021, OD1995-L008
 WITH GDMY3096, GDMY3077, GDMY3188
 ** QUALITY REQUIREMENTS:
 QY11
 WEB
 QG5
 QJ21
 QP93
 QP6
 QK11
 MIL-STD-171
 QY2
 (205)
 QY3
 QL31
 12548769
 QJ8
 QG2A
 QK9
 QP5
 QP95
 4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
 REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
 (12548773)

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1						10-APR-2009 12:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems									

Terms and Conditions
 Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

GENERAL DYNAMICS
 Land Systems
 38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURC ^{E71}

PO #PCL860001
 PO Revision 19
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C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
2	*	*	*	*		17-APR-2009 12:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
3	*	*	*	*		22-MAY-2009 12:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
4	*	*	*	*		04-MAY-2009 12:00:00			Closed
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				

End of Contract

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

Confidential Treatment Requested

ORIGINATOR: JULIE M ADAMSON
MESSAGE: B003 PCL860003

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET

ORDER

DATE: 02/08/2008
SUPPL.DATE: 02/08/2008

ORDER NO: PCL860003
SUPPL.NO: 001

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
0001	*	12548774	* **	EA
PERISCOPE ASSEMBLY				

SUPPLEMENT 001 ISSUED 2-08-08 TO CHANGE UNIT PRICE FROM TO
BASED ON NEGOTIATIONS. THIS IS NO LONGER AN NTE ORDER, IT HAS
BEEN CHANGED TO FFP.

DELIVERY SCHEDULE:			CONTRACT:			
DATE	ORIG	PROM	QUANTITY	ALIAS	SEG	WBS
03/20/2009				G0006	RP00	
03/20/2009				GN001	RK00	

CONTRACT	SEG	PRIORITY	ACCUMULATIVE
		RATING	QUANTITY
DAAE07-01-G-N001	RK00	DXA4	000
W56HZV-06-G-0006	RP00	NONE	.000

ACCOUNTS:	ORGANIZATION	ACCOUNT	CENTER
	DIV	79500	2313

\$6,756.26 TOTAL P.O. VALUE

BLANKET AMOUNT REMAINING
\$0.00

*Confidential Treatment Requester

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

ORDER NO: PCL860003
PAGE 1 OF 1

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Verified at: 8:50:29 AM on: 2/8/2008 by Domino Process

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCH...

PO #PCL860003
PO Revision 3
Page 1 of 2

Ship To: General Dynamics Land Systems Division	PO Creation Date: 09-JUL-2008 15:08:50 Revision Date: 24-FEB-2009 13:12:39 PO Status: APPROVED Freight Terms: FCA SP Freight Carrier: REFER TO GDLS ROUTING GUI Total PO Value: 6,756.26 PO Award Code: 2A PO Description: Converted PO ETP-C088 PCL860003
Bill to: General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States	
Payment Terms: NET30 PO Currency: USD	

SUPPLIER Company: Optex Systems Inc Supplier No.: 503610 Site: RICHARDSON Address: 1420 Presidential Drive Richardson, TX 75081 United States Attn: VCN 23230 - OPTEX SY	BUYER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com	PLANNER Phone: Email:
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 ORACLE REVISION 1 ISSUED 9/4/08 TO INCORPORATE GDMY3096 AT NO COST TO GDLS. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

 ORACLE REVISION 2 ISSUED 9/15/08 TO CORRECT DRAWING INFORMATION. THIS CHANGE AT NO COST TO GDLS. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

 ORACLE REVISION 3 ISSUED 2/24/09 TO MOVE DELIVERY OF *PIECES IN FROM 3/20/09 TO 3/10/09. PARTS SHIPPING FROM SUPPLIER 2/24/09. REFERENCE: EMAIL 2/24 FROM M.DONOHUE TO D.SCHOENING.

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1	12548774		PERISCOPE ASSEMBLY	*	Each	*	*
			CONTRACT	MSDS		NOTE TO SUPPLIER	LINE STATUS
							Open

QA CLAUSE / ITEM TEXT:
 1. ADDITIONAL PROCUREMENT DATA: NONE
 2. DRWG REV G, DATED 07/26/04
 WITH OD1993-C021, OD1995-L008
 WITH GDMY3096
 ** QUALITY REQUIREMENTS:
 QY11
 WEB
 QG5
 QJ21
 QP93
 QP6
 QK11
 MIL-STD-171
 QY2
 (205)
 QY3
 QL31
 12548769
 QJ8
 QG2A
 QK9

Terms and Conditions
 Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

GENERAL DYNAMICS
 Land Systems
 38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE

PO #PCL860003
 PO Revision 3
 Page 2 of 2

4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
 REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
 (12548773)

SUPPLEMENT 001 ISSUED 2-08-08 TO CHANGE UNIT PRICE FROM ~~7~~ 0
 * BASED ON NEGOTIATIONS. THIS IS NO LONGER AN NTE ORDER, IT HAS
 BEEN CHANGED TO FFP.

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1	*	*	*	*		10-MAR-2009 12:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty * Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
2	*	*	*	*		10-MAR-2009 12:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 2: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				

End of Contract

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860004

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET ORDER

DATE: 04/18/2007

ORDER NO: PCL860004

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

INVOICE TO: GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT. PRICE
0001	*	12548774 PERISCOPE ASSEMBLY	*	EA	*

DELIVERY SCHEDULE:			CONTRACT:		
DATE	ORIG PROM	QUANTITY	ALIAS	SEG	WBS
10/30/2007		*	GN001	RK00	

CONTRACT	SEG	PRIORITY RATING	ACCUMULATIVE QUANTITY
DAAE07-01-G-N001	RK00	DXA4	.000

ACCOUNTS:	ORGANIZATION	ACCOUNT	CENTER
	DIV	79500	2313

TOTAL P.O. VALUE	\$52,497.90

BLANKET AMOUNT REMAINING	\$0.00

BUYER:

EXPEDITOR: E003

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437

ORDER NO: PCL860004

*Confidential Treatment Requested

EMAIL: SCHNEIDJ@GDLS.COM

PAGE 1 OF 1

Verified at: 2:41:31 PM on: 4/18/2007 by Domino Process

ORIGINATOR: JULIE M ADAMSON
MESSAGE: B003 PCL860004

NUMBER: 9726800650

ORDER

GENERAL DYNAMICS

RELEASE TO BLANKET

DATE: 02/08/2008
SUPPL. DATE: 02/08/2008

ORDER NO: PCL860004
SUPPL. NO: 001

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081

SHIP TO: GENERAL DYNAMICS

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

INVOICE TO:

GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
EXT. PRICE				
0001	*	12548774	*	EA
*		PERISCOPE ASSEMBLY		

SUPPLEMENT 001 ISSUED TO MODIFY UNIT PRICE FROM * TO *
BASED ON AUDIT AND NEGOTIATIONS. THIS CHANGES THIS ORDER FROM NTE, TO
FFP.

