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

**AMENDMENT NO. 4 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) 644-0722

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

Stanley A. Hirschman
1420 Presidential Drive
Richardson, TX 75081-2439
Telephone (972) 644-0722

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

**Copies to:
Jolie G. Kahn, Esq.
61 Broadway
Suite 2820
New York, NY 10006
Telephone (212) 422-4910**

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	<u>11,784,177</u>	<u>\$ 0.375</u>	<u>\$ 4,419,066</u>	<u>\$ 246.58</u>

(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 June 14, 2010

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 in 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.

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 May 28, 2010, was \$0.06 per share.

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

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 June 14, 2010

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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" 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

Organizational History

On March 30, 2009, Optex Systems Holdings, Inc. (formerly known as Sustut Exploration, Inc.), a Delaware corporation, along with Optex Systems, Inc. (Delaware), which was a privately held Delaware corporation that has since become Optex Systems Holdings' wholly-owned subsidiary, entered into a reorganization agreement and plan of reorganization, pursuant to which Optex Systems, Inc. (Delaware) was acquired by Optex Systems Holdings in a share exchange transaction. At the closing of the reorganization, the registrant 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 Systems, Inc. (Delaware) has remained a wholly-owned subsidiary of Optex Systems Holdings, and Optex Systems, Inc. (Delaware)'s shareholders are now shareholders of Optex Systems Holdings.

Immediately prior to the closing under this reorganization agreement and plan of reorganization, as of March 30, 2009, Optex Systems, Inc. (Delaware) accepted subscriptions from accredited investors for a total of \$1,219,750 in gross proceeds and \$874,529 in net proceeds.

Previously, on October 14, 2008, in a transaction that was consummated via public auction, Optex Systems, Inc. (Delaware) purchased all of the assets of Optex Systems, Inc. (Texas) in exchange for \$15 million of Irvine Sensors Corporation debt and the assumption of approximately \$3.8 million of certain liabilities of Optex Systems, Inc. (Texas). Optex Systems, Inc. (Delaware) was formed by the Longview Fund, LP and Alpha Capital Antstalt, former secured creditors of Irvine Sensors Corporation, to consummate the October 2008 transaction, and subsequently, on February 20, 2009, Longview Fund conveyed its ownership interest in Optex Systems Holdings to Sileas Corporation, an entity owned by three of Optex Systems Holdings' officers (one of whom is also one of Optex Systems Holdings' three directors).

Our Business

Optex Systems Holdings manufactures optical sighting systems and assemblies primarily for United States 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' 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 various 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 Systems, Inc. (Delaware), and its predecessor, Optex Systems, Inc. (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:	139,444,940 shares as of May 12, 2010.
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” 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 may 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 economic 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 our 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.

Future 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. We examine these contracts on a regular basis and accrue for anticipated losses on these contracts, if necessary. As of March 28, 2010, we had approximately \$1.1 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 customers, 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 affected 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 we 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 areas. Until additional key personnel can be successfully integrated into our operations, the timing or success of which we cannot currently predict, our results of operations and ultimate success will be vulnerable to challenges associated with recruiting additional key personnel and difficulties associated with the loss of any key personnel in the future.

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 of March 28, 2010, and determined that no impairment of goodwill had occurred. There have been no material changes to our assumptions or estimates that would result in impairment. 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 U.S. 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 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 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. 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 Systems Holdings 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 Systems Holdings 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.

Product Line	Supplier	Supply Item	Risk	Purchase Orders
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 U.S. 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	Current firm fixed price & quantity purchase orders are in place with the supplier to meet all contractual

operation would take in excess of requirements. Supplier is on
6 months to identify and qualify schedule.
an alternative supplier.

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 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 93% of the gross revenue from our business from two customers, with 46% from General Dynamics Land System Division and 47% from Tank-automotive and Armaments Command. Procuring new customers and contracts may partially mitigate this risk. A decision by either General Dynamics Land System Division or Tank-automotive and Armaments Command 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.

We have approximately 50 discrete contracts with General Dynamics Land System Division and Tank-automotive and Armaments Command. If they choose to terminate these contracts, Optex Systems Holdings is entitled to fully recover all contractual costs and reasonable profits incurred up to or 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 these competitors may have applied for or obtained, or may in the future apply for or 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 May 12, 2010, we had 139,444,940 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 represent 21.7% of our outstanding common stock. This would greatly dilute the holdings of our existing common stockholders. In addition, the preferred shareholders vote on a 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 be entitled 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 for 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

One of our directors, who is also one of our executive officers, 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, 73.52% of Optex Systems Holdings' outstanding common stock. One director who is also an executive officer, Stanley Hirschman, owns the majority equity interest in Sileas. The interests of Optex Systems Holdings' management may differ from the interests of other stockholders. As Optex Systems Holdings' executive management has 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.

Optex Systems Holdings' 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 the 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 Fund, L.P., representing 90% of Optex Systems, Inc. (Delaware), in a private transaction. The purchase price for the acquisition of Longview's position was \$13,524,405, and the consideration was paid in the form of a promissory note. The obligations of Sileas under the promissory 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 promissory 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 currently the majority owner of Optex Systems Holdings. There can be no guarantee that the investment objectives of Longview will be the same as those of Sileas or our other shareholders. In the event that control shifts to Longview from Sileas, Longview may vote its shares differently than Sileas would have voted under similar circumstances. Merrick Okamoto, a director of Optex Systems Holdings, is a control person of Viking Asset Management, which controls Longview Fund.

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.

We did not give separate notice by mailing to then current shareholders of Sustut of the written consent by Andrey Oks as the majority shareholder of the reorganization.

Section 228(e) of the Delaware General Corporation Law requires "[p]rompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders . . . who have not consented in writing." Prior management of Sustut did not give notice to the other then existing shareholders of Sustut of the written consent of Andrey Oks in lieu of a meeting of stockholders approving the reorganization on March 26, 2009 in compliance with Section 228(e). On April 3, 2009, current management filed a Form 8-K which detailed the transaction although it did not specifically mention approval of the transaction by Andrey Oks as the majority shareholder of Sustut. Potential ramifications of this lack of compliance with Section 228(e) could include possible inquiry or litigation from then existing shareholders of Sustut for failure of being made aware of the consent. To the knowledge of current management of Optex Systems Holdings, there have been no claims or inquiries made and/or any litigation filed by then current shareholders of Sustut for failure to receive notice under Section 228(e) of the Delaware General Corporation Law.

Risks Relating to our Common Stock

Optex Systems Holdings' 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 .

Our 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.

There are currently 14,999,991 unrestricted shares of Optex Systems Holdings which were outstanding prior to the March 2009 reorganization. Additionally, through a combination of the shares available under this registration statement when it becomes effective, and Rule 144, additional shares will become available.

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 the one year anniversary of the date on which all Form 10 information is filed with the SEC (which we have determined is September 28, 2009), 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 this prospectus, when it becomes effective) and 8,131,667 shares (under Rule 144, which are the remaining shares of common stock underlying warrants purchased in the private placement which took place just prior to the reorganization). There are also 1,780,000 shares which were issued in transactions exempt from registration under Rule 144 since the date of the reorganization which would become available under Rule 144 for legend removal in September 2010.

The shares to become available either through this prospectus upon effectiveness and under Rule 144 are set forth in the following table:

Prospectus	11,784,177
Shares from warrants issued in the reorganization	8,131,677
Shares issued since the reorganization, all with restrictive legends	1,780,000

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.

Optex Systems Holdings provides indemnification to its directors and officers to the extent provided by Delaware law. The foregoing indemnification obligation 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 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	\$ 0.45	\$ 0.08
Fourth Quarter 2009	\$ 0.50	\$ 0.17
First Quarter 2010	\$ 0.50	\$ 0.09
Second Quarter 2010	\$ 0.15	\$ 0.08

On May 28, 2010, the sale price for our common stock as reported on the OTCBB was \$0.06 per share.

Securities outstanding and holders of record

On May 12, 2010, there were approximately 86 record holders of our common stock and 139,444,940 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 and capital requirements.

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.

Management's Discussion and Analysis and Results of Operations

This management's discussion and analysis reflects information known to management as at March 28, 2010 and through the date of this filing. This MD&A is intended to supplement and complement our audited financial statements and notes thereto for the fiscal year ended September 27, 2009 and the second quarter ended March 28, 2010, 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, a reorganization was consummated pursuant to which the then existing shareholders of Optex Systems, Inc. (Delaware) exchanged their shares of common stock for shares of common stock of Optex Systems Holdings as follows: (i) the outstanding 85,000,000 shares of Optex Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (Delaware) common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Optex Systems Holdings common stock. Optex Systems, Inc. (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 exchange of shares referenced above), as of March 30, 2009, Optex Systems, Inc. (Delaware) accepted subscriptions from accredited investors for a total 27.1 units, at a purchase price of \$45,000 per unit, with each unit consisting of 300,000 shares of common stock, no par value, of Optex Systems, Inc. (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 Systems, Inc. (Delaware) after the closing referenced above. Gross proceeds to Optex Systems, Inc. (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 Systems, Inc. (Delaware) manufactures optical sighting systems and assemblies, primarily for Department of Defense applications. Its products are installed on various 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, Inc. (Delaware) also manufactures and delivers numerous periscope configurations, rifle and surveillance sights and night vision optical assemblies. Optex Systems, Inc. (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 related to the 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 Systems, Inc. (Delaware).

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 Systems, Inc. (Delaware) as its sole line of business, and all of Optex Systems Holdings' operations are expected to be conducted by and through Optex Systems, Inc. (Delaware).

The business which is now carried on through Optex Systems, Inc. (Delaware) differs from the business of Irvine Sensors Corporation, which was the former owner of the assets through its subsidiary, Optex Systems, Inc. (Texas). Optex Systems, Inc. (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 is predominately a research and design company with capabilities enabling only prototype or low quantity volumes. Optex Systems, Inc. (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 General Dynamics Land Systems and U.S. Army Tank-armaments and Automotive Command. Irvine Sensors Corporation did not have any contracts or business relations with either of these two customers. Therefore, the separation has allowed Optex Systems, Inc. (Delaware) to focus on high volume manufacturing and the use of the six sigma manufacturing methodology. This shift in priorities has allowed Optex Systems, Inc. (Delaware) to improve delivery performance and reduce operational costs.

The successful completion of the separation from Irvine Sensors Corporation, which was accomplished by Optex Delaware's acquisition of all of the assets and assumption of certain liabilities of Optex Systems, Inc. (Texas), eliminated the general and administrative costs allocated by Irvine Sensors Corporation. These costs represented services paid by Irvine Sensors Corporation for expenses incurred on Optex Texas' behalf such as legal, accounting and audit, consulting fees and insurance costs in addition to significant amounts of Irvine Sensors Corporation's general overhead allocated to Optex Systems, Inc. (Texas).

The estimated total general and administrative expenses assuming Optex Systems, Inc. (Texas) was operated on a stand-alone basis during the 2008 fiscal year are:

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

As a result of the purchase of the assets of Optex Systems, Inc. (Texas) on October 14, 2008, these general and administrative costs are incurred and paid directly by Optex Systems, Inc. (Delaware) and have been reflected in the 2009 and 2010 financial results to the extent incurred for the periods presented herein.

The liabilities of Optex Systems, Inc. (Texas) not assumed by Optex Systems, Inc. (Delaware) relate to costs that would not have been incurred by Optex Systems, Inc. (Texas) if they were operated on a stand alone basis. Among those liabilities not assumed by Optex Systems, Inc. (Delaware) was a note due to Tim Looney. The 2007 Looney 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 Irvine Sensors Corporation's purchase of Optex Systems, Inc. (Texas).

The 2007 Looney promissory note was not assumed by Optex Systems, Inc. (Delaware) in the October 2008 transaction. The note and accrued interest was reported on the Optex Systems, Inc. (Texas) financial statements as of September 28, 2008 as a result of push down accounting for the acquisition of Optex Systems, Inc. (Texas) by Irvine Sensors Corporation. These costs would not be incurred by Optex Systems, Inc. (Texas) if operated as a stand alone entity because it relates to Irvine Sensors Corporation's consideration for their purchase of Optex Systems, Inc. (Texas). Since this was not an operating cost associated with Optex Systems, Inc. (Texas) which would not incur these costs if operating as a stand alone entity, we expect no impact to the future operating results or liquidity of Optex Systems, Inc. (Delaware).

Additionally, as of September 28, 2008, Optex Systems, Inc. (Texas) reported \$4.3 million of liabilities attributable to corporate expenses allocated to Optex Systems, Inc. (Texas) through an intercompany payable account "Due to Parent". The outstanding "Due to Parent" balance was not acquired by Optex Systems, Inc. (Delaware) in the acquisition from Irvine Sensors Corporation.

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

Plan of Operation

Through a private placement offering completed prior to consummation of the reorganization agreement, Optex Systems, Inc. (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	\$ 528,529
Totals:	\$ 874,529

Results of Operations

During the quarter ended March 28, 2010, we experienced reductions in forecasted sales volume due to changes in incremental funding commitments by federal agencies. We are currently evaluating the impact that anticipated reductions in government defense spending budgets will have on Optex Systems Holdings. After the 2011 Congressional budget is published in late May 2010, our major customers are expected to provide updated volume projections for the coming year. Due to new periscope orders from non-traditional sources and an aggressive pursuit of increased market share for all of our existing product lines, we expect to mitigate some of the decreased U.S. government requirements with other new business.

The revenue, expenses and income for the fourteen day period of Optex Systems, Inc. (Texas) prior to the acquisition by Optex Systems, Inc. (Delaware) are summarized below (in millions).

Optex Systems, Inc. (Texas)

(Predecessor)

Revenue	\$ 0.9
Cost of Sales	0.7
Gross Margin	0.2
General & Administrative	0.1
Operating Income	\$ 0.1
Net Income	\$ 0.1

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.