DELIVERY SCHEDULE:			CONTRACT:		
DATE	ORIG PROM	QUANTITY	ALIAS	SEG	WBS
02/22/2008		*	GN001	RK00	

CONTRACT	SEG	PRIORITY RATING	ACCUMULATIVE QUANTITY
DAAE07-01-G-N001	RK00	DXA4	000

ACCOUNTS:	ORGANIZATION	ACCOUNT	CENTER
	DIV	79500	2313

TOTAL P.O. VALUE
\$50,671.95

BLANKET AMOUNT REMAINING
\$0.00

*Confidential Treatment Requested

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER: B003
P: 586-825-8756 F: 586-268-7437
EMAIL: ADAMSONJ@GDLS.COM

ORDER NO: PCL860004
PAGE 1 OF 1

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Verified at: 8:50:32 AM on: 2/8/2008 by Domino Process

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCH.

PO #PCL860004
PO Revision 1
Page 1 of 2

Ship To: General Dynamics Land Systems Division	PO Creation Date: 09-JUL-2008 15:08:51
Bill to: General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States	Revision Date: 19-FEB-2009 07:42:08 PO Status: APPROVED Freight Terms: FCA SP Freight Carrier: REFER TO GDLS ROUTING GUI Total PO Value: 50,671.95 PO Award Code: 2A
Payment Terms: NET30 PO Currency: USD	PO Description: Converted PO ETP-C088 PCL860004
SUPPLIER Company: Optex Systems Inc Supplier No.: 503610 Site: RICHARDSON Address: 1420 Presidential Drive Richardson, TX 75081 United States Attn: VCN 23230 - OPTEX SY	BUYER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com
	PLANNER Phone: Email:
<p>***** ORACLE REVISION 1 ISSUED 2/19/09 TO MOVE DELIVERY DATE OUT TO 3/2/09. GD RECEIVING ERROR IN JULY 2008 WAS REVERSED 2/18/09. ADJUSTED DELIVERY TO ALLOW SUPPLIER TO SHIP WITHOUT PENALTY. THIS CHANGE AT NO COST TO GDLS. ***** SUPPLEMENT 001 ISSUED 05-12-08 TO MODIFY DELIVERY SCHEDULE TO HELP VENDOR MEET SHIPMENTS.</p>	

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1	12548774		PERISCOPE ASSEMBLY	*	Each	*	*
			CONTRACT	MSDS	NOTE TO SUPPLIER		LINE STATUS
							Open

QA CLAUSE / ITEM TEXT:

1. ADDITIONAL PROCUREMENT DATA: NONE
2. DRWG REV G, DATED 07/26/04
WITH OD1993-C021, OD1995-L008
WITH GDLV4616, GDMY3077
** QUALITY REQUIREMENTS:

QY11
WEB
QG5
QJ21
QP93
QP6
QK11
MIL-STD-171
QY2
(205)
QY3
QL31
12548769
QJ8
QG2A
QK9

4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
(12548773)

SUPPLEMENT 001 ISSUED TO MODIFY UNIT PRICE FROM 3499.86 TO 3378.13
BASED ON AUDIT AND NEGOTIATIONS. THIS CHANGES THIS ORDER FROM NTE, TO
FFP.

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASE

PO #PCL860004
PO Revision 1
Page 2 of 2

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1	*	*	*	*		02-MAR-2009 12:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States					Distribution 1: Qty * Project ABRAMS SPARES BOA 2002, Task SK73NONWBS, Contract Number DAAE20-02-G-0009, DPAS Rating DXA5				

End of Contract

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860005

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET ORDER

DATE: 06/26/2007

ORDER NO: PCL860005

TO: OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
DEPOT
RICHARDSON TX 75081

SHIP TO:

GENERAL DYNAMICS LAND SYSTEMS
COMMANDER, ANNISTON ARMY

7 FRANKFORD AVE.
BLDG. 136 - WEST END
ATTN: AIM & SEP PROGRAMS
ANNISTON AL 36201-4199
GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

SUPPLIER NO: 23230 CATEGORY: S N INVOICE TO:
SHIP VIA: TRUCK CRC2A
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT.PRICE
0001	*	12548774 PERISCOPE ASSEMBLY	*	EA	*

DELIVERY SCHEDULE:

DATE	ORIG PROM	QUANTITY	CONTRACT:	ALIAS	SEG	WBS
03/20/2008			G0006		BDMT	
04/20/2008			G0006		BDMT	

CONTRACT	SEG	PRIORITY	ACCUMULATIVE
W56HZV-06-G-0006	BDMT	RATING DOA4	QUANTITY .000

ACCOUNTS:	ORGANIZATION	ACCOUNT	CENTER
	DIV	79500	6513

TOTAL P.O. VALUE \$199,492.02

BLANKET AMOUNT REMAINING \$0.00

BUYER:

EXPEDITOR: E003

JULIE M. SCHNEIDER BUYER:B003

*Confidential Treatment Requested

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURC...

PO #PCL860005
PO Revision 4
Page 1 of 2

Ship To: General Dynamics Land Systems Commander	PO Creation Date: 04-JUL-2008 12:57:17 Revision Date: 12-FEB-2009 10:34:57 PO Status: APPROVED Freight Terms: FCA SP Freight Carrier: REFER TO GDLS ROUTING GUI Total PO Value: 405,375.60 PO Award Code: 2A PO Description: Converted PO ETP-C088 PCL860005
Bill to: General Dynamics Land Systems Division 1161 Buckeye Road Lima, OH 45804-1815 United States	
Payment Terms: NET30 PO Currency: USD	

SUPPLIER Company: Optex Systems Inc Supplier No.: 503610 Site: RICHARDSON Address: 1420 Presidential Drive Richardson, TX 75081 United States Attn: VCN 23230 - OPTEX SY	BUYER MARY DONOHUE Phone: 586/825-4060 Email: donohuem@gdls.com	PLANNER Phone: Email:
--	---	------------------------------------

ORACLE REVISION 2 ISSUED 9/4/08 TO INCORPORATE GDMY3096 AT NO COST TO GDLS. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

ORACLE REVISION 3 ISSUED 9/15/08 TO CORRECT DRAWING INFORMATION. THIS CHANGE AT NO COST TO GDLS. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

ORACLE REVISION 4 ISSUED 2/12/09 FOR INTERNAL CHANGE ONLY. PROJECT/TRANSFER CODES WERE CHANGED ON SHIPMENT #3 - NO IMPACT TO SUPPLIER.