	Successor Qtr 1, 2010	Successor Qtr 2, 2010	Successor - Six months ended March 28, 2010	Predecessor Qtr1, 2009 (September 29, 2008 through October 14, 2008)	Successor Qtr1, 2009 (October 15, 2008 through December 27, 2008)	Successor Qtr2, 2009	Combined - Six months ended March 29, 2009
Net Loss Applicable to Common Shareholders - GAAP	\$ -	\$ (0.1)	\$ (0.1)	\$ (0.1)	\$ 0.1	\$ (0.3)	\$ (0.3)
Add:							
Interest Expense	-	-	-	-	0.1	0.1	0.2
Preferred Stock Dividend	0.1	0.1	0.2	-	-	-	-
Federal Income Taxes (Benefit)	-	(0.1)	(0.1)	-	0.2	0.1	0.3
Depreciation & Amortization	0.3	0.3	0.6	-	0.6	0.5	1.1
EBITDA - Non GAAP	\$ 0.4	\$ 0.2	\$ 0.6	\$ (0.1)	\$ 1.0	\$ 0.4	\$ 1.3

Our EBITDA declined by \$0.7 million in the six months ended March 28, 2010 as compared to the prior year performance for the same period. The EBITDA reduction for the period was primarily attributable to the lower sales revenue of \$1.7 million, lower product margins related to the mix of product lines shipped, and higher general and administrative spending of \$0.1 million. We continue to pursue cost efficiencies 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. Certain 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 the three and six months ended March 28, 2010, we recognized revenue of \$0.4 and \$1.1 million, respectively, from these legacy periscope programs, with a remaining backlog of \$0.1 million, which should be recognized in the third quarter of 2010. We expect our product margins on periscopes to increase each quarter 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 U.S. Army Tank-armaments and Automotive Command. In June 2009, we received an additional \$3.4 million dollar award from General Dynamics Land Systems and in September 2009, we received an additional \$1.9 million award to provide product beginning with delivery starting in 2011 at the completion of our current production contract. The total orders recorded for all product lines in the six months ended March 28, 2010 was \$8.3 million of which \$5.5 million related to periscope business from several customers.

As a result of the October 14, 2008 acquisition of the assets of Optex Systems, Inc. (Texas) (Predecessor), Optex Systems, Inc. (Delaware)'s amortizable intangible assets increased significantly in 2009 over prior years. We expect the intangible amortization expense to decline \$1.0 million in the year ended September 27, 2010 from \$2.0 million in the year ended September 27, 2009.

Backlog as of March 28, 2010 was \$22.5 million as compared to a backlog of \$33.3 million as of March 29, 2009. The following table depicts the current expected delivery by quarter of all contracts awarded as of March 28, 2010.

Program Backlog (millions)	FY2010		FY2011				FY2012			FY2013		
	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2
Howitzer Programs	\$ 1.3	\$ 2.2	\$ 1.4	\$ 0.5	\$ 0.4	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Periscope Programs	\$ 2.6	\$ 2.2	1.7	1.9	0.9	0.8	0.7	1.2	0.9	0.6	0.3	0.2
Sighting Systems	\$ 0.1	\$ -	-	-	-	-	-	-	-	-	-	-
All Other	1.1	0.5	0.3	0.1	0.1	0.1	0.1	0.1	-	0.1	-	-
Total	\$ 5.1	\$ 4.9	\$ 3.4	\$ 2.5	\$ 1.4	\$ 1.0	\$ 0.8	\$ 1.3	\$ 0.9	\$ 0.7	\$ 0.3	\$ 0.2

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

In the event a termination for convenience were to occur, Federal Acquisition Regulation clause 52.249-2 provides for full recovery of all contractual costs and profits reasonably incurred 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 federal government may require us to transfer title and deliver to the federal 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 federal government shall pay contract price for completed supplies delivered and accepted, and we 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 March 28, 2010, none of our outstanding backlog fell under this criterion.

Three Months Ended March 28, 2010 (Successor) Compared to the Three Months Ended March 29, 2009 (Successor)

Revenues. In the three months ended March 28, 2010, revenues decreased by 6.0% from the respective prior period in 2009:

Product Line	Three months ended 03/28/2010 (Successor)	Three months ended 03/29/2009 (Combined)	Change
Howitzer Programs	\$ 1.6	\$ 0.2	\$ 1.4
Periscope Programs	3.2	4.3	(1.1)
Sighting Systems	0.3	1.2	(0.9)
All Other	1.2	1.0	0.2
Total	\$ 6.3	\$ 6.7	\$ (0.4)
<i>Percent increase (decrease)</i>			<i>-6.0%</i>

Periscope revenues decreased 25.6% during the three months ended March 28, 2010 as compared to the three months ended March 29, 2009. During the first half of fiscal year 2009, periscope production from one of our major periscope contracts had been accelerated to compensate for production delays that occurred during the last quarter of fiscal year 2008. The delay was a result of a manufacturing control test failure related to the environmental testing of one of the products. Subsequent to the environmental control test failure, we implemented a manufacturing process change to eliminate the potential for future failures and increased the production rate in the first six months of fiscal 2009 to compensate for the previous delay. Based on our current backlog demand and a recent decline of new federal government orders deliverable in the remaining quarters of fiscal 2010, we expect the periscope product line deliveries to continue to decline an additional 8% to 17% in the second half of fiscal year 2010 as compared to revenues in the same period in 2009. We continue to quote and receive awards for additional periscopes from multiple customers and are aggressively pursuing increased market share in the periscope market by drawing business away from our competitors; however, we cannot yet determine if we will be successful in gaining sufficient new additional periscope business to offset the downturn caused by the decline in new federal government orders.

Revenues from the Howitzer programs increased \$1.4 million or 700% over the same quarter in the prior year. During the third quarter of 2009, we worked aggressively with the federal government to resolve technical field issues related to two of our Howitzer programs and completed the First Article Testing and Acceptance requirements on a third program, for which government acceptance approval was obtained on August 25, 2009. These issues were resolved through internal engineering change proposals and customer changes to the statement of work, and contract schedules modified accordingly to implement the required changes. With the successful implementation of these changes in place, we are in full scale production on these units and expect deliveries on these programs to continue at the higher production rates until the second fiscal quarter of 2011 when production rates will begin to wind down with anticipated completion by the fourth quarter of fiscal year 2011.

Sighting systems revenues decreased \$0.9 million or 75.0% over the three months ended March 29, 2009 as our federal government delivery order on back up sighting units was completed in the last fiscal quarter of 2009. We currently do not have a follow-on delivery order for additional sighting units; however, the primary contract ordering period does not expire until December 31, 2012. We continue to ship sighting systems pursuant to other contracts to both U.S. federal government and non-U.S. government customers and continue to pursue business on several substantial programs for commander weapon sighting systems and M36 thermal sighting units, which if successfully consummated, would yield deliveries in fiscal year 2011.

Increases in the other product line of \$0.2 million or 20.0% for the three months ending March 28, 2010 are a result of increased sales of PVS-4 and TVS-5 night vision eyepiece and objective lens assemblies to the federal government over the same period in 2009. Currently, we are experiencing losses on our Howitzer programs as a result of unanticipated manufacturing costs due to design and technical data package issues impacting the product manufacturability. These issues have resulted in increased labor and material costs due to higher scrap and extensive engineering costs incurred during the start up phase of the programs. In addition some of our older "legacy" periscope programs are experiencing losses due to significant material price increases since the initial five year contract award in 2004. As of March 28, 2010, Optex Systems Holdings has reserved \$1.1 million in contract loss reserves on these programs with a remaining backlog of \$5.9 million. We are expecting to ship \$3.6 million of the existing loss contract backlog in fiscal year 2010, with the remaining \$2.3 million expected to ship in early fiscal year 2011. As these losses have been previously recognized to the extent identified, future margins on these revenues are expected to be zero.

Cost of Goods Sold. During the quarter ended March 28, 2010, we recorded cost of goods sold of \$5.6 million as opposed to \$6.2 million during the quarter ended March 29, 2009 (Combined Predecessor and Successor), a decrease of \$0.6 million or 9.7%. This decrease in cost of goods sold was primarily associated with decreased revenue on our glass periscope line from the prior year quarter, in addition to decreased intangible amortization in the second quarter of fiscal 2010 as compared to the second quarter of fiscal 2009 associated with the Optex Systems, Inc. (Texas) acquisition on October 14, 2008. The gross margin during the quarter ended March 28, 2010 was 11.6% of revenues as compared to a gross margin of 8.3% for the quarter ended March 29, 2009. Product margins decreased to 14.3% for the quarter ended March 28, 2010 versus 16.4% for the quarter ended March 29, 2009 due to a shift in revenue mix toward less profitable contracts. Gross margins were favorably impacted by a decrease in intangible amortization allocable to cost of goods sold of \$0.2 million, and lower reserves for valuations and warranties of \$0.1 million. Amortization of intangibles and inventory reserve adjustments accounted for 3.6% of cost of goods sold in the quarter ended March 28, 2010 as compared to 8.1% in quarter ended March 29, 2009.

G&A Expenses. During the three months ended March 28, 2010, we recorded operating expenses of \$0.74 million as opposed to \$0.70 million during the three months ended March 29, 2009, an increase of \$0.04 million or 5.7%. The bulk of the increased general and administrative costs is related to increased investor relations fees.

Operating Income (Loss). During the three months ended March 28, 2010, we recorded an operating loss of \$0.01 million, as compared to an operating loss of \$0.15 million during the three months ended March 29, 2009. The operating loss is lower in the quarter ended March 28, 2010 as compared to the prior year quarter due to higher gross margin of \$0.2 million attributable to lower intangible amortization, inventory and warranty reserves, partially offset by higher general and administrative spending of \$0.1 million for investor relations costs.

Net Income (Loss) applicable to common shareholders. During the three months ended March 28, 2010, we recorded a net loss of \$0.09 million, as compared to a net loss of \$0.33 million for three months ended March 29, 2009, representing a reduction in net loss of \$0.24 million or 72.7%. The decrease in net loss is primarily attributable to improved gross margins and reduced income taxes for the effect of temporary and permanent timing differences related to intangible amortization and changes in reserve balances. The intangible amortization expense is amortized over 5 years for book purposes and over 15 years for income tax purposes.

Six Months Ended March 28, 2010 (Successor) Compared to the Six Months Ended March 29, 2009 (Combined Predecessor and Successor)

Revenues. In the six months ended March 28, 2010, revenues decreased by 12.9% from the respective prior period in 2009:

Product Line	Six months ended	Six months ended	Change
	03/28/2010 (Successor)	03/29/2009 (Combined)	
Howitzer Programs	\$ 2.6	\$ 0.7	\$ 1.9
Periscope Programs	6.4	9.1	(2.7)
Sighting Systems	0.7	2.2	(1.5)
All Other	2.5	2.0	0.5
Total	\$ 12.2	\$ 14.0	\$ (1.8)
<i>Percent increase (decrease)</i>			<i>-12.9%</i>

Revenues decreased by \$2.7 million, or 29.7%, on our periscope line during the six months ended March 28, 2010 as compared to the six months ended March 29, 2009. During the first six months of fiscal year 2009, periscope production from one of our major periscope contracts had been accelerated to compensate for production delays that occurred during the last six months of fiscal year 2008. The delay was a result of a manufacturing control test failure related to the environmental testing of one of the products. Subsequent to the environmental control test failure, Optex Systems Holdings implemented a manufacturing process change to eliminate the potential for future failures and increased the production rate in the first six months of fiscal 2009 to compensate for the previous delay. Based on our current backlog demand and a recent decline of new U.S. government orders deliverable in the remaining quarters of fiscal 2010, we expect the periscope product line deliveries to continue to decline an additional 8% to 17% in the second half of fiscal year 2010 as compared to the same period in 2009. We continue to quote and receive awards for additional periscopes from multiple customers and are aggressively pursuing increased market share of the periscopes business from our competitors.

Revenues from the Howitzer programs increased \$1.9 million, or 271.4%, over the same six months in the prior year. During the first six months of 2009, we worked aggressively with the federal government to resolve technical field issues related to two of our Howitzer programs and completed the First Article Testing and Acceptance requirements on a third program, for which government acceptance approval was obtained on August 25, 2009. These issues were resolved through our initiated engineering change proposals and customer changes to the statement of work, and contract schedules modified accordingly to implement the required changes. With the successful implementation of these changes in place, Optex Systems Holdings is in full scale production on these units and expects to program deliveries on these programs to continue at the higher production rates until the second fiscal quarter of 2011 when production rates will begin to wind down with anticipated completion by the fourth quarter of fiscal year 2011.

Sighting systems revenues decreased \$1.5 million, or 68.2%, over the six months ended March 29, 2009 as our U.S. government delivery order on back up sighting units was completed in the last fiscal six months of 2009. We currently do not have a follow-on delivery order for additional sighting units; however, the primary contract ordering period does not expire until December 31, 2012. Thus, we expect additional volume awards for the contract in the next year. We continue to ship sighting systems pursuant to other contracts to both federal government and non-U.S. government customers and continue to pursue business on several substantial programs for commander weapon sighting systems and M36 thermal sighting units, which if successfully consummated, would yield deliveries in fiscal year 2011.

Increases in the other product line of \$0.5 million, or 25.0%, for the six months ending March 28, 2010 are a result of increased sales of PVS-4 and TVS-5 night vision eyepiece and objective lens assemblies to the federal government. We expect revenues to continue at the same level in the next quarter and then decline in the fourth quarter of fiscal 2010 as the current federal government contract on these units completes.

Currently, we are experiencing losses on our Howitzer programs as a result of unanticipated manufacturing costs due to design and technical data package issues impacting the product manufacturability. These issues have resulted in increased labor and material costs due to higher scrap and extensive engineering costs incurred during the start up phase of the programs. In addition some of our older "legacy" periscope programs are experiencing losses due to significant material price increases since the initial 5 year contract award in 2004. As of March 28, 2010, Optex Systems Holdings has reserved \$1.1 million in contract loss reserves on these programs with a remaining backlog of \$5.9 million. We are expecting to ship \$3.6 million of the existing loss contract backlog in 2010, with the remaining \$2.3 million expected to ship in early fiscal year 2011. As these losses have been previously recognized to the extent identified, future margins on these revenues are expected to be zero.

Cost of Goods Sold. During the six months ended March 28, 2010, we recorded cost of goods sold of \$10.7 million as opposed to \$12.5 million during the six months ended March 29, 2009 (Combined Predecessor and Successor), a decrease of \$1.8 million or 14.4%. This decrease in cost of goods sold was primarily associated with decreased revenue on our glass periscope and sighting system product lines from the prior year six months, in addition to decreased intangible amortization in the second six months of fiscal 2010 as compared to the second six months of fiscal 2009 associated with the Optex Systems, Inc. (Texas) acquisition on October 14, 2008. The gross margin during the six months ended March 28, 2010 (Successor) was 12.3% of revenues as compared to a gross margin of 10.7% for the six months ended March 29, 2009 (Combined Predecessor and Successor). Product margins decreased to 15.6% for the six months ended March 28, 2010 (Successor) versus 17.9% for the six months ended March 29, 2009 (Combined Predecessor and Successor) due to a shift in first six months revenue mix toward less profitable contracts. Gross margins were favorably impacted by a decrease in intangible amortization allocable to cost of goods sold of \$0.5 million, and lower reserves for valuations and warranties of \$0.1 million. Amortization of intangibles and inventory reserve adjustments accounted for 4.7% of cost of goods sold in the six months ended March 28, 2010 as compared to 8.0% in six months ended March 29, 2009.

G&A Expenses. During the six months ended March 28, 2010, we recorded operating expenses of \$1.4 million as opposed to \$1.3 million (Combined Predecessor and Successor) during the six months ended March 29, 2009, an increase of \$0.1 million or 7.7%. The bulk of the increased general and administrative costs was related to increased investor relations fees.

Operating Income (Loss). During the six months ended March 28, 2010, we recorded operating income of \$0.1 million, as compared to operating income of \$0.2 million during the six months ended March 29, 2009. Operating income is lower in the current six months as compared to the prior year six months due to lower revenues of \$1.8 million, combined with changes in product mix and intangible allocations affecting the current six months gross margin and higher general and administrative spending of \$0.1 million for investor relations costs.

Net Income (Loss) applicable to common shareholders. During the six months ended March 28, 2010, we recorded a net loss of \$0.1 million, as compared to \$0.4 million for the six months ended March 29, 2009, a reduction in net loss of \$0.3 million or 75.0%. The decrease in net loss is primarily attributable to reduced income taxes for the effect of temporary and permanent timing differences related to intangible amortization and changes in reserve balances. The intangible amortization expense is amortized over 5 years for book purposes and over 15 years for income tax purposes.

For the 12 months ended September 27, 2009(combined Successor Predecessor) as compared to the 12 months ended September 28, 2008 (Predecessor)

Based on the backlog demand as of December 27, 2009, we expect the next twelve months' revenues therefrom to be consistent with the total for the periods September 29, 2008 through October 14, 2008 (Predecessor) and October 15, 2008 through September 27, 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 2010 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 Systems, Inc. (Texas) prior to the acquisition by Optex Systems, Inc. (Delaware) are summarized below (in millions).

Optex Systems – Texas
(Predecessor)

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 full year 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 also consider 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 September 27, 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	Qtr 4	12 months ended September 27, 2009	Qtr 1	Qtr 2	Qtr 3	Qtr 4	12 months ended September 28, 2008
Net Loss Applicable to Common Shareholders	\$ (0.1)	\$ 0.1	\$ (0.3)	\$ (0.3)	\$ 0.4	\$ (0.2)	\$ (0.7)	\$ (0.7)	\$ (0.2)	\$ (3.2)	\$ (4.8)
Add:											
Interest Expense	-	0.1	0.1	-	-	0.2	0.1	0.1	-	-	0.2
Preferred Stock Dividend	-	-	-	-	0.2	0.2	-	-	-	-	-
Federal Income Taxes (Benefit)	-	0.2	0.1	0.1	(0.7)	(0.3)	-	-	-	-	-
Goodwill Impairment	-	-	-	-	-	-	-	-	-	1.6	1.6
Depreciation & Amortization	-	0.6	0.5	0.5	0.6	2.2	0.3	0.2	0.1	0.2	0.8
EBITDA - Non GAAP	<u>\$ (0.1)</u>	<u>\$ 1.0</u>	<u>\$ 0.4</u>	<u>\$ 0.3</u>	<u>\$ 0.5</u>	<u>\$ 2.1</u>	<u>\$ (0.3)</u>	<u>\$ (0.4)</u>	<u>\$ (0.1)</u>	<u>\$ (1.4)</u>	<u>\$ (2.2)</u>

We have experienced substantial improvement in our EBITDA during fiscal year 2009 as compared to our prior fiscal year performance. We have increased our EBITDA by \$4.3 million in the year ending September 27, 2009 as compared to the year ending September 28, 2008 (Predecessor), primarily as a result of increased revenue, higher gross margins and lower general and administrative costs. As of the end of the 2009 fiscal year, we had expected 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 year ended September 27, 2009, 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 \$5.4 million from these legacy periscope programs, with a remaining backlog of \$1.2 million which we expect to ship in the first three quarters of 2010. We expect our product margins on periscopes to increase in fiscal year 2010 as the legacy programs are completed and are replaced with new awards.

We have aggressively pursued additional, potentially higher margin periscope business from various customers, 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 Tank-automotive and Armaments Command. 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 General Dynamics Land Systems Division 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. Subsequent to the 2009 fiscal year end, we have booked additional orders of \$4.4 million from several customers, primarily in our periscopes product line with deliveries occurring during 2010 and 2011.

As a result of the October 14, 2008 acquisition of the assets of Optex Systems, Inc. (Texas) (Predecessor), our amortizable intangible assets increased significantly over the prior year. The non cash amortization of intangible assets has negatively impacted our gross margin for 2009 as compared to 2008. In 2009, our intangible amortization expense was \$2 million, and it is expected to decline to \$1 million in 2010.

Backlog as of September 27, 2009 was \$26.5 million as compared to a backlog of \$44.1 million as of September 28, 2008. The following table depicts the current expected delivery by quarter of all contracts awarded as of September 27, 2009.

Program Backlog (millions)	2010				2011				2012				2013
	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	\$ 0.6	\$ 1.7	\$ 1.9	\$ 2.6	\$ 1.7	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Periscope Programs	2.1	2.1	2.0	1.3	1.3	0.6	0.7	0.5	0.5	0.9	0.8	-	-
Sighting Systems	0.4	0.2	0.1	0.1	-	-	-	-	-	-	-	-	-
All Other	1.7	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	\$ 4.8	\$ 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, the Federal Acquisition Regulation is the principal set of rules and 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, 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 September 27, 2009, none of our outstanding backlog fell under this criterion. 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.

Predecessor period of September 29, 2008 through October 14, 2008 and Successor period of October 15, 2008 through September 27, 2009 compared to the Predecessor twelve month period ended September 28, 2008

Revenues: For the year ended September 27, 2009 (Combined) revenues increased by 37.8% over the respective prior period (Predecessor) per the table below:

	Predecessor September 29, 2008 through October 14, 2008	Successor October 15, 2008 through September 27, 2009	Combined 12 mos. ended September 27, 2009	Predecessor 12 mos. ended September 28, 2008	Change
Revenue	\$ 0.9	\$ 26.7	\$ 27.6	\$ 20.0	\$ 7.6
<i>Percent increase</i>					37.8%

The table below details the revenue changes by product line for the year ended September 27, 2009 as compared to the year ended September 28, 2008.

Product Line	Year ended 9/27/2009 (Combined)	Year ended 9/28/2008 (Predecessor)	Change
Howitzer Programs	\$ 2.6	\$ 2.4	0.2
Periscope Programs	\$ 14.9	\$ 9.6	5.3
Sighting Systems	\$ 4.7	\$ 4.0	0.7
All Other	\$ 5.4	\$ 4.0	1.4
Total	\$ 27.6	\$ 20.0	7.6
<i>Percent increase</i>			37.8%

Revenues increased significantly in 2009 over 2008, with the most significant increases experienced in our periscope line. Significant increases in sales of periscope product lines is attributable to increased demand by General Dynamics Land Systems Division and U.S. government accelerated schedules, whereby, in consideration for increased pricing of approximately \$1 million, Optex Systems, Inc. (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 of \$5.3 million, approximately \$4.5 million or 85% is attributable to increased production volume, as compared to \$0.8 million or 15% due to higher pricing. The ramp up included the addition of 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 year ended September 27, 2009, Optex Systems, Inc. (Delaware) had delivered approximately 95% of the accelerated units, with the remaining units to be delivered through the first quarter of 2010. In the last fiscal quarter of 2009, Optex Systems Holdings received several additional orders of periscopes from two customers with delivery requirements starting in the fourth fiscal quarter of 2009 and continuing throughout 2010. Based on our current backlog demand, 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.

Howitzer program revenue increased \$0.2 million for the 2009 fiscal year over the 2008 fiscal year. During the third and fourth fiscal quarters of 2009, we worked aggressively with the U.S. [Department of Defense] to resolve 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 related to problems with the government-provided 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 resolved and the contract schedules have been 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 during 2010.

Sighting systems revenues increased \$0.7 million over the prior year due to the delivery of higher quantities of U.S. government and General Dynamics Land Systems Division sighting systems in the current year over prior year deliveries, offset by a reduction in shipments to Textron related to a program that ended in 2008.

Increases in the other products of 35% or \$1.4 million for the year ending September 27, 2009 resulted from increased foreign military sales of azimuth mirror assemblies of \$1.0 million combined with increased revenues in muzzle reference systems of \$0.7 million for several U.S. customers, which were offset by lower revenues in binoculars and various spare order shipments for various customers.

Currently we are experiencing losses on our Howitzer programs as a result of unanticipated manufacturing costs due to design and technical data package issues impacting the product manufacturability. These issues have resulted in increased labor and material costs due to higher scrap and extensive engineering costs incurred during the start up phase of the programs. In addition some of our older "legacy" periscope programs are experiencing losses due to significant material price increases since the initial 5 year contract award in 2004. As of September 27, 2009, Optex Systems Holdings has reserved \$1.2 million in contract loss reserves on Howitzer programs and \$0.1 million on periscope programs for a total of \$1.3 million in contract loss reserves. The total remaining backlog on these loss programs as of September 27, 2009 is \$9.7 million. We are expecting to ship \$7.9 million of the existing loss contract backlog in fiscal year 2010, with the remaining \$1.8 million expected to ship in the first quarter of fiscal year 2011. As these losses have been previously recognized to the extent identified, future margins on these revenues are expected to be zero.

As of the fiscal year end 2009, we did not experience any negative impact due to changes in incremental funding commitments by federal agencies. There has been one delay in the award of the second delivery order for the U.S. government periscope contract, however as the contract is a dual award between Optex Systems Holdings and a competitor with no volume guaranteed to any single-source, we have not expended any resources in support of the yet to be awarded portion of the contract. We are anticipating a government award on the contract in 2010. However, delay of the government procurement has not negatively impacted Optex Systems Holdings' revenue in 2009, and due to other increased periscope orders from non U.S. government contracts deliverable in 2010, a delay in the award on the prime government contract should not materially affect Optex Systems Holdings in the near future.

Cost of Goods Sold. During the Predecessor period from September 29, 2008 through October 14, 2008, we recorded cost of goods sold of \$0.7 million and during the Successor period from October 15 through September 27, 2009 we recorded cost of goods sold of \$24.1 million for a total cost of goods sold during fiscal 2009 of \$24.8 million as compared to \$18.2 million during fiscal 2008, an increase of \$6.5 million or 35.7%. This increase in cost of goods sold was primarily associated with increased revenue, primarily on our periscope programs in support of higher backlog and accelerated delivery schedules, and increased intangible amortization resulting from the acquisition of the assets of Optex Systems, Inc. (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 September 27, 2009 was \$2.7 million for a total of \$2.8 million or 10.1% of revenues as compared to a gross margin of 9.5% for the fiscal year ended September 28, 2008. Product gross margins were down 0.7% to 14.5% for the annual period ended September 27, 2009 versus 15.2% for the fiscal year ended September 28, 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 shifted from general and administrative costs to manufacturing overhead in fiscal 2009. Intangible amortization allocable to cost of goods sold increased \$1.3 million to \$1.7 million in fiscal 2009 versus \$0.4 million in fiscal 2008. The increased intangible amortization costs were offset by decreased warranty costs and physical inventory valuation reserves of \$1.2 million, resulting in an overall decrease in cost of goods sold of 0.6% of revenues in the annual period ended September 27, 2009 as compared to the period ended September 28, 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 September 27, 2009, we recorded operating expenses of \$2.8 million for a total of \$2.9 million for the fiscal year ended September 27, 2009 as opposed to \$6.5 million during the fiscal year ended September 28, 2008, a decrease of (\$3.7) million or 56.9%. The components of the significant net decrease in general and administrative expenses in the fiscal year ended September 27, 2009 as compared to the fiscal year ended September 28, 2008 are outlined below.

- Elimination of corporate cost allocations from Irvine Sensors Corporation of (\$2.1) million and the Irvine Sensors employee stock bonus plan of (\$0.4) million as a result of the ownership change.
- Increased costs of \$0.5 million in legal, accounting fees, board of director fees, and investor relations.
- Lower salaries, wages and employee related costs due to the reclassification of 10 purchasing and planning employees from general and administrative to manufacturing overhead included in cost of sales of (\$0.3) million. 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 \$0.2 million as a result of the ownership change as of October 14, 2008.
- 2008 goodwill impairment of (\$1.6) million incurred in 2008 versus no impairment in 2009.
- Reductions of \$(0.1) million in other general & administrative spending.

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 September 27, 2009, we recorded a loss from operations of \$(0.2) million for a total net loss of \$(0.13) million during the year ended September 27, 2009 as opposed to a loss from operations of \$(4.7) million during the year ended September 28, 2008, an improvement of \$4.57 million. This improvement was primarily due to increased sales revenue for the period ended September 27, 2009, combined with reduced general and administrative expenses driven by the elimination of Irvine Sensors' corporate costs pushed down to us in the fiscal year ended September 28, 2008. The current year loss from operations also includes an increase of \$1.5 million of non cash amortization of intangible assets to \$2.1 million total for 2009 as a result of the October 14, 2008 acquisition transaction as opposed to \$0.6 million intangible amortization incurred in the prior year.

Net Income (Loss) applicable to common shareholders. During the Predecessor period from September 29, 2008 through October 14, 2008 we recorded net income of \$0.1 million. For the period beginning October 15, 2008 through September 27, 2009, we recorded a net loss of \$(0.3) million for a total net loss of \$(0.2) million during the year ended September 27, 2009, as compared to \$(4.8) million for the year ended September 28, 2008, an improvement of \$4.6 million or 95.8%. This decrease in our net loss was principally the result of reduced operating expenses related to the elimination of corporate cost allocations from Irvine Sensors Corporations, since the successor operating as a stand-alone entity did not incur these costs subsequent to the year ended September 28, 2008, combined with increased revenue for the period ending September 27, 2009 offset by increased interest and preferred stock dividends in fiscal 2009 over fiscal 2008. The federal income tax benefit increased by \$0.3 million over the prior year as a result of book-to-tax timing differences attributable to intangible amortization and changes in contract loss reserve balances in 2009. 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.