ORACLE REVISION 1 ISSUED 7/28/08 TO REFLECT RELEASE OF GDMY3104. COPY OF ENGINEERING CHANGE SENT TO SUPPLIER 7/28/08 VIA VENDOR FREE FORM.

SUPPLEMENT 001 TO THIS RELEASE WAS ISSUED 04-30-08 TO INCREASE RELEASE QTY BY 2 PCS. PLEASE NOTE CHANGES IN THE DELIVERY SCHEDULE.

SUPPLEMENT 002 ISSUED 05-12-08 TO MODIFY DELIVERY SCHEDULE TO HELP VENDOR MEET DATES.

LINE	PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1	12548774		PERISCOPE ASSEMBLY	*	Each	*	*
			CONTRACT	MSDS	NOTE TO SUPPLIER		LINE STATUS
							Open

QA CLAUSE / ITEM TEXT:

1. ADDITIONAL PROCUREMENT DATA: NONE

2. DRWG REV G, DATED 07/26/04

WITH OD1993-C021, OD1995-L008

WITH GDMY3096

** QUALITY REQUIREMENTS:

QY11

WEB

QG5

QJ21

QP93

QP6

QK11

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

***Confidential Treatment Requested**

GENERAL DYNAMICS
Land Systems
38500 Mound Road, Sterling Heights, MI 48310

STANDARD PURCHASING

PO #PCL860005
PO Revision 4
Page 2 of 2

MIL-STD-171

QY2
(205)
QY3
QL31
12548769
QJ8
QG2A
QK9

4. CHEMICAL AGENT RESISTIVE COATING (CARC) FINAL PROTECTIVE FINISH IS
REQUIRED PER DRAWING 12344344 AS SPECIFIED ON PULLSHEET.
(12548773)

SUPPLEMENT 001 ISSUED 2-08-08 CHANGES THIS ORDER FROM NTE, TO FFP.
BASED ON AUDIT AND NEGOTIATIONS, THE PRICE DECREASES FROM * TO *

SHIP	QTY	RECD	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
1	*	*	*	*		23-MAY-2008 00:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Commander Anniston Army Depot 7 Frankford Ave. Bldg 136 - West End Attn: AIM & SEP Programs Anniston, AL 36201-4199 United States					Distribution 1: Qty *, Project ABRAMS 2006 PROD BOA, Task BDMTNONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
2	*	*	*	*		30-MAY-2008 00:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Commander Anniston Army Depot 7 Frankford Ave. Bldg 136 - West End Attn: AIM & SEP Programs Anniston, AL 36201-4199 United States					Distribution 2: Qty * Project ABRAMS 2006 PROD BOA, Task BDMTNONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
3	*	*	*	*		06-JUN-2008 00:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Commander Anniston Army Depot 7 Frankford Ave. Bldg 136 - West End Attn: AIM & SEP Programs Anniston, AL 36201-4199 United States					Distribution 3: Qty * Project ABRAMS 2006 PROD BOA, Task BDMTNONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 4: Qty * Project ABRAMS 2006 PROD BOA, Task PJ00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DXA4				
4	*	*	*	*		20-JAN-2009 02:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Commander Anniston Army Depot 7 Frankford Ave. Bldg 136 - West End Attn: AIM & SEP Programs Anniston, AL 36201-4199 United States					Distribution 4: Qty *, Project ABRAMS 2006 PROD BOA, Task MTBDNONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating NONE				

End of Contract

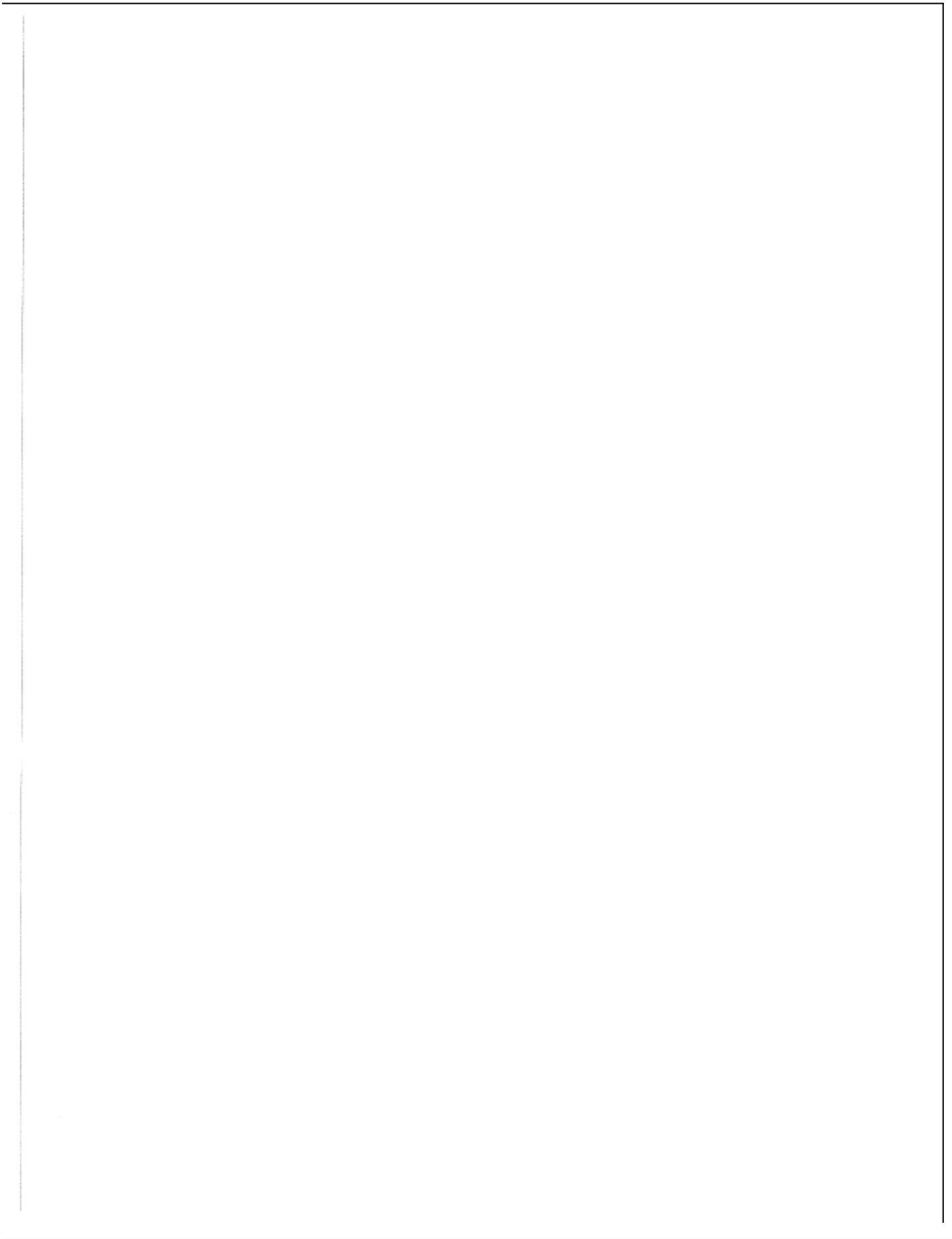
Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