Liquidity and Capital Resources

On October 27, 2009, Optex Systems Holdings secured a short term note payable from the Longview Fund in the amount of \$250,000 bearing interest at 10% per annum. On March 22, 2010, Optex Systems Holdings repaid \$125,000 in principal plus \$10,000 in accrued interest on the outstanding Longview note. The note matures July 15, 2010, and the remaining principal amount and accrued and unpaid interest thereon will be repaid on or before the maturity date. On March 10, 2010, the Company also entered into a revolving credit facility with Peninsula Business Bank which provides up to \$2,000,000 in financing against eligible receivables, and as of March 28, 2010, the outstanding balance under this line was \$848,771.

We have historically met our liquidity requirements from a variety of sources, including government and customer funding through contract progress bills, short term loans, notes from related parties, and the sale of equity securities. 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 at least 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 obtained 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, including receivables funding through a commercial lender.

Cash Flows for the Period from September 28, 2009 through March 28, 2010

Cash and Cash Equivalents. As of March 28, 2010, we had cash and cash equivalents of \$0.9 million. During the period from September 28, 2009 through March 28, 2010, we decreased cash and cash equivalents by \$0.02 million primarily due to the timing of accounts receivable collections and supplier payments in support of increased inventory.

Net Cash Used in Operating Activities. Net cash used in operating activities during the period from September 28, 2009 to March 28, 2010 totaled \$1.0 million. The primary uses of cash during this period relate to reductions in accounts payable of \$0.9 million in support of inventory purchased in the first six months of fiscal year 2010 for new periscope orders and higher production volume on our Howitzer programs, which generally contain higher material content than other product lines. In addition, we experienced an overall shift in revenues and accounts receivable in the current quarter from government to non government customers. Our non-U.S. government customers increased to 60% of revenue for the six months ended March 28, 2010 as compared to 49% of total revenues for the fiscal year ended September 27, 2009. These customers generally pay more slowly than the U.S. government, often beyond the 30 day terms and up to 45-50 days as compared to direct U.S. government shipments which typically pay in 30 days or less. During the period from September 28, 2009 through March 28, 2010, our net inventory decreased by \$0.3 million. We expect the cash used in operating activities to decline significantly during the balance of fiscal 2010 as inventory balances on Howitzer programs decrease and current outstanding receivables are collected. The second half of fiscal 2010 is expected to provide increased cash from operating activities as several of our progress billed programs reach full liquidation and the material purchases on our Howitzer programs near completion.

Net Cash (Used) Provided by Investing Activities. In the six months ended March 28, 2010, net cash used by investing activities totaled \$0.01 million and consisted of fixed asset purchases during the period. We expect this number to increase in the second half of 2010 as additional capital projects are planned in support of current cost reduction initiatives.

Net Cash Provided By Financing Activities. Net cash provided by financing activities totaled \$1.0 million during the six months ended March 28, 2010 as a result of the net proceeds of \$0.85 million from the revolving credit facility we entered into during the second quarter of the fiscal year, and the net \$0.13 million (\$0.25 million less repayments) provided under the Longview Fund note. These funds were used to secure inventory from several key suppliers in support of new periscope orders and higher purchasing and production volume on our Howitzer programs during the period.

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

Cash and Cash Equivalents. As of October 14, 2008, Optex Systems, Inc. (Texas) (Predecessor) had cash and cash equivalents of \$0.3 million, an increase of \$0.1 million from September 29, 2008. The slight increase in cash was primarily due to the timing of cash receipts on accounts receivable collections and supplier payments. The cash balance as of October 14, 2008 is included as cash received through Optex Systems, Inc. (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 to the acquisition of Optex Systems Inc, (Texas), by Optex Systems Inc., (Delaware). 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. There was no net cash used in investing activities during the Predecessor period beginning September 29, 2008 and ending October 14, 2008. Optex Systems Holdings' business is labor intensive, and we purchase equipment as it becomes necessary.

Net Cash Provided by Financing Activities. There was no net cash provided by financing activities during the Predecessor period beginning September 29, 2008 and ending October 14, 2008.

Successor period of October 15, 2008 through September 27, 2009

Cash and Cash Equivalents. As of September 27, 2009, we had cash and cash equivalents of \$0.9 million. During the Successor period of October 15, 2008 through September 27, 2009 we increased cash and cash equivalents by \$0.6 million primarily attributable to the net proceeds received by us from the private sale of equity securities. A portion of the net 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 2010.

Net Cash Used in Operating Activities. Net cash used in operating activities during the Successor period beginning October 15, 2008 and ending September 27, 2009 totaled \$(0.1) million. The primary uses of cash during this period resulted from increases of inventory and accounts receivable in support of higher production and shipping volumes, partially offset by increases in accounts payable due to higher purchases required to support the increased revenues. In the period beginning October 15, 2008 and ending September 27, 2009, our net inventory increased by \$2.5 million to support substantially increased production rates across all of our product lines. A large portion of this build up in inventories was progress billable and as such were billed to our customers as costs were incurred. We expect similar cash flows from operations until later in fiscal year 2010 when our low margin legacy periscope programs are ending and will be replaced with newer programs carrying improved pricing and corresponding better margins.

Net Cash Provided by Investing Activities. In the Successor period beginning October 15, 2008 and ending September 27, 2009, net cash provided by investing activities totaled \$0.24 million and consisted of cash acquired during the Optex Systems, Inc. (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 \$0.8 million during the period beginning October 15, 2008 through September 27, 2009. The change of \$0.8 million is attributable to the sale of stock for cash of \$1.0 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 to support increased revenue and production rates during the period.

Critical Accounting Policies

Stock-Based Compensation: In December 2004, FASB issued FASB ASC 718 (Prior authoritative literature: SFAS No. 123R, *Share-Based Payment*). FASB ASC 718 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. FASB ASC 718 focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. FASB ASC 718 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.

Optex Systems Holdings' accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of FASB ASC 505-50 (Prior authoritative literature: 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 FASB ASC 718.

Revenue Recognition: Optex recognizes revenue based on the modified percentage of completion method utilizing the units-of-delivery method, in accordance with FASB ASC 605-35 (Prior authoritative literature: SOP 81-1 “Accounting for Performance of Construction-Type and certain Production –Type Contracts”):

- 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 contracts are fixed price production type contracts whereas a defined order quantity is delivered to the customer 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.

Warranty Costs: Some of our customers require that we warranty the quality of our products to meet customer requirements and be free of defects for up to fifteen months subsequent to delivery. In the year ended September 27, 2009 Optex Systems Holdings recognized income of \$145,470 for unrecognized warranty costs due to an improvement in the experience rate for warranties expiring in 2009 and for the three months ended December 27, 2009, Optex Systems Holdings did not incur any warranty expenses. 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 2008, Optex Systems, Inc. (Texas) experienced a manufacturing control test failure related to the environmental testing of one of its products. As a result of the environmental control test failure, Optex implemented a manufacturing process change to eliminate the potential for similar future failures. We believe our manufacturing 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 Systems Holdings has not received any warranty claims as a result of the condition.

As of December 27, 2009, Optex Systems Holdings has \$81,530 in warranty reserves to cover future warranty costs. Future warranty costs were determined based on estimated cost of replacement for expected returns factored by our most recent experience rate of defects as a percentage of sales. Prior to fiscal year 2008, all warranty costs were expensed as incurred as product was replaced with no reserve for warranties against deliveries in the covered period.

Estimated Costs at Completion and Accrued Loss on Contracts: Optex Systems Holdings 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 Systems Holdings' 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 estimate 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 the fiscal quarter ended December 27, 2009 and year ended September 27, 2009, estimated loss reserves were \$1.2 million and \$1.3 million, respectively. Decreases in estimated loss reserves from the year ended September 27, 2009 of \$0.1 million is attributable to shipments against these loss programs in the first fiscal quarter of 2010.

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".

Recent Accounting Pronouncements

In February 2010, FASB issued ASU 2010-09 "Subsequent Event (Topic 855) Amendments to Certain Recognition and Disclosure Requirements". ASU 2010-09 removes the requirement for an SEC filer to disclose a date in both issued and revised financial statements. Revised financial statements include financial statements revised as a result of either correction of an error or retrospective application of GAAP. All of the amendments in ASU 2010-09 are effective upon issuance of the final ASU, except for the use of the issued date for conduit debt obligors, which is effective for interim or annual periods ending after June 15, 2010. The Company adopted ASU 2010-09 in February 2010 and therefore has omitted the disclosure previously required as referenced above.

In June 2008, FASB issued FASB ASC 260-10-55 (Prior authoritative literature: FASB Staff Position EITF 03-6-1, "*Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities*"). FASB ASC 260-10-55 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. FASB ASC 260-10-55 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 adopted these provisions at the beginning of the interim period ended December 27, 2009. Adoption of FASB ASC 260-10-55 did not have a material effect on Optex Systems Holdings' financial statements.

In May 2009, FASB issued FASB ASC 855-10 (Prior authoritative literature: SFAS No. 165, "*Subsequent Events*"). FASB ASC 855-10 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. FASB ASC 855-10 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 FASB ASC 855-10 did not have a material effect on Optex Systems Holdings' financial statements.

In June 2009, FASB issued ASC 105-10 (Prior authoritative literature: SFAS No. 168, "*The FASB Accounting Standards Codification TM and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162*"). FASB ASC 105-10 establishes the FASB Accounting Standards Codification TM (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. FASB ASC 105-10 is effective for financial statements issued for fiscal years and interim periods ending after September 15, 2009. Optex Systems Holdings adopted these provisions at the beginning of the interim period ended December 27, 2009. Adoption of FASB ASC 105-10 did not have a material effect on Optex Systems Holding's financial statements.

In December 2007, FASB issued FASB ASC 805 (Prior authoritative literature: SFAS No. 141(R), “*Business Combinations*”) and FASB ASC 810-10-65 (Prior authoritative literature: 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. FASB ASC 805 and FASB ASC 810-10-65 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. The adoption of FASB ASC 805 and FASB ASC 810-10-65 did not have a material impact on Optex Systems Holdings’ financial position, results of operations, or cash flows.

In March 2008, FASB issued FASB ASC 815-10 (Prior authoritative literature: SFAS No. 161, “*Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133*”). FASB ASC 815-10 requires enhanced disclosures about an entity’s derivative and hedging activities. FASB ASC 815-10 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 27, 2009. The adoption of FASB ASC 815-10 did not have a material impact Optex Systems Holdings’ financial position, results of operations, or cash flows.

In May 2008, FASB issued FASB ASC 944 (Prior authoritative literature: SFAS No. 163, “*Accounting for Financial Guarantee Insurance Contracts—an interpretation of FASB Statement No. 60*”). FASB ASC 944 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. FASB ASC 944 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and all interim periods within those fiscal years. Optex Systems Holdings adopted these provisions at the beginning of the interim period ended December 27, 2009. The adoption of issued FASB ASC 944 did not have a material impact on Optex Systems Holdings’ financial position, results of operations, or cash flows.

Cautionary Factors That May Affect Future Results

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.

BUSINESS

Background

Prior History - Sustut Exploration, Inc.

Sustut was a Delaware corporation formed on April 11, 2006 to search for available properties in North Central British Columbia. In May 2006, Sustut entered into an agreement which was negotiated at arms length with Richard Simpson to acquire a 100% interest in the WILLOW claim purported to be located in the Omineca Mining Division, NTS map sheet 94D/10E. The property could have been acquired from Simpson by paying a total of \$75,000 in two option payments with the last option payment being due on May 15, 2008, however, Sustut did not make the required payments and did not acquire title to those property rights.

The mineral claim which was to be Sustut's primary business expired on May 15, 2008 leaving Sustut with no operating business of which to dispose. Optex Systems Holdings does not believe it presently maintains any rights related to the Willowvale project and does not intend to pursue a mining or mineral business. In the event that Mr. Simpson seeks payment of any amount Optex Systems Holdings does not intend to make any payment to exercise any option or extend the term of the rights, if any continue to exist.

Reorganization

On March 30, 2009, a reorganization occurred whereby the then existing shareholders of Optex Systems, Inc. (Delaware) exchanged their shares of Optex Systems, Inc. (Delaware) common stock with the shares of common stock of Optex Systems Holdings as follows: (i) the outstanding 85,000,000 shares of Optex Systems, Inc. (Delaware) common stock were exchanged for 113,333,282 shares of Optex Systems Holdings common stock, (ii) the outstanding 1,027 shares of Optex Systems, Inc. (Delaware) Series A preferred stock were exchanged for 1,027 shares of Optex Systems Holdings Series A preferred stock and (iii) the 8,131,667 shares of Optex Systems, Inc. (Delaware) common stock purchased in the private placement were exchanged for 8,131,667 shares of Optex Systems Holdings common stock. Optex Systems, Inc. (Delaware) has remained a wholly-owned subsidiary of Optex Systems Holdings, and the Optex Systems, Inc. (Delaware) shareholders are now shareholders of Optex Systems Holdings. As a result of the reorganization, Sileas Corporation beneficially owns approximately 73.52% of the issued and outstanding common stock of Optex Systems Holdings and Arland Holdings, Ltd. owns 5.89% 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 Optex Systems Holdings. Additionally, Stanley Hirschman, Ronald Richards and Merrick Okamoto were appointed as 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, Inc. (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 of Optex Systems, Inc. (Delaware) 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, Inc. (Delaware) after the closing referenced above. Gross proceeds to Optex Systems, Inc. (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.

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 acceptable alternate supplier, and if successful, it would then renegotiate contractual deliverables (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 the parts necessary to satisfy our current contractual needs.

We are subject to, and must comply with various governmental regulations that impact, among other things, our revenue, operating costs, profit margins and the internal organization and operation of our business. The regulations affecting our U.S. government business are summarized in the table below. This is intended to be a summary of the material regulations affecting our business and does not denote any implication that we are intending to summarize the full text of the law or definitions appearing in external references.

Regulation	Summary
Federal Acquisition Regulation	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	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.
Truth in Negotiations Act	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 is the requirement that contractors submit certified cost and pricing data for negotiated procurements above a defined threshold, currently \$650,000. It requires contractors to provide the government with an extremely broad range of cost or pricing information relevant to the expected costs of contract performance, and it 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.

Optex Systems Holdings is responsible for full compliance with the Federal Acquisition Regulation. Upon award, the contract may identify certain regulations that Optex Systems Holdings needs to meet. For example, a contract may allow progress billing pursuant to specific Federal Acquisition Regulation clauses incorporated into the contract. Other contracts may call for specific first article acceptance and testing requirements. The Federal Acquisition Regulation will identify the specific regulations that Optex Systems Holdings must follow based on the type of contract awarded. The Federal Acquisition Regulation also contains guidelines and regulations for managing a contract after award, including conditions under which contracts may be terminated, in whole or in part, at the government's convenience or for default. These regulations also subject us to financial audits and other reviews by the government of our costs, performance, accounting and general business practices relating to our government contracts, which may result in adjustment of our contract-related costs and fees and, among other things and impose accounting rules that define allowable and unallowable costs governing our right to reimbursement under certain contracts. The full text of the Federal Acquisition Regulation System is located at the Library of Congress.

First Article Testing and Acceptance requirements are defined under the Federal Acquisitions Regulation, Part 9 – Contractor Qualification, Subpart 9.3 – First Article Testing and Approval. For example, first article testing on a Howitzer type product is very comprehensive and very time consuming. Each piece that is part of the assembly requires each dimension and material specification to be verified, and each product has in excess of 100 piece parts. Once the individual piece parts are verified to be compliant to the specification, the assembly processes are documented and verified. A sample of the production (typically 3 units) is verified to meet final performance specifications. Once the units meet the final performance specification, they are then exposed to a series of tests which simulate the lifetime use of the product in the field. This consists of exposing the units to thermal extremes, humidity, mechanical shock, vibration, and other physical exposure tests. Once completed, the units undergo a final verification that no damage has occurred as a result of the testing and that they continue to meet the performance specification. All of the information and data is recorded into a final first article inspection and test report and submitted to the customer along with the test units for final approval. First Article Acceptance and Testing is generally required on new contracts/product awards but may also be required on existing products or contracts where there has been a significant gap in production, or where the product has undergone significant manufacturing process, material, tooling, equipment or product configuration changes.

Optex Systems Holdings, Inc. is also subject to laws, regulations and executive orders restricting the use and dissemination of information classified for national security purposes and the exportation of certain products and technical data as covered by the International Traffic in Arms Regulation. In order to import or export items listed on the U.S. Munitions List, we are required to be registered with the Directorate of Defense Trade Controls office. The registration is valid for 1 year, and the registration fees are established based on the number of license applications submitted the previous year. Optex Systems Holdings currently has an approved and current registration on file with the Directorate of Defense Trade Controls office. Once the registration is approved, each import/export license must be filed separately. License approval requires the company to provide proof of need, such as a valid contract or purchase order requirement for the specific product or technical data requested on the license and requires a detailed listing of the items requested for export/import, the end-user, the end-user statement, the value of the items, consignees/freight forwarders and a copy of a valid contract or purchase order from the end-user. The approval process for the license can vary from several weeks to six months or more. The licenses Optex Systems Holdings currently uses are the DSP-5 (permanent export) and DSP-73 (temporary export).

The aforementioned licenses are valid for 48 months from date that each such license is issued as set forth on the table below.

DSP-5 Licenses	Issue Date	Expiration Date (48 months from date of issue)
050137740	01/05/2009	01/04/2013
050146207	03/13/2009	03/12/2013
050137823	01/05/2009	01/04/2013
050128943	11/24/2008	11/23/2012
050169739	06/04/2009	06/03/2013
050185923	08/28/2009	08/27/2013
050187735	03/19/2010	03/18/2014
050220671	10/01/2009	09/30/2013

DSP-73 Licenses	Issue Date	Expiration Date (48 months from date of issue)
730024737	02/16/2010	02/15/2014
730007737	08/13/2008	08/12/2012
730008340	09/26/2008	09/25/2012
730008736	11/18/2008	11/17/2012
730010051	02/27/2009	02/26/2013

Licenses are subject to termination if a licensee is found to be in violation of the Arms Export Control Act or the International Traffic in Arms Regulations requirements. If a licensee is found to be in violation, in addition to a termination of its licenses, it can be subject to fines and penalties by the government.

Optex Systems Holdings' contracts may also be governed by the Truth in Negotiation Act requirements where certain of our contracts or proposals exceed the \$650,000 threshold and/or are deemed as sole source, or non competitive awards, covered under this Act. These contracts require that Optex Systems Holdings provide a vast array of cost and pricing data in addition to certification that our pricing data and disclosure materials are current, accurate and complete upon conclusion of the negotiation. Due to the additional disclosure and certification requirements, if a post contract award audit were to uncover that the pricing data provided was in any way not current accurate or complete as of the certification date, Optex could be subjected to a defective pricing claim adjustment with accrued interest. Currently, Optex does not have any pending claims as a result of defective pricing as a result of these covered contracts. Additionally, as a result of this requirement, contract price negotiations may span from two to six months and will often result in undefinitized or not to exceed ceiling priced contracts subject to future downward negotiations and price adjustments. Currently, Optex Systems Holdings does not have any undefinitized contracts subject to further price negotiation.

Our failure to comply with applicable regulations, rules and approvals or misconduct by any of our employees could result in the imposition of fines and penalties, the loss of security clearances, the loss of our U.S. government contracts or our suspension or debarment from contracting with the U.S. government generally, any of which could have a material adverse effect our business, financial condition, results of operations and cash flows. We are currently in compliance with all applicable regulations and do not have any pending claims as a result of non compliance.

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

Customer	Customer PO/Contract	Contract Type	Contract Quantities			Total Award Value (4)	Progress		
			Min Qty	Max Qty	Billable (1)		Order Period Expiration	Delivery Period	
General Dynamics Land Systems	PCL860000 thru PCL860005 (Multiple Prime Contracts)	1 year blanket order with Fixed Qty Contract release which includes ability to increase or decrease quantity on each release up to 20% from PO release quantity.	N/A	N/A	\$14,813,100	Yes	Expired	Dec 2007 - Jan 2011	
Tank- automotive and Armaments Command - Rock Island	W52H09-05-D-0260	5 Year Firm Fixed Price (3)	138	2,100	\$7,261,716	Yes	30-Jun-2010	Oct 2007- Jan 2011	
Tank- automotive and Armaments Command - Rock Island	W52H09-05-D-0248	5 Year Firm Fixed Price (3)	138	1,250	\$5,006,119	Yes	30-Jun-2010	Apr 2007- Jul 2010	
Tank- automotive and Armaments Command - Rock Island	W52H09-09-D-0128	3 Yr – Evaluated Pricing (3). 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
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(1) Payment terms on shipments are 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 government's 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.

(3) Indefinite Delivery/Indefinite Quantity type contract.

(4) Total Award Value" as included in the table represents the total value of all delivery orders against the prime contract that have already been awarded to Optex. As the total award value represents already awarded delivery order contracts, there are no material reasons why that amount would not be received, and historically, the amount awarded has directly correlated to the amount received.

Organizational History

On October 14, 2008, in a transaction that was consummated via public auction, Optex Systems, Inc. (Delaware) purchased all of the assets of Optex Systems, Inc. (Texas) in exchange for \$15 million of Irvine Sensors Corporation debt and the assumption of approximately \$3.8 million of certain liabilities of Optex Systems, Inc. (Texas). Optex Systems, Inc. (Delaware) was formed by the Longview Fund, LP and Alpha Capital Antstalt, former secured creditors of Irvine Sensors Corporation, 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 Corporation, 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 Systems, Inc. (Delaware) became a wholly-owned subsidiary of Optex Systems Holdings.

Products

Optex Systems Holdings' products are installed on various 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 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 as of March 28, 2010, we had 99 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. Effective as of January 4, 2010, Optex Systems Holdings, Inc. renewed its Richardson, TX lease. Under the terms of the amendment:

- The lease term is extended until July 31, 2015.
- The base rent is as follows: until 7/31/2010, \$0.00 per square foot, from 8/1/2010 – 7/31/2013, \$4.70 per square foot and from 8/1/2013 – 7/31/2015, \$4.95 per square foot.
- A \$195,352.00 improvement allowance is included.
- For the first two years of the extended term, the landlord has granted the option to take over additional space at similar terms as in the amendment.

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

While Optex Systems, Inc. (Texas) was a wholly-owned subsidiary of Irvine Sensors Corporation, Irvine Sensors Corporation faced certain business challenges and utilized the cash flow from Optex Systems, Inc. (Texas) to meet its own funding needs. Accordingly, the diversion of its cash flow to Irvine Sensors Corporation left Optex Systems, Inc. (Texas) with limited working capital to satisfy its own operating needs.

As of the year ended September 28, 2008, Optex Systems, Inc. (Texas) reported \$4.3 million of liabilities attributable to corporate expenses allocated to Optex Systems, Inc. (Texas) through an intercompany payable account “Due to Parent”. These costs were for expenses allocated by Irvine Sensors Corporation to Optex Systems, Inc. (Texas), including legal, audit, and consulting fees; insurance costs; and significant amounts of Irvine Sensors Corporation general overhead allocated to Optex Systems, Inc. (Texas). The outstanding “Due to Parent” balance was not acquired as part of the October 14, 2008 transaction. Therefore, this balance will have no impact on future operating results or liquidity.

The estimated total General and Administrative expenses assuming Optex Systems, Inc. (Texas) was operated on a stand alone basis during the 2008 fiscal year are:

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

As a result of the Optex Systems, Inc. (Texas) purchase on October 14, 2008, these general and administrative costs were incurred and paid directly by Optex Systems, Inc. (Delaware) for the 2009 fiscal year, and have been reflected in the financial statements.

Since the acquisition, the business outlook for the operating business formerly owned by Optex Systems, Inc. (Texas) has changed dramatically. Management has strengthened Optex Systems Holdings' balance sheet and has increased operational efficiencies and productivity, as demonstrated by the significant \$4.5 million reduction in operating loss to \$(129,248) versus \$(4,654,251) for (i) the total for the periods September 29, 2008 through October 14, 2008 (Predecessor) and October 15, 2008 through September 27, 2009 (Successor) and (ii) the year ended September 28, 2008 (Predecessor), respectively. Management expects to deliver additional improvement in operations over time.

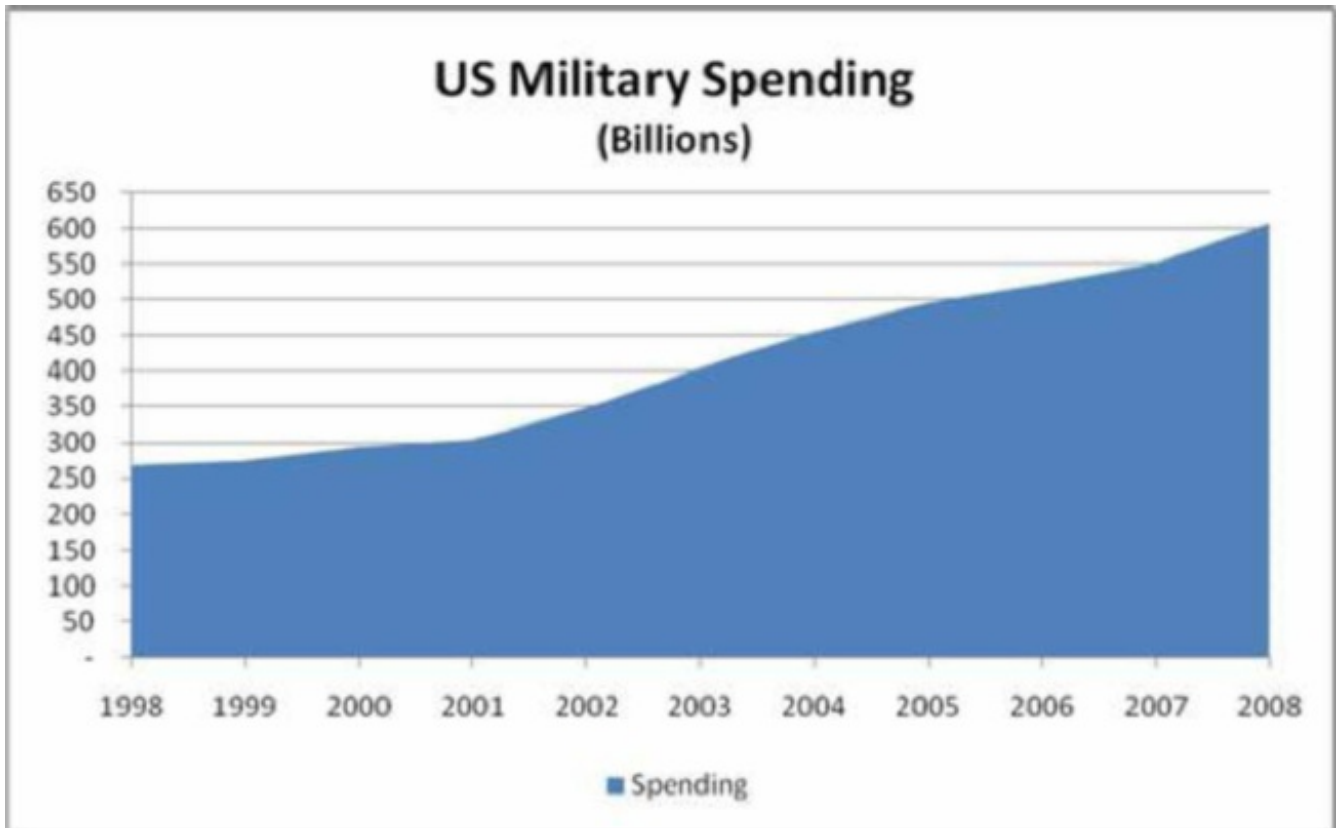
In some cases, we may receive orders subject to subsequent price negotiation on contracts exceeding the \$650,000 federal government simplified acquisition threshold. These "undefinitized" contracts are considered firm contracts, but as Cost Accounting Standards Board covered contracts, they are subject to the Truth in Negotiations Act disclosure requirements and downward-only price negotiation. As of September 28, 2008, \$4.0 million of booked orders was subject to this criteria. As of December 27, 2009, there were no booked orders subject to this criteria. 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 Systems Holdings serves the U.S. armed forces and various 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 favorable for Optex Systems Holdings' 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
- Time delivery to schedule
- Cost effectiveness
- 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

Optex Systems Holdings’ products are currently sold to military and related government markets. We believe there may be opportunities to commercialize various products we presently manufacture to address 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 Sight – Optex Systems Holdings has manufactured the optical system for the NL-61 Night Vision Sight for the Ministry of Defense of Israel. This technology could be implemented for commercial applications.
- Infrared Imaging Equipment – Optex Systems Holdings manufactures and assembles infrared imaging equipment and components for Raytheon’s Thermal Imaging M36 Mount product. This equipment and technology has potential to be assembled for border patrol, police and governmental security agencies.