*Confidential Treatment Requested

TSP, INC.

A-7 EXT. PRICE
A-7 QTY
A-7 UNIT PRICE
A-7 EXT. PRICE
A-7 QTY
A-7 UNIT PRICE
A-7 EXT. PRICE
A-7 QTY
A-7 UNIT PRICE
A-7 EXT. PRICE
A-7 QTY
A-7 UNIT PRICE
A-7 EXT. PRICE
A-7 QTY
A-7 UNIT PRICE
A-7 EXT. PRICE
A-7 SUB TOTAL
A-9 QTY
A-9 UNIT PRICE
A-9 EXT. PRICE
A-9 QTY
A-9 UNIT PRICE
A-9 EXT. PRICE
A-9 SUB TOTAL
A-11 QTY
A-11 UNIT PRICE



Optex Systems
1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

TSP Inc:

Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544

Purchase Order: 9D16861

Page 1 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents.
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:

TSP Inc
2009 Glenn Parkway
Batavia, OH 45103
Phone: 513-732-8900
Fax: 513-732-6988

FOB: ORIGIN
Order Date: 10/26/2009
Due Date: See Below
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #:
DMS Rating:
Buyer: Peeples, Ronald E.

Notes

****NEED CERTS***
Ship UPS Collect Customer Acct#498653
RMA#2479
DMR#10573
NC ID#11342
PO#
S/O#2006

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Purchase Order: 9D16861

TSP Inc

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

- Instructions to seller:
1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12548773		Window, ICWS	EA	*	*	*
			Due Date 11/25/2009	SO No: 20061550400			
			Optex ECN No. 550				

*Confidential Treatment Requested

Accepted By Vendor:	Authorized By Optex:	Order Sub Total:
	<i>[Signature]</i>	* \$0.00
Date:	Date:	Order Total:
	10-26-9	\$332.80

Optex Systems
1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

TSP Inc:

**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**

Purchase Order: 9B16294

Page 1 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention: Tootie Hardman

TSP Inc
2009 Glenn Parkway
Batavia, OH 45103
Phone: 513-732-8900
Fax: 513-732-6988

Notes
1528-30/DAAE20-03-D-0052/0030/DO-A5
1528-33/DAAE20-03-D-0052/0030/DO-A5

FOB: ORIGIN
Order Date: 7/20/2009
Due Date: See Below
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: See Below
DMS Rating: See Below
Buyer: Peeples, Ronald E.

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

A5

Purchase Order: 9B16294

TSP Inc.
Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Optex Systems
1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

- Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Ext'd Price
1	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 8/28/2009				SO No: 1528-33/550400
2	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 9/18/2009				SO No: 1528-30/550400
3	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 10/23/2009				SO No: 1528-33/550400
4	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 11/13/2009				SO No: 1528-30/550400
5	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 12/18/2009				SO No: 1528-33/550400
6	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 1/15/2010				SO No: 1528-30/550400
7	12357796-3	F	Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.	EA	*	*	*
	QC Codes: 3		Due Date 2/5/2010				SO No: 1528-33/550400

*Confidential Treatment Requested

Accepted By: _____
Vendor: _____
Date: _____

Authorized By: *[Signature]*
Optex: _____
Date: 21-Jul-2009

Order Sub Total: * \$0.00
Tax: *
Order Total: \$4,700.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**TSP Inc:**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**Purchase Order: 9B16292**

Page 1 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:**Tootie Hardman****TSP Inc**2009 Glenn Parkway
Batavia, OH 45103
Phone: 513-732-8900
Fax: 513-732-6988**Notes**1528-33/DAAE20-03-D-0062/0033/DO-A5
1528-30/DAAE20-03-D-0062/0030/DO-A5**FOB:****ORIGIN****Order Date:****7/20/2009****Due Date:****See Below****Ship Via:****United Parcel Servio****Terms:****Net 30 Days****Prime Contract #:****See Below****DMS Rating:****See Below****Buyer:****Peeples, Ronald E.**

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

TSP Inc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16292

Page 2 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 8/28/2009 SO No: 1528-33/550400							
2	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 9/18/2009 SO No: 1528-30/550400							
3	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 10/2/2009 SO No: 1528-33/550400							
4	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 10/30/2009 SO No: 1528-30/550400							
5	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 11/20/2009 SO No: 1528-33/550400							
6	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 12/4/2009 SO No: 1528-33/550400							
7	12285097	F	Window	EA	*	*	*
Supplier to fab complete to print per Drawing No. 12285097 Rev. F.							
QC Codes: 3 Due Date 1/15/2010 SO No: 1528-30/550400							

*Confidential Treatment Requested

Accepted By

Vendor:

Authorized By

Optex:

Date:

Date:



21-Jul-2009

Order Sub Total: *

Tax:

\$0.00

Order Total: *

\$6,760.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**Attention:****Tootie Hardman****TSP Inc**2009 Glenn Parkway
Batavia, OH 45103
Phone: 513-732-8900
Fax: 513-732-6988**Notes****TSP Inc:****Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544****Purchase Order: 9B16014**

Page 1 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

FOB: ORIGIN
Order Date: 6/3/2009
Due Date: 8/7/2009
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: W56HZV-07-D-M112
DMS Rating:
Buyer: Peeples, Ronald E.

All terms and conditions of original PO apply

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

TSP Inc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16014

Page 2 of 2

- Instructions to seller:
1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer herof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	LS1027712	A	Window, Lower	EA	*	*	*
Supplier to fab complete to print with NOR GDV1931							
QC Codes: 3							
				SO No:	3008/550400		
2	LS1027712	A	Window, Lower	EA	*	*	*
Supplier to fab complete to print with NOR GDV1931							
QC Codes: 3							
				SO No:	3008/550400		

*Confidential Treatment Requested

Accepted By
Vendor:Authorized By
Optex:

Date:

Date:

Order Sub Total:

Tax:

Order Total:

*

\$0.00

\$916.50

Optex Systems1420 Presidential
Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

Attention: Tootie Hardman**TSP Inc**

2009 Glenn Parkway

Batavia, OH 45103

Phone: 513-732-8900

Fax: 513-732-6988

Notes**TSP Inc:****Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544****Purchase Order: 9B16802**

Page 1 of 3

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

FOB: ORIGIN
Order Date: 10/12/2009
Due Date: 11/9/2009
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: W56HZV-06-G-0006
DMS Rating: DOA4
Buyer: Peoples, Ronald E.

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

TSP Inc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16802

Page 2 of 3

- Instructions to seller:
1. Purchase Order number and Purchase Order form number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents.
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 11/9/2009 SO No: 2077-1/550400				
2	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 12/14/2009 SO No: 2077-1/550400				
3	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 1/11/2010 SO No: 2077-1/550400				
4	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 2/15/2010 SO No: 2077-1/550400				
5	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 3/15/2010 SO No: 2077-1/550400				
6	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 4/19/2010 SO No: 2077-1/550400				
7	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 5/17/2010 SO No: 2077-1/550400				
8	12285078-2	G	Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10. QC Codes: 3	EA	7	*	*
			Due Date 6/21/2010 SO No: 2077-1/550400				

Optex Systems is an equal opportunity employer

*Confidential Treatment Requested

Continued over ...

Optex Systems

1420 Presidential
 Richardson, TX 75081
 Phone: 972.644.0722
 Fax: 972.234.3544

TSP Inc:

Please fax signed copy of this Purchase Order to
 Purchasing Dept. 972.234.3544

Purchase Order: 9B16802**Instructions to seller:**

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
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3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
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Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Ext'd Price
9	12285078-2	G	Window (Short Driver)	EA	*	*	*
Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10.							
QC Codes: 3 Due Date 7/19/2010 SO No: 2077-1/550400							
10	12285078-2	G	Window (Short Driver)	EA	*	*	*
Supplier to fab -2 detail complete to print per Drawing No. 12285078 Rev G, less paint per drawing note 10.							
QC Codes: 3 Due Date 8/23/2010 SO No: 2077-1/550400							

*Confidential Treatment Requested

Accepted By Vendor:	Authorized By Optex:	Order Sub Total:	*	\$0.00
Date:	Date:	Tax:		
		Order Total:		\$4,370.00


 14-Oct-2009

B1

SWS – Trimac Inc.

B-1 SUMMARY PAGE 1

B-1

B-3 QTY

B-3 UNIT PRICE

B-3 EXT. PRICE

B-3 QTY

B-3 UNIT PRICE

B-3 EXT. PRICE

B-3 SUB TOTAL

B-5 QTY

B-5 UNIT PRICE

B-5 EXT. PRICE

B-5 QTY

B-5 UNIT PRICE

B-5 EXT. PRICE

B-5 SUB TOTAL

B-7 QTY

B-7 UNIT PRICE

B-7 EXT. PRICE

B-7 QTY

B-7 UNIT PRICE

B-7 EXT. PRICE

B-7 SUB TOTAL

Optex Systems
1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:
Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544

Purchase Order: 9B16887

Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:

SWS-Trimac Inc
5225 Davis Road
Saginaw, MI 48604
Phone: 989-791-4595
Fax: 989-791-1339

Order Date: 11/2/2009
Due Date: See Below
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: W56HZV-06-G-0006
DMS Rating: DOA4
Buyer: Ojeda, Elizabeth A.

Notes Please note CERTS and provide.
Parts to arrive on or before 11-6-09
2086-1 W56HZV-06-G-0006 DOA4

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over ...

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16887

Page 2 of 2

- Instructions to seller:
1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
7	12437254-2	D	Welding	EA	*	***	*
Job 2086-1-NOV-FEB Asm 0 Se							
Due Date 11/17/2009							
SO No: 2086-1/550400							
8	00068		Set Up	EA	*	*	*
Due Date 11/17/2009							
SO No: /550500							

*Confidential Treatment Requested

Accepted By
Vendor:

Authorized By
Optex:

Date:

[Signature]
11/13/09

Order Sub Total: *

Tax:

Order Total: *

\$0.00

\$759.00

84

Optex Systems

1420 Presidential
Richardson, TX 75081

Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544

Purchase Order: 9B16801

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer heretof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced hereth.

SWS-Trimac Inc
5225 Davis Road
Saginaw, MI 48604
Phone: 989-791-4595
Fax: 989-791-1339

Attention:

Order Date: 10/9/2009
Due Date: 10/30/2009
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #:
DMS Rating:
Buyer: Ojeda, Elizabeth A.

Notes

Please note Certs and provide
3025
Parts to arrive 10/15/09

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over ...