Customer Base

Optex Systems Holdings serves customers in three primary categories: as prime contractor (Tank-automotive and Armaments Command, 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). Although we do serve all three of these categories, at present, approximately 93% of the gross revenue from our business is derived from two customers, General Dynamics Land System Division and Tank-automotive and Armaments Command, with which we have approximately 50 discrete contracts for items that are utilized in vehicles, product lines and spare parts. Given the size of General Dynamics Land System Division and Tank-automotive and Armaments Command as well as the fact that there are multiple contracts with each entity, which are not interdependent, we are of the opinion that this provides us with a fairly well diversified revenue pool.

Marketing Plan



Potential Entrants – Low. In order to enter this market, potential competitors must overcome several barriers to entry. The first hurdle is that an entrant would need to prove to the government agency in question the existence of a government approved accounting system 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 the product and then submit successful test requirements (many of which require lengthy government consultation for completion). 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 (usually government agencies or defense contractors) 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, the customer can request an open book policy on costs and expects a reasonable margin to have been applied.

Substitutes – Low. Optex Systems Holdings has both new vehicle contracts and replacement part contracts for the exact same product. The U.S. 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 U.S. Army signed a 5 year multi-year third party 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 known to be proposed or funded at this time. The Abrams is the principal 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 (e.g.: casting, machining, plating) 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 that 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. Optex Systems Holdings and Miller-Holzwarth, Inc. both compete for plastic periscope products whereas Optex Systems Holdings and Seiler Instrument & Manufacturing Co., Inc., have competed on the higher level periscope 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 product/customer matrix sets forth our four basic approaches:

- 1) Sell existing products to existing customers.
- 2) Sell existing products to new customers.
- 3) Develop new products to meet the needs of our existing customers.
- 4) Develop new products to meet the needs of new customers.

The product categories described in the above matrix are associated with the product lines set forth below:

<u>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 ISO9001:2008 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 49,000 square feet of manufacturing space, and we have the ability to lease additional space (see “Location and Facility”). Given the ample building opportunities along with competitive lease rates, our objective is to maintain building and building-related costs consistent with prior historical norms on a percentage of sales basis.

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 successful six sigma projects in several production areas which has led 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. We believe there may be opportunities to pursue mergers with these competitors. 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 associated with a larger entity.

We plan to engage our competition on a selective basis, and to 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 had 99 full time equivalent employees as of March 28, 2010. Optex Systems Holdings uses a small temporary work force to handle peak loads. 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.

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 current 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	63	President, Secretary, Treasurer & Director
Merrick D. Okamoto	49	Director
Ronald F. Richards	44	Chairman of the Board
Danny Schoening	45	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 Optex Systems, Inc. (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. From 1997 to 2009, he was president of CPointe Associates, Inc., a Plano, Texas consulting group, and provided consulting services to small and medium sized companies. As of October 2009, in order to meet his responsibilities at Optex, he concluded his active role at CPointe. Additionally, since February 2009 he has been the majority beneficial owner of Sileas Corp (which has no active business), the majority shareholder of Optex Systems Holdings. Mr. Hirschman is a director of 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 served as a Director of Optex Systems, Inc. (Delaware) since October 2008 and has served as a Director of Optex Systems Holdings since March 30, 2009. In 2001, Mr. Okamoto co-founded Viking Asset Management, LLC and is the President and a Managing Member. Viking Asset Management is the investment advisor to 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 served as a Director of Optex Systems, Inc. (Delaware) since October 2008 and has served as a Director of Optex Systems Holdings since March 30, 2009, as well as the Chairman of the Board of Optex Systems Holdings. 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 21 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 Systems, Inc. (Texas) in January 2008. Upon the acquisition of the assets of Optex Systems, Inc. (Texas) by Optex Systems, Inc. (Delaware), Mr. Schoening became the COO of Optex Systems, Inc. (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 Systems, Inc. (Delaware), effective September 28, 2009. She began her employment with Optex Systems, Inc. (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.

Code of Ethics

Our board of directors has adopted a 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 Relations” section of our website (www.optexsys.com) under the section for corporate governance. We also intend to disclose any amendments or waivers of our Code on our website.

Board and Committee Meetings

We are incorporated under the laws of the State of Delaware. The interests of our stockholders are represented by the board of directors, which oversees our business and management.

The board of directors meets regularly during the year and holds special meetings and acts by unanimous written consent whenever circumstances require. The board held 4 meetings (including special meetings) and took action by unanimous written consent 3 times during our fiscal year ended September 27, 2009.

If the board of directors convenes a special meeting, the non-management directors meet in executive session if circumstances warrant.

Board Committees

At this time, the board of directors currently has an Audit Committee, of which Ronald Richards is the sole member, and we do not have a formal charter at this time due to the size of the Committee but intend to adopt one at a future date.

Board nominations

Stockholders wishing to bring a nomination for a director candidate before a stockholders meeting must give written notice to our Corporate Secretary, either by personal delivery or by United States mail, postage prepaid. The stockholder’s notice must be received by the Corporate Secretary not later than (a) with respect to an Annual Meeting of Stockholders, 90 days prior to the anniversary date of the immediately preceding annual meeting, and (b) with respect to a special meeting of stockholders for the election of directors, the close of business on the tenth day following the date on which notice of the meeting is first given to stockholders. The stockholder’s notice must set forth all information relating to each person whom the stockholder proposes to nominate that is required to be disclosed under applicable rules and regulations of the SEC, including the written consent of the person proposed to be nominated to being named in the proxy statement as a nominee and to serving as a director if elected. The stockholder’s notice must also set forth as to the stockholder making the nomination (i) the name and address of the stockholder, (ii) the number of shares held by the stockholder, (iii) a representation that the stockholder is a holder of record of stock of the Optex Systems Holdings, entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to nominate the person named in the notice, and (iv) a description of all arrangements or understandings between the stockholder and each nominee.

Stockholder Communications with the Board of Directors

Stockholders may communicate directly with the board of directors or any board member by writing to them at Optex Systems Holdings, Inc., 1420 Presidential Drive, Richardson, TX 75081. The outside of the envelope should prominently indicate that the correspondence is intended for the board of directors or for a specific director. The secretary will forward all such written communications to the director to whom it is addressed or, if no director is specified, to the entire board of directors.

Director Attendance at Annual Meetings of Stockholders

We encourage our directors to attend annual meetings, although such attendance is not required.

Director Compensation

See table below under “Executive Compensation – Director Compensation.”

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’ principal executive officer, principal 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.

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary (\$)</u>	<u>Bonus (\$)</u>	<u>Stock Awards (\$)</u>	<u>Option Awards (\$)(6)</u>	<u>All Other Compensation (\$)</u>	<u>Total (\$)</u>
Stan Hirschman, President (7)	2009(5)	-	-	-	-	25,000	25,000
	2008(5)	-	-	-	-	-	-
Danny Schoening, Chief Operating Officer (7)	2009	\$ 182,932	\$ 11,000	\$ -	\$ 10,588	\$ -	\$ 204,520
	2008(1,2)	122,646	10,300	7,500	-	-	140,446
Karen Hawkins, VP Finance / Controller (7)	2009	133,647	7,271	-	5,516	-	146,434
	2008	132,473	300	-	-	-	132,773
	2007(1)	56,900	300	-	-	-	57,200
Andrey Oks, CEO, CFO, Secretary, Treasurer and Director	2008(3)	-	-	10,000	-	-	10,000
Terry Hughes, CEO	2007(4)	-	-	-	-	42,000	42,000

- 1 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. Given the fact that there has not been a change in fiscal year but rather adoption of the fiscal year of the accounting acquirer, there has been no adjustment made to treat the period since the change in fiscal year as a stub period, and all numbers presented are for complete fiscal years.*
- 2 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.*
- 3 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.*
- 4 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.*
- 5 Stanley Hirschman’s compensation in 2009 consisted solely of \$25,000 cash paid for Director’s Fees. He received no other compensation Mr. Hirschman was not compensated for his service in 2008, so this table does not include compensation amounts for him for 2008.*

- 6 The amounts in the "Option awards" column reflect the dollar amounts recognized as the executive portion of compensation expense for financial statement reporting purposes for each named executive officer during fiscal 2009, as required by FASB ASC 718 (prior authoritative literature SFAS 123(R)), disregarding any estimates for forfeitures relating to service-based vesting conditions. For the assumptions relating to these valuations, see note 12 to our fiscal 2009 audited financial statements. Andrey Oks & Terry Hughes were executives of Sustut Exploration, Inc. during the years 2007 and 2008, prior to the reverse merger on March 30, 2009. Concurrent with the reverse merger and name change to Optex Systems Holdings, Inc on March 30, 2009 Optex Systems Holdings adopted the fiscal year end of the accounting acquirer and changed the period end from December 31 to a fiscal year end of September. There were no earnings of either of these individuals subsequent to the reverse merger and adoption of the accounting acquirers' fiscal period. All compensation expense shown for these individuals prior to the March 30, 2009 reorganization are depicted in calendar years ending December 31, 2008 and December 31, 2007.
- 7 Danny Schoening, Karen Hawkins and Stanley Hirschman were all executives of Optex Systems Holdings subsequent to the March 30, reorganization. Prior to the reorganization Danny Schoening and Karen Hawkins were executives of Optex Systems, Inc. (Texas) and Optex Systems, Inc. (Delaware) and Stanley Hirschman became an executive of Optex Systems, Inc. (Delaware) in September 2008. Both Optex Systems, Inc. (Texas) and Optex Systems, Inc. (Delaware) had previously been operating under an October through September fiscal year end and as such, compensation for these individuals is depicted in fiscal years beginning in October and ending in September for each of the years 2007 through 2009.

Option Grants in Last Fiscal Year

The following table sets forth information with respect to each grant of a plan based award made to our named executive officers during the fiscal year ended September 27, 2009. There were no options granted to any of the named executive officers during the fiscal year ended September 28, 2008.

Fiscal Year 2009 Grants of Plan-Based Awards

Name	Grant Date	All Other Option Awards: No of Securities Underlying Options	Equity Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards \$(3)
Danny Schoening (1)	3/30/2009	1,414,649	\$ 0.15	\$ 63,705
Karen Hawkins (2)	5/14/2009	250,000	\$ 0.15	\$ 63,910

- (1) On March 29, 2009 Danny Schoening was awarded 1,414,649 options pursuant to his employment agreement with vesting rights over three years on the anniversary date of the grant at 34%, 33% and 33% for each respective year. The options expire on March 28, 2016
- (2) On May 14, 2009 Karen Hawkins was awarded 250,000 options pursuant to the equity compensation plan detailed below. The options vest over four years on the anniversary date at 25% per year respectively and expire on May 13, 2016.
- (3) Amounts represent the total grand date fair value of stock options granted in fiscal year 2009 under FASB ASC 718 (Prior authoritative literature: SFAS No. 123R). The assumptions used by us with respect to the valuation of options are set forth in Note 12 to our fiscal 2009 audited financial statements.

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 18 month periods, unless Optex Systems Holdings or Schoening shall provide a written notice of termination at least ninety (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 \$190,000. Schoening was paid a one time bonus of \$10,000 at the commencement of the employment agreement in December 2008 and was granted options to purchase 1,414,649 shares of 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 contains the following events of termination: (i) death of Mr. Schoening; (ii) termination by Optex Systems Holdings for cause (including conviction of a felony, commission of fraudulent acts, willful misconduct by Mr. 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 Mr. Schoening for good reason (including breach by Optex Systems Holdings of its obligations under the agreement, the requirement for Mr. 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 Mr. Schoening, then Mr. Schoening shall be paid salary and bonus earned through the date of termination. For a termination by Optex Systems Holdings without cause or by Mr. Schoening with good reason, then Mr. 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 following termination thereof.

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 September 27, 2009, Optex Systems Holdings had issued 2,681,649 share options under this Plan of which zero shares had vested as of September 27, 2009.

Outstanding Equity Awards as of September 27, 2009

Name	Option Awards					
	Equity Incentive Plan Awards					
	Number of shares underlying unexercised options			Exercise Price	Expiration Date	Footnotes
# Exercisable	# Unexercisable	Unearned				
Danny Schoening	-	1,414,649	1,414,649	\$ 0.15	3/29/2016	(1)
Karen Hawkins	-	250,000	250,000	\$ 0.15	5/13/2016	(2)

- (1) *Options granted on March 30, 2009 pursuant to employment agreement and reverse Merger. Shares vest over 3 years at a rate of 34%, 33% and 33% for each respective anniversary date subsequent to 2009 and expire after seven years. As of September 27, 2009 non of the options had vested.*
- (2) *Options granted on May 14, 2009 pursuant to employee stock option compensation plan. Shares vest over 4 years at a rate of 25% per year each respective anniversary date subsequent to 2009 and expire after seven years. As of September 27, 2009 non of the options had vested.*

Nonqualified deferred compensation

We had no non-qualified deferred compensation plans during year ended September 27, 2009.

Director Compensation

The following table provides information regarding compensation paid to directors for services rendered during the year ended September 27, 2009.

Name		Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Ronald Richards	(1)	\$ 100,000	-	-	-	-	-	\$ 100,000
Stanley Hirschman	(2)	25,000	-	-	-	-	-	25,000
Merrick Okamoto	(3)	-	-	-	-	-	-	-

- (1) *Director Fees paid monthly from December 2008 through September 2009. Ronald Richards is paid \$2,500 monthly as an Independent Director, \$2,500 monthly for serving as Chairman of the Audit Committee, and \$5,000 monthly for serving as Chairman of the Board of Directors. Note that fees paid through March 29, 2009 were for service as a director of Optex Systems, Inc. (Delaware) and that the Director become a Director of Optex Systems Holdings on March 30, 2009.*
- (2) *Director Fees paid monthly from December 2008 through September 2009. Stanley Hirschman is paid \$2,500 monthly as a Director. Note that fees paid through March 29, 2009 were for service as a director of Optex Systems, Inc. (Delaware) and that the Director become a Director of Optex Systems Holdings on March 30, 2009.*
- (3) *Merrick Okamoto serves as a non-independent director and does not earn directors fees.*

The members of our board of directors are actively involved in various aspects of our business ranging from relatively narrow board oversight functions to providing hands-on guidance to our executives and scientific staff with respect to matters within their personal experience and expertise. We believe that the active involvement of all directors in our principal business and policy decisions increases our board of directors' understanding of our needs and improves the overall quality of our management decisions.