Optex Systems
 1420 Presidential
 Richardson, TX 75081
 Phone: 972.644.0722
 Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order to
 Purchasing Dept. 972.234.3544

Purchase Order: 9B16801

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions, any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12548820K1	A	Job 3025-12549839K1 Asm 4 5	EA	*	*	*
QC Codes: 7							
E-B Weld Set up							
2	0006B		Set Up	EA	*	*	*
Due Date 10/30/2009							
SO No: 3025/550400							
Due Date 10/30/2009							
SO No: 3025/550500							

*Confidential Treatment Requested

Accepted By Vendor:	Authorized By Optox:	Order Sub Total:
Date:	Date:	Tax: \$0.00
		Order Total: \$790.00

Optex Systems1420 Presidential
Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

SWS-Trimac Inc:Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**Purchase Order: 9B16834**

Page 1 of 2

BLE

Instructions to seller:

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:**SWS-Trimac Inc**5225 Davis Road
Saginaw, MI 48604
Phone: 989-791-4595
Fax: 989-791-1339**Notes**Please note CERTS and provide.
Parts to arrive on or before 10/23/09
2088-1 W56HZY-06-G-0006 DOA4
Please expedite**Order Date:** 10/20/2009
Due Date: See Below
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: W56HZY-06-G-0006
DMS Rating: DOA4
Buyer: Ojeda, Elizabeth A.

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
 Richardson, TX 75081
 Phone: 972.644.0722
 Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order to
 Purchasing Dept. 972.234.3544

Purchase Order: 9B16834

Page 2 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
7	12437254-2	D	Welding	EA	✓		✗
EB WELD UNIT PRICE							
QC Codes: 7							
8	0006B		Set Up	EA	✗		✗
Job 2086-1-OCT-65 Asm 0 Seq							
Due Date 11/4/2009							
SO No: 2086-1/550400							
Due Date 11/4/2009							
SO No: /550500							

*Confidential Treatment Requested

Accepted By
Vendor:Authorized By
Optrex:*Henry Bao*

Date:

10-21-9

Order Sub Total:

Tax:

\$0.00

Order Total:

\$990.00

C-1

DANAHER CONTROLS

C-1 SUMMARY PAGE 1

C-1

C-3 QTY

C-3 UNIT PRICE

C-3 EXT. PRICE

C-3 QTY

C-3 UNIT PRICE

C-3 EXT. PRICE

C-3 QTY

C-3 UNIT PRICE

C-3 EXT. PRICE

C-3 QTY

C-3 UNIT PRICE

C-3 EXT. PRICE

C-4 QTY

C-4 UNIT PRICE

C-4 EXT. PRICE

C-4 QTY

C-4 UNIT PRICE

C-4 EXT. PRICE

C-4 QTY

C-4 UNIT PRICE

C-4 EXT. PRICE

C-4 QTY

C-4 UNIT PRICE

C-4 EXT. PRICE

C-5 QTY

C-5 UNIT PRICE

C-5 EXT. PRICE

C-5 QTY

C-5 UNIT PRICE
C-5 EXT. PRICE
C-5 QTY
C-5 UNIT PRICE
C-5 EXT. PRICE
C-5 QTY
C-5 UNIT PRICE
C-5 EXT. PRICE
C-6 QTY
C-6 UNIT PRICE
C-6 EXT. PRICE
C-6 QTY
C-6 UNIT PRICE
C-6 EXT. PRICE
C-6 QTY
C-6 UNIT PRICE
C-6 EXT. PRICE
C-6 QTY
C-6 UNIT PRICE
C-6 EXT. PRICE
C-6 QTY
C-7 QTY
C-7 UNIT PRICE
C-7 EXT. PRICE
C-7 QTY
C-7 UNIT PRICE
C-7 EXT. PRICE
C-7 QTY
C-7 UNIT PRICE
C-7 EXT. PRICE

C-12 UNIT PRICE

C-1 SUMMARY PAGE 4

C-12 EXT. PRICE

C-12 QTY

C-12 UNIT PRICE

C-12 EXT. PRICE

C-12 QTY

C-12 UNIT PRICE

C-12 EXT. PRICE

C-12 SUB TOTAL

Optex Systems

1420 Presidential
Richardson, TX 75081

Phone: 972.644.0722
Fax: 972.234.3544

Attention: Renn Thomas

Danaher Controls

P.O. BOX 91809
1675 Delaney Rd, Gurnee, IL 60031
CHICAGO, IL 60693-1809
Phone: 910-862-2511
Fax: 910-862-5412

Notes

Danaher Controls:

Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544



Purchase Order: 9B15760

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

FOB: ORIGIN
Order Date: 4/24/2009
Due Date: See Below
Ship Via: Prepaid
Terms: W52H09-05-D-0260/
Prime Contract #:
DMS Rating:
Buyer: VanDeCarr, Charlotte

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

**REVISED**

8-14-09 c v

Purchase Order: 9B15760

Page 2 of 7

- Instructions to seller:
1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Increasing Count							
Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
QC Codes: 18							
2	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Increasing Count							
Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
QC Codes: 18							
3	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Increasing Count							
Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
4	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Increasing Count							
Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
				Due Date 7/9/2009	SO No: 1795-2/550400		
				Due Date 7/23/2009	SO No: 1795-2/550400		
				Due Date 9/17/2009	SO No: 1795-2/550400		
				Due Date 10/22/2009	SO No: 1795-3/550400		

Optex Systems is an equal opportunity employer

*Confidential Treatment Requested

Continued over ...

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

**Purchase Order: 9B15760**

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these Instructions, any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
5	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	✖	✖	✖
Supplier to fab complete to print. Increasing Count Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment. Optex will pay prior to shipment based on the pro forma invoice. QC Codes: 18							
Due Date 11/19/2009				SO No: 1795-3/550400			
6	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	✖	✖	✖
Supplier to fab complete to print. Decreasing Count Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee QC Codes: 18							
Due Date 7/9/2009				SO No: 1795-2/550400			
7	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	✖	✖	✖
Supplier to fab complete to print. Decreasing Count Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee QC Codes: 18							
Due Date 7/16/2009				SO No: 1795-2/550400			
8	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	✖	✖	✖
Supplier to fab complete to print. Decreasing Count Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment. Optex will pay prior to shipment based on the pro forma invoice. QC Codes: 18							
Due Date 9/17/2009				SO No: 1795-2/550400			

Optex Systems is an equal opportunity employer

*Confidential Treatment Requested

Continued over ...

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

**Purchase Order: 9B15760**

Page 4 of 7

- Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
9	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Decreasing Count							
Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 10/22/2009 SO No: 1795-3/550400							
10	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Decreasing Count							
Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 11/19/2009 SO No: 1795-3/550400							
11	11741119	D	Counter, Correction	EA	*	*	*
Supplier to fab complete to print and ECP No. H04A2084. Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
QC Codes: 18							
Due Date 7/9/2009 SO No: 1795-2/550400							
12	11741119	D	Counter, Correction	EA	*	*	*
Supplier to fab complete to print and ECP No. H04A2084. Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
QC Codes: 18							
Due Date 7/16/2009 SO No: 1795-2/550400							

Optex Systems is an equal opportunity employer

*Confidential Treatment Requested

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

**Purchase Order: 9B15760**

Page 5 of 7

- Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions, any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
13	11741119	D	Counter, Correction	EA	✕	✕	✕
Supplier to fab complete to print and ECP No. H04A2084. Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 9/17/2009 SO No: 1795-2/550400							
14	11741119	D	Counter, Correction	EA	✕	✕	✕
Supplier to fab complete to print and ECP No. H04A2084. Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 10/22/2009 SO No: 1795-3/550400							
15	11741119	D	Counter, Correction	EA	✕	✕	✕
Supplier to fab complete to print and ECP No. H04A2084. Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 11/19/2009 SO No: 1795-3/550400							
16	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	✕	✕	✕
Supplier to fab complete to print. Increasing Count							
Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 12/17/2009 SO No: 1795-3/550400							

Optex Systems is an equal opportunity employer

*Confidential Treatment Requested

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

**Purchase Order: 9B15760**

Page 6 of 7

- Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents.
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions, any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
17	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Increasing Count							
Danaher P/N 153943-107 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment. Optex will pay prior to shipment based on the pro forma invoice.							
8/14/2009 - Danaher may ship the final shipment of X sets on 31-Dec if shipment is made on Net 30 terms. QC Codes: 18 Due Date 1/14/2010 SO No: 1795-3/550400							
18	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Decreasing Count							
Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment. Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18 Due Date 12/17/2009 SO No: 1795-3/550400							
19	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	*	*	*
Supplier to fab complete to print. Decreasing Count							
Danaher P/N 153933-101 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment. Optex will pay prior to shipment based on the pro forma invoice.							
8/14/2009 - Danaher may ship the final shipment of X sets on 31-Dec if shipment is made on Net 30 terms. QC Codes: 18 Due Date 1/14/2010 SO No: 1795-3/550400							

Optex Systems is an equal opportunity employer

*Confidential Treatment Requested

Continued over ...

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544



Purchase Order: 9B15760

- Instructions to seller:
1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
20	11741119	D	Counter, Correction	EA	*	*	*
Supplier to fab complete to print and ECP No. H04A2084, Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
QC Codes: 18							
Due Date 12/17/2009 SO No: 1795-3/550400							
21	11741119	D	Counter, Correction	EA	*	*	*
Supplier to fab complete to print and ECP No. H04A2084, Danaher P/N 176322-104 in accordance with Counter Assembly Check List							
8/14/2009 - Danaher is to send a pro forma invoice for each shipment NO MORE THAN 10 days prior to availability for shipment.							
Optex will pay prior to shipment based on the pro forma invoice.							
8/14/2009 - Danaher may ship the final shipment of 70 sets on 31-Dec if shipment is made on Net 30 terms.							
QC Codes: 18							
Due Date 1/14/2010 SO No: 1795-3/550400							

*Confidential Treatment Requested

Accepted By Vendor:	Authorized By Optex:	Order Sub Total:	\$0.00
Date:	Date:	Tax:	
		Order Total:	\$964,040.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**Attention:** Renn Thomas**Danaher Controls**P.O. BOX 91809
1675 Delaney Rd, Gurnee, IL 60031
CHICAGO, IL 60693-1809
Phone: 910-862-2511
Fax: 910-862-5412**Notes**

All terms and conditions of original PO apply

Purchase Order: 9B16048

Page 1 of 2

C-9

Danaher Controls:
Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents

3. All correspondence relative hereto will be addressed to the attention of the signer hereof.

4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

FOB: ORIGIN
Order Date: 6/9/2009
Due Date: See Below
Ship Via: Prepaid
Terms: W52H09-05-D-0248/
Prime Contract #: D0-A5
DMS Rating: VanDeCarr, Charlotte
Buyer:*Optex Systems is an equal opportunity employer*

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16048

Page 2 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 9/15/2009 SO No: 1792-3/550400							
2	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 11/30/2009 SO No: 1792-3/550400							
3	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 1/29/2010 SO No: 1792-3/550400							
4	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 3/31/2010 SO No: 1792-4/550400							
5	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 5/31/2010 SO No: 1792-4/550400							
6	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 7/30/2010 SO No: 1792-4/550400							
7	8261839	J	Counter (Non Reset Direct Drive)	EA	*	*	*
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8 Due Date 9/30/2010 SO No: 1792-4/550400							

*Confidential Treatment Requested

Accepted By Vendor:

Authorized By Optex:

Date:

Date:

Order Sub Total:

Tax:

Order Total:

\$0.00

\$72,210.00

Optex Systems

1420 Presidential
Richardson, TX 75081

Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**

Purchase Order: 9D16215

Page 1 of 2

Instructions to seller:

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Picking sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer heretofore.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:

Danaher Controls

P.O. BOX 91809
1675 Delaney Rd, Gurnee, IL 60031
CHICAGO, IL 60693-1809
Phone: 910-862-2511
Fax: 910-862-5412

Notes

RMA # 123718
DMR'S 10451,10448,10452,10453,10454,10405
10404

Order Date: 7/2/2009
Due Date: See Below
Ship Via:
Terms:
Prime Contract #:
DMS Rating:
Buyer: Box, Gary

All terms and conditions of original PO apply

Optex Systems is an equal opportunity employer

Continued over ...