All of our directors are compensated separately for service as members of our board of directors.

Nonqualified deferred compensation

We had no non-qualified deferred compensation plans during year ended September 27, 2009.

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. 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 May 12, 2010, we had 139,444,940 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 May 12, 2010, 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 May 12, 2010 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 Common Stock	Name of Beneficial Owner	Number of Shares	Preferred Conversion (4)	Combined Ownership	Percentage of Outstanding Shares
5% Holders	Arland Holdings, Ltd. (1)	11,148,935		11,148,935	5.89%
	Sileas Corporation (2,3)	102,184,347	37,040,000	139,224,347	73.52%
					2.13%
Directors and Officers:	Stanley Hirschman (2)	102,184,347	37,040,000	139,224,347	73.52%
	Danny Schoening (5)	102,184,347	37,040,000	139,224,347	73.52%
	Karen Hawkins	-	-	-	-%
	Ronald Richards	-	-	-	-
	Merrick Okamoto(9)	1,950,000	-	1,950,000	1.40%
	Andrey Oks (6)	-	-	-	-
	Terry Hughes (7)	-	-	-	-
Directors and officers as a group (7 Individuals)		104,134,347	37,040,000	141,174,347	74.92%

Title of Class	Name of Beneficial Owner	Number of Shares	Percentage of Outstanding Shares
Preferred Stock			
5% Holders	Alpha Capital Anstalt (8)	926	90.0%
	Sileas Corporation (2,3)	101	10.0%

- 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 Stanley Hirschman, a Director/Officer Optex Systems Holdings, has a controlling interest (80%); therefore, under Rule 13d-3 of the Exchange Act, Mr. Hirschman is deemed to be the beneficial owner, along with Mr. Schoening.*
- 3 *Sileas' ownership interest in Optex Systems Holdings 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 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. 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 Optex Systems Holdings' common stock if they are returned to Longview. In such an event, Mr. Benz and Mr. Okamoto, as control persons of Viking and/or Longview, may be deemed to beneficially own all such shares; however, they have stated that they disclaim such beneficial ownership were this to occur.*
- 4 *Represents shares of common stock issuable upon conversion of preferred stock held by the stockholder. Sileas Corporation holds 90% or 926 of the preferred shares which are convertible into 37,040,000 common shares. Alpha Capital owns the remaining 10% or 101 preferred shares convertible into 4,040,000 common shares, representing less than 2.13% total beneficially ownership.*
- 5 *Represents shares held by Sileas of which Mr. Schoening, an Officer of Optex Systems Holdings, has a controlling interest (15%); therefore, under Rule 13d-3 of the Exchange Act, Mr. Schoening is deemed to be the beneficial owner, along with Mr. Hirschman, of those shares.*
- 6 *Andrey Oks did not own any shares subsequent to the reverse merger. Andrey Oks was given 10,000,000 shares of restricted stock as compensation for services in 2008 as an executive officer, which he forfeited on the date of his resignation on March 29, 2009.*
- 7 *Terry Hughes served as an officer of Sustut and resigned on September 12, 2008 at which time he forfeited 9,902,624 shares of common shares he owned at the time.*

- 8 *Represents shares held by Alpha Capital Anstalt, which is located at Pradfant 7, 9490 Furstentums, Vaduz, Lichtenstein. Konrad Ackerman has voting control over the shares held by Alpha Capital Anstalt.*
- 9 *Represents 975,000 shares of Common Stock and 975,000 warrants held by Longview Fund, LP. Investment decisions for Longview are made by its investment advisor, Viking Asset Management, LLC. 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. Okamoto, as a control person of Viking and/or Longview, may be deemed to beneficially own all such shares; however, he disclaims such beneficial ownership.*

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship between Optex Systems, Inc. (Texas), Irvine Sensors Corporation and Longview and Alpha

Longview and Alpha were owed certain debt by Irvine Sensors Corporation including debt evidenced by (i) a December 29, 2006 Term Loan and Security Agreement executed by Irvine Sensors Corporation 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 Systems, Inc. (Texas), which was and is a wholly owned subsidiary of Irvine Sensors Corporation, 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 Systems, Inc. (Texas). On September 19, 2008, pursuant to an Assignment and Stock/Note Issuance Agreement, Alpha and Longview transferred and assigned to Optex Systems, Inc. (Delaware) which assumed, \$15 million of their respective interests and rights in the aforesaid notes and obligations to Optex Systems, Inc. (Delaware) in exchange for \$9 million of equity and \$6 million of debt.

Acquisition of Assets of Optex Systems, Inc. (Texas) by Optex Systems, Inc. (Delaware) on October 14, 2008

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

Secured Promissory Notes and Common Shares Issued in connection with Purchase by Optex Systems, Inc. (Delaware)

In connection with the public sale of the Optex Systems, Inc. (Texas) assets to Optex Systems, Inc. (Delaware), Optex Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (Delaware) under the Notes are secured by a lien against all of the assets of Optex Systems, Inc. (Delaware) in favor of Longview and Alpha. In addition, Optex Systems, Inc. (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 Systems, Inc. (Delaware) common stock to Arland Holding, Ltd. On February 20, 2009, Longview sold its Note to Sileas (see below).

Acquisition by Sileas of Longview's Interests in Optex Systems, Inc. (Delaware) on February 20, 2009

On February 20, 2009, Sileas purchased 100% of the equity and debt interest held by Longview, representing 90% of Optex Systems, Inc. (Delaware), in a private transaction. 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 of Optex Systems Holdings (representing 90% of the outstanding shares) and transfer to Sileas 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 (which owned the balance of the \$6,000,000 of the notes) exchanged the \$6,000,000 aggregate principal amount of notes, plus accrued and unpaid interest thereon, for 1,027 shares of Optex Systems, Inc. (Delaware) Series A preferred stock.

Sileas has no operations or business activities other than holding the stock and notes described above and has no revenues, and it holds no assets other than the stock and notes described above. 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. Sileas will be limited by the extent of the stock price of Optex Systems Holdings and limitations on ability to resell the stock it owns 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 on February 20, 2009, Sileas, the new majority owner of Optex Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (Delaware).

Reorganization/Share Exchange

On March 30, 2009, a reorganization occurred whereby the then existing shareholders of Optex Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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, 17,449,991 shares of Optex Systems Holdings common stock were outstanding. The 17,449,991 shares derives from the 17,999,995 shares outstanding as of December 31, 2008 plus the 26,999,996 shares issued in conjunction 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 and cancellation of 3,800,000 shares previously issued to Newbridge Securities Corporation, shares plus issuance of 1,250,000 shares in payment for two investor relations agreements. The total outstanding common shares of Optex Systems Holdings subsequent to the closing of the reorganization is as follows:

Existing Sustut Shareholders	17,449,991
Optex Systems, Inc. (Delaware) shares exchanged	113,333,282
Optex Systems, Inc. (Delaware) Private Placement shares exchanged	<u>8,131,667</u>
Total Shares after reorganization	<u>138,914,940</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 September 27, 2009	<u><u>139,444,940</u></u>

Short Term Note Payable/Longview Fund - On September 23, 2008 Optex Systems, Inc. (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. 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.

On October 27, 2009, Optex Systems Holdings borrowed \$250,000 from Longview on an unsecured basis pursuant to a promissory note, which originally expired on December 1, 2009, but was extended until July 15, 2010. The note bears interest at the rate of 10% per annum, and all accrued and unpaid interest will be due upon maturity. Optex will make a prepayment equal to 50% of the then outstanding principal amount plus accrued and unpaid interest thereon upon the closing of a credit facility or other equity or debt financing from which the net proceeds are at least \$900,000, with any remaining unpaid balance due on July 15, 2010. In exchange for the extension, Optex Systems Holdings granted Longview a warrant to purchase 100,000 shares of restricted common stock with an exercise price of \$0.15 per share and a term of three years.

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 of Optex Systems, Inc. (Delaware), which were assumed by Optex Systems Holdings (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.

<u>Name of Selling Stockholder (18)</u>	<u>Amount beneficially owned by Selling Stockholder</u>	<u>Amount to be offered to Selling Stockholder's Account</u>	<u>Amount to be beneficially owned following completion of offering</u>	<u>Percent to be beneficially owned following completion of the offering</u>
(1) Albert & Diane Gragnani	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 (300,000 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 (300,000 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 (300,000 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), (19) 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 (300,000 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(12) Robert E. Kraemer	600,000	434,751 (300,000 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(13) Somasundaram Ilangovan	600,000	434,751 (300,000 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
(14) Victor M. Dandridge III	1,800,000	1,304,254 (900,000 shares of common stock and 404,254 shares underlying warrants)	495,746	0.26%
(15) George Warburton	3,600,000	2,608,508 (1,800,000 shares of common stock and 808,508 shares underlying warrants)	991,492	0.52%
(16) Dr. Marc Medway	600,000	434,751 (300,000 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%

(17) Michael R. Ruffer	600,000	434,751 (300,000 shares of common stock and 134,751 shares underlying warrants)	165,249	0.09%
Total	16,263,334	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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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 12, 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.
- (19) Sileas Corporation currently owns 102,184,347 shares of common stock and 926 shares of preferred stock convertible into 37,040,000 shares of common stock. This ownership interest in the Company held by Sileas has been pledged to Longview as security for a loan in connection with the acquisition of Longview's interests in Optex Systems, Inc. (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 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. 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 Optex Systems Holdings' 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.

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.OB".

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 May 12, 2010, there were 139,444,940 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. Optex Systems Holdings 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, Optex Systems Holdings issued 1,267,000 share options to its 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); and
- 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 27, 2009 and September 28, 2008 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 date of 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 had not consulted with EFP Rotenberg, LLP on any matter.

Optex Systems Holdings provided Rotenberg and Co., LLP with a copy of the disclosure relating to this change in its certifying accountant and requested that Rotenberg and Co., LLP furnish Optex Systems Holdings with a letter addressed to the Securities and Exchange Commission 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 the Registration Statement of which this prospectus is a part.

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 MARCH 28, 2010

BALANCE SHEETS AS OF MARCH 28, 2010 (SUCCESSOR) (UNAUDITED) AND SEPTEMBER 27, 2009 (SUCCESSOR) F-2

STATEMENTS OF OPERATIONS FOR THE THREE AND SIX MONTHS ENDED MARCH 28, 2010 (SUCCESSOR) AND THE THREE MONTHS ENDED MARCH 29, 2009 (SUCCESSOR) AND FOR THE PERIOD OCTOBER 15, 2008 THROUGH MARCH 29, 2009 (SUCCESSOR) AND FOR THE PERIOD SEPTEMBER 29, 2008 THROUGH OCTOBER 14, 2008 (PREDECESSOR) (UNAUDITED) F-4

STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED MARCH 28, 2010 (SUCCESSOR) AND FOR THE PERIOD OCTOBER 15, 2008 THROUGH MARCH 29, 2009 (SUCCESSOR) AND FOR THE PERIOD SEPTEMBER 29, 2008 THROUGH OCTOBER 14, 2008 (PREDECESSOR) (UNAUDITED) F-5

FINANCIAL STATEMENT FOOTNOTES (UNAUDITED) F-7

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

	Successor March 28, 2010 (Unaudited)	Successor September 27, 2009
ASSETS		
Current Assets		
Cash	\$ 897,110	\$ 915,298
Accounts Receivable	2,454,725	1,802,429
Net Inventory	7,713,021	8,013,881
Deferred Tax Asset	785,034	711,177
Prepaid Expenses	<u>340,726</u>	<u>318,833</u>
Total Current Assets	\$ 12,190,616	\$ 11,761,618
Property and Equipment		
Property Plant and Equipment	\$ 1,347,537	\$ 1,341,271
Accumulated Depreciation	<u>(1,129,119)</u>	<u>(1,094,526)</u>
Total Property and Equipment	\$ 218,418	\$ 246,745
Other Assets		
Security Deposits	\$ 20,684	\$ 20,684
Intangibles	1,446,806	1,965,596
Goodwill	<u>7,110,415</u>	<u>7,110,415</u>
Total Other Assets	\$ 8,577,905	\$ 9,096,695
Total Assets	\$ 20,986,939	\$ 21,105,058

The accompanying notes are an integral part of these financial statements

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

	<u>Successor</u> <u>March 28, 2010</u> <u>(Unaudited)</u>	<u>Successor</u> <u>September 27,</u> <u>2009</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	\$ 1,777,177	\$ 2,497,322
Accrued Expenses	455,636	671,045
Accrued Warranties	25,000	81,530
Accrued Contract Losses	1,080,301	1,348,060
Credit Facility	848,771	-
Loans Payable	<u>\$ 125,000</u>	<u>\$ -</u>
Total Current Liabilities	<u>\$ 4,311,885</u>	<u>\$ 4,597,957</u>
Stockholders' Equity		
Optex Systems Holdings, Inc. – (par \$0.001, 200,000,000 authorized, 139,444,940 shares issued and outstanding as of September 27, 2009)	\$ 139,445	\$ 139,445
Optex Systems Holdings, Inc. Preferred Stock (\$0.001 par 5,000 authorized, 1027 series A preferred issued and outstanding)	1	1
Additional Paid-in-capital	16,914,701	16,643,388
Retained Earnings (Deficit)	<u>(379,093)</u>	<u>(275,733)</u>
Total Stockholders' Equity	<u>\$ 16,675,054</u>	<u>\$ 16,507,101</u>
Total Liabilities and Stockholders' Equity	<u>\$ 20,986,939</u>	<u>\$ 21,105,058</u>

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 (Unaudited)