C *ex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9D16215

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
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3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed hereth and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Ext'd Price
1	11741118-1	B	Fixed Mounting (6400 MIL) Increasing Count Danaher P/N 153943-107 DMR#10451	EA	*	*	*
Due Date 7/13/2009				SO No: 1795/550400			
2	11741118-2	B	Fixed Mounting (6400 MIL) Decreasing Count Danaher P/N 153933-101 RMA # 123718 DMR #10453, 10454, 10404	EA	*	*	*
Due Date 7/13/2009				SO No: 1795/550400			
3	11741119	D	w/NOR H04A2084 & Contract C Requirements-Rev A Danaher P/N 176322-104 RMA #123718 DMR's #10449, 10452	EA	*	*	*
Due Date 7/13/2009				SO No: 1795/550400			

*Confidential Treatment Requested

Accepted By Vendor:	Authorized By Optics:	Order Sub Total:
	<i>Sheng Bao</i>	*
Date:	7-2-9	Tax: \$0.00
		Order Total: \$6,278.00

D-1

SPARTECH POLYCAST

D-1 SUMMARY PAGE 1

D-1

D-3 QTY

D-3 UNIT PRICE

D-3 EXT. PRICE

D-3 QTY

D-3 UNIT PRICE

D-3 EXT. PRICE

D-3 SUB TOTAL

D-5 QTY

D-5 UNIT PRICE

D-5 EXT. PRICE

D-5 QTY

D-5 UNIT PRICE

D-5 EXT. PRICE

D-7 QTY

D-7 UNIT PRICE

D-7 EXT. PRICE

D-7 QTY

D-7 UNIT PRICE

D-7 EXT. PRICE

Optex Systems
1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544

Purchase Order: 9B16887

Page 1 of 2

- Instructions to seller:
1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:

SWS-Trimac Inc
5225 Davis Road
Saginaw, MI 48604
Phone: 989-791-4595
Fax: 989-791-1339

Order Date: 11/2/2009
Due Date: See Below
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: W56HZV-06-G-0006
DMS Rating: DOA4
Buyer: Ojeda, Elizabeth A.

Notes

Please note CERTS and provide.
Parts to arrive on or before 11-8-09
208B-1 W56HZV-06-G-0006 DOA4

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems
 1420 Presidential
 Richardson, TX 75081
 Phone: 972.644.0722
 Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order to
 Purchasing Dept. 972.234.3544

Purchase Order: 9B16887

- Instructions to seller:
1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
 2. Packing sheets in detail must accompany each container showing complete description of the contents
 3. All correspondence relative hereto will be addressed to the attention of the signer hereto.
 4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
7	12437254-2	D	Welding	EA	*	*	*
QC Codes: 7							
Job 2086-1-NOV-FEB Asm 0 Set							
Due Date 11/17/2009							
SO No: 2086-1/550400							
8	00068		Set Up	EA	*	*	*
Due Date 11/17/2009							
SO No: /550500							

*Confidential Treatment Requested

Accepted By
 Vendor:

Authorized By
 Optex:

Date:

Date:

Angelo
 11/17/09

Order Sub Total:

Tax:

Order Total:

* \$0.00
 * \$759.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**Attention:****SWS-Trimac Inc**5225 Davis Road
Saginaw, MI 48604
Phone: 989-791-4595
Fax: 989-791-1339**Notes**Please note Certs and provide
3025
Parts to arrive 10/15/09**Purchase Order: 9B16801**

Page 1 of 2

SWS-Trimac Inc:**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544****Instructions to seller:**

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Order Date: 10/9/2009
Due Date: 10/30/2009
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #:
DMS Rating:
Buyer: Ojeda, Elizabeth A.

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16801

Instructions to seller:

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer herof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

D5

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12548820K1	A	Welding	EA	*	*	*
QC Codes: 7				SO No:	3025/550400		
E-B Weld Set up				Due Date	10/30/2009		
2	0006B		Set Up	EA	*	*	*
				SO No:	3025/550500		
				Due Date	10/30/2009		

*Confidential Treatment Requested

Accepted By
Vendor:

Authorized By
Optex:

Date:

Date:

[Signature]
10-12-09

Order Sub Total:

Tax:

Order Total:

* \$0.00

\$790.00

Optex Systems

1420 Presidential
Richardson, TX 75081

Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544

Purchase Order: 9B16834

Page 1 of 2
36

Instructions to seller:

1. Purchase Order number and Purchase Order Item number must appear on all shipping documents, quality certifications, invoices and packages.
2. Packing sheets in detail must accompany each container showing complete description of the contents
3. All correspondence relative hereto will be addressed to the attention of the signer hereof.
4. This order will be governed by these instructions; any special conditions typed herein and other specifications, reports, and documents duly referenced herein.

Attention:**SWS-Trimac Inc**

5225 Davis Road
Saginaw, MI 48604
Phone: 989-791-4595
Fax: 989-791-1339

Notes

Please note CERTS and provide.
Parts to arrive on or before 10/23/09
2086- 1 W56HZV-06-G-0006 DOA4
Please expedite

OSI-10087 TERMS AND CONDITIONS APPLY

Order Date: 10/20/2009
Due Date: See Below
Ship Via: United Parcel Servio
Terms: Net 30 Days
Prime Contract #: W56HZV-06-G-0006
DMS Rating: DOA4
Buyer: Ojeda, Elizabeth A.

Optex Systems is an equal opportunity employer

Continued over .../

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

SWS-Trimac Inc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16834

Page 2 of 2

Instructions to seller:

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Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
7	12437254-2	D	Welding	EA	*	*	*
EB WELD UNIT PRICE							
QC Codes: 7							
8 0006B							
Job 2086-1-OCT-65 Asm 0 Seq							
Due Date 11/4/2009							
SO No: 2086-1/550400							
Set Up							
Due Date 11/4/2009							
SO No: /550500							

*Confidential Treatment Requested

Accepted By

Vendor:

Date:

Authorized By

Optex:

Date:

Anthony Boor
10-21-9

Order Sub Total :

Tax :

Order Total :

* \$0.00

* \$990.00

EXHIBIT 16

LETTER FROM PREDECESSOR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-6010

Dear Ladies and Gentlemen:

We are the predecessor independent registered public accounting firm for Optex Systems Holdings, Inc. (the Company). We have read the Company's disclosure set forth under the heading, "Experts", of the Company's Amendment No. 2 to the Registration Statement on Form S-1/A and are in agreement with the disclosure insofar as it pertains to our firm.

/s/ Rotenberg & Co., LLP

Rochester, New York
November 12, 2009

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Optex Systems Holdings, Inc.
1420 Presidential Drive
Richardson, Texas 75081

As successor by merger to the registered public accounting firm of Rotenberg & Co., llp, we consent to the use of our report dated April 3, 2009, except for the restatement paragraph within Note 15, as to which the date is November 12, 2009, in the Registration Statement on Form S-1/A, with respect to the balance sheets of Optex Systems, Inc. - Texas as of September 28, 2008 and 2007 and the related statements of operations, stockholders' equity, and cash flows for the years ended.

We also consent to the reference to us under the caption, "Experts", in this Registration Statement.

EFP Rotenberg, LLP
Rochester, New York
November 12, 2009