	Successor Three months ended March 28, 2010	Successor Three months ended March 29, 2009	Successor Six months ended March 28, 2010	Successor For the period October 15, 2008 through March 29, 2009	Predecessor For the period September 29, 2008 through October 14, 2008
Revenues	\$ 6,318,123	\$ 6,708,286	\$ 12,233,427	\$ 13,100,430	\$ 871,938
Total Cost of Sales	5,587,479	6,151,915	10,747,884	11,717,097	739,868
Gross Margin	\$ 730,644	\$ 556,371	\$ 1,485,543	\$ 1,383,333	\$ 132,070
General and Administrative					
Salaries and Wages	\$ 180,708	\$ 189,167	\$ 345,859	\$ 326,014	\$ 22,028
Employee Benefits & Taxes	60,712	73,505	109,238	154,735	495
Employee Stock/Option Bonus Plan	24,937	-	47,437	4,812	(4,812)
Amortization of Intangible	79,823	101,158	159,645	202,317	-
Rent, Utilities and Building Maintenance	51,077	57,102	104,552	99,942	12,493
Investor Relations	114,665	-	202,070	-	-
Legal and Accounting Fees	57,166	92,493	107,906	168,353	360
Consulting and Contract Service Fees	30,615	55,255	86,031	124,050	10,527
Travel Expenses	6,203	11,704	16,669	25,023	-
Board of Director Fees	32,500	37,500	70,000	50,000	-
Other Expenses	105,014	87,111	182,578	124,174	16,155
Total General and Administrative	\$ 743,420	\$ 704,995	\$ 1,431,985	\$ 1,279,420	\$ 57,246
Operating Income (Loss)	\$ (12,776)	\$ (148,624)	\$ 53,558	\$ 103,913	\$ 74,824
Other Expenses					
Other Income and Expense	\$ -	\$ (647)	\$ -	\$ (1,083)	\$ -
Interest (Income) Expense - Net	35,444	91,904	38,899	174,710	9,492
Total Other	\$ 35,444	\$ 91,257	\$ 38,899	\$ 173,627	\$ 9,492
Income (Loss) Before Taxes	\$ (48,220)	\$ (239,881)	\$ 14,659	\$ (69,714)	\$ 65,332
Income Taxes (Benefit)	(56,154)	86,664	(73,857)	350,318	-
Net Income (Loss) After Taxes	\$ 7,934	\$ (326,545)	\$ 88,516	\$ (420,032)	\$ 65,332
Less Preferred Stock Dividend	\$ (96,652)	\$ -	\$ (191,876)	\$ -	\$ -
Net Loss Applicable to Common Shareholders	\$ (88,718)	\$ (326,545)	\$ (103,360)	\$ (420,032)	\$ 65,332
Basic and Diluted Loss per Share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ 6.53
Weighted Average Common Shares Outstanding	139,444,940	113,614,399	139,444,940	113,473,841	10,000

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 Cash Flows (Unaudited)

	Successor	Successor	Predecessor
	Six months ended March	For the period	For the period
	<u>28, 2010</u>	<u>October 15,</u>	<u>September 29, 2008</u>
		<u>2008 through March 29, 2009</u>	<u>through October 14,</u>
			<u>2008</u>
Cash Flows from Operating Activities:			
Net Income (Loss)	\$ 88,516	\$ (420,032)	\$ 65,332
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Depreciation and Amortization	553,385	1,086,403	9,691
Provision for Allowance for Inventory Valuation	18,067	95,773	27,363
Noncash Interest Expense	3,921	159,780	9,500
Stock Option Compensation Expense	47,437	-	-
(Increase) Decrease in Accounts Receivable	(652,296)	(657,266)	1,049,802
(Increase) Decrease in Inventory (Net of Progress Billed)	282,793	(1,177,967)	(863,566)
(Increase) Decrease in Other Current Assets	6,712	240,570	18,541
(Increase) Decrease in Deferred Tax Asset	(73,857)	-	-
Increase (Decrease) in Accounts Payable and Accrued Expenses	(936,082)	595,890	(186,051)
Increase (Decrease) in Accrued Warranty Costs	(56,530)	57,305	-
Increase (Decrease) in Due to Parent	-	-	1,428
Increase (Decrease) in Accrued Estimated Loss on Contracts	(267,759)	62	(15,304)
Increase (Decrease) in Income Taxes Payable	-	350,318	-
Total Adjustments	\$ (1,074,209)	\$ 750,868	\$ 51,404
Net Cash (Used)/Provided by Operating Activities	\$ (985,693)	\$ 330,836	\$ 116,736
Cash Flows from Investing Activities:			
Cash Received through Optex Texas acquisition	\$ -	\$ 253,581	\$ -
Purchased of Property and Equipment	(6,266)	(17,725)	(13,338)
Net Cash Used in Investing Activities	\$ (6,266)	\$ 235,856	\$ (13,338)
Cash Flows from Financing Activities:			
Private Placement Net of Stock Issuance Cost		874,529	
Proceeds (to) from Credit Facility (net)	848,771		
Proceeds from Loans Payable	250,000	(207,265)	(20,000)
Repayments on Loans Payable	(125,000)		
Net Cash (Used in) Provided by Financing Activities	\$ 973,771	\$ 667,264	\$ (20,000)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (18,188)	\$ 1,233,956	\$ 83,398
Cash and Cash Equivalents at Beginning of Period	915,298	-	170,183
Cash and Cash Equivalents at End of Period	\$ 897,110	\$ 1,233,956	\$ 253,581

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 Cash Flows - continued (Unaudited)

	Successor Six months ended <u>March 28, 2010</u>	Successor For the period October 15, 2008 through <u>March 29, 2009</u>	Predecessor For the period September 29, 2008 through <u>October 14, 2008</u>
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 \$0.0001 par)	\$ -	\$ 187,500	\$ -
Issuance of Warrants as Debt Issuance Cost			
Additonal Paid in Capital (1,100,000 warrants)	\$ 32,000	\$ -	\$ -
Supplemental Cash Flow Information:			
Cash Paid for Interest	\$ 34,978	3,817	\$ -
Cash Paid for Taxes	\$ 119,847	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Note 1 - Organization and Operations

On March 30, 2009, Optex Systems Holdings, Inc. (formerly known as Sustut Exploration, Inc.), a Delaware corporation (“Optex Systems Holdings” or “Successor”), along with Optex Systems, Inc., a privately held Delaware corporation (“Optex Systems, Inc. (Delaware)”), which is a wholly-owned subsidiary of Optex Systems Holdings, entered into a reorganization agreement and plan of reorganization, pursuant to which Optex Systems, Inc. (Delaware) was acquired by Optex Systems Holdings in a share exchange transaction. Optex Systems Holdings became the surviving corporation. At the closing, there was a name change from Sustut Exploration Inc. to Optex Systems Holdings, Inc., and its year end changed 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 Corporation, Longview Fund, L.P. and Alpha Capital Anstalt, formed Optex Systems, Inc. (Delaware), which acquired all of the assets and assumed certain liabilities of Optex Systems, Inc., a Texas corporation (“Optex Systems, Inc. (Texas)” or “Predecessor”) and a wholly-owned subsidiary of Irvine Sensors Corporation, in a transaction that was consummated via purchase at a public auction. Following this asset purchase, Optex Systems, Inc. (Texas) remained a wholly-owned subsidiary of Irvine Sensors Corporation.

In accordance with FASB ASC 805 (Prior authoritative literature: SFAS No. 141(R), “*Business Combinations*” and EITF 98-3 “Determining Whether a Non-monetary Transaction Involves Receipt of Productive Assets or of a Business”), Optex Systems, Inc. (Delaware)’s purchase of substantially all of the assets and assumption of certain liabilities represented the acquisition of a business. FASB ASC 805 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 Systems, Inc. (Delaware) obtained the inputs and processes necessary for normal operations.

On February 20, 2009, Sileas Corporation, a newly-formed Delaware corporation, owned by present members of Optex Systems Holdings’ management, purchased 100% of Longview’s equity and debt interest in Optex Systems, Inc. (Delaware) (Longview’s interest in Optex Systems, Inc. (Delaware) then representing 90% of the issued and outstanding common equity interests in Optex Systems, Inc. (Delaware)), in a private transaction . See Note 4 for a further description of the Sileas transaction.

Optex Systems, Inc. (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 73.5% of the issued and outstanding equity interests in Optex Systems Holdings. Optex Systems Holdings plans to carry on the business of Optex Systems, Inc. (Delaware) as its sole line of business, and all of Optex Systems Holdings’ operations are conducted by and through its wholly-owned subsidiary, Optex Systems, Inc. (Delaware). Accordingly, in subsequent periods the financial statements presented are 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 March 28, 2010, Optex Systems Holdings operated with 99 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’ 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 Systems, Inc. (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 Systems, Inc. (Delaware), the accounting acquirer in the Sustut reorganization and the successor in the October 14, 2008 Optex Systems, Inc. (Texas) asset purchase transaction, for the three and six months ending March 28, 2010, the three months ended March 29, 2009 and the period from October 15, 2008 through March 29, 2009 and the results of operations and cash flows for the period from September 29, 2008 through October 14, 2008 of Optex Systems, Inc. (Texas), Predecessor. The accompanying financial statements include the balance sheets at March 28, 2010 and September 27, 2009 for Optex Systems, Inc. (Delaware), the accounting acquirer.

These financial statements have been presented as subsidiary-only financial statements, reflecting the statements of operations and cash flows of the subsidiary as a stand-alone entity.

Although, Optex Systems, Inc. (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 Systems, Inc. (Texas) accounts have been presented on the basis of push down accounting in accordance with FASB ASC 805-50-S99 (Prior authoritative literature: Staff Accounting Bulletin No. 54 *Application of "Push Down" Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase*). FASB ASC 805-50-S99 states that the push down basis of accounting should be used in a purchase transaction in which the entity becomes wholly-owned by another entity. 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 Systems, Inc. (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.

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 consolidated financial statements should be read in conjunction with the annual audited financial statements and the notes thereto included in the Optex Systems Holdings' Form 10-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 necessary, 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 March 28, 2010 and September 27, 2009, inventory included:

	As of March 28, 2010 (unaudited)	As of September 27, 2009
Raw Materials	\$ 5,992,250	\$ 7,161,241
Work in Process	4,929,339	4,043,308
Finished Goods	277,342	245,056
Gross Inventory	\$ 11,198,931	\$ 11,449,605
Less:		
Unliquidated Progress Payments	(2,913,017)	(2,880,898)
Inventory Reserves	(572,893)	(554,826)
Net Inventory	\$ 7,713,021	\$ 8,013,881

Stock-Based Compensation: In December 2004, FASB issued FASB ASC 718 (Prior authoritative literature: SFAS No. 123R, “Share-Based Payment”). FASB ASC 718 establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services, but primarily focuses on transactions whereby an entity obtains employee services for share-based payments. FASB ASC 718 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. 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.

The Company’s accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of FASB ASC 505-50 (Prior authoritative literature: 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 FASB ASC 718.

Income Tax/Deferred Tax: FASB ASC 740 (Prior Authoritative Literature: SFAS No. 109, “Accounting for Income Taxes”), requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on differing treatment of items for financial reporting and income tax reporting purposes. The deferred tax balances are adjusted to reflect tax rates by tax jurisdiction, based on currently enacted tax laws, which will be in effect in the years in which the temporary differences are expected to reverse. Under FASB ASC 740, 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 the Company will not realize tax assets through future operations. Optex Systems Holdings has recognized deferred income tax benefits on net operating loss carry-forwards to the extent Optex Systems Holdings believes it will be able to utilize them in future tax filings. The difference between the income tax expense and pretax accounting income is primarily attributable to \$116,938 and \$231,883 of deductible expenses representing permanent timing differences between book income and taxable income for the amortization of goodwill during the three and six months ending March 28, 2010, respectively. This expense is deductible over 15 years for income tax purposes but is not amortized for accounting purposes. The tax effect of this permanent timing difference is a reduction in income tax expense of \$39,759 and \$78,840 for the three and six months ended March 28, 2010, respectively.

Earnings per Share: Basic earnings per share is computed by dividing income available for common shareholders (the numerator) by the weighted average number of common shares outstanding (the denominator) for the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock.

The potentially dilutive securities that Optex Systems Holdings has outstanding are convertible preferred stock, stock options and warrants. In computing the dilutive effect of convertible preferred stock, the numerator is adjusted to add back any convertible preferred dividends, and the denominator is increased to assume the conversion of the number of additional common shares. Optex Systems Holdings uses the Treasury Stock Method to compute the diluted effect of stock options and warrants. Convertible preferred stocks, stock options and warrants that are antidilutive are excluded from the calculation of diluted earnings per common share.

For the three and six months ended March 28, 2010, 1,027 shares of Series A Preferred Stock, 2,655,649 stock options and 9,948,667 warrants were excluded as antidilutive. There were no dilutive convertible securities issued and outstanding for the periods ended March 29, 2009 (Successor) or October 14, 2008 (Predecessor).

Reclassification: Certain expenses reflected in the financial statements for the three and six months ended March 29, 2009 have been reclassified to conform with the current year presentation.

Note 3 - Recent Accounting Pronouncements

In February 2010, FASB issued ASU 2010-09 "Subsequent Event (Topic 855) Amendments to Certain Recognition and Disclosure Requirements". ASU 2010-09 removes the requirement for an SEC filer to disclose a date in both issued and revised financial statements. Revised financial statements include financial statements revised as a result of either correction of an error or retrospective application of GAAP. All of the amendments in ASU 2010-09 are effective upon issuance of the final ASU, except for the use of the issued date for conduit debt obligors, which is effective for interim or annual periods ending after June 15, 2010. The Company adopted ASU 2010-09 in February 2010 and therefore omitted the disclosure previously required as referenced above.

Note 4 — Acquisition of Substantially All of the Assets of Optex Systems, Inc. (Texas)

Acquisition of Assets of Optex Systems, Inc. (Texas) by Optex Systems, Inc. (Delaware) on October 14, 2008

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

Optex Systems, Inc. (Delaware) purchased all of the assets of Optex Systems, Inc. (Texas), including: intellectual property, production processes and know-how, and outstanding contracts and customer relationships. Optex Systems, Inc. (Delaware) also assumed certain liabilities of Optex Systems, Inc. (Texas) consisting of accounts payable and accrued liabilities. Optex Systems Holdings' 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.

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

Secured Promissory Note Issued in Connection with Purchase by Optex Systems, Inc. (Delaware) (Successor)

In connection with the public sale of the Optex Systems, Inc. (Texas) (Predecessor) assets to Optex Systems, Inc. (Delaware) (Successor), Optex Systems, Inc. (Delaware) issued 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 Systems, Inc. (Delaware) secured promissory note to Sileas, as described below. On March 27, 2009, Sileas and Alpha exchanged these secured promissory notes plus accrued and unpaid interest of \$159,780 for 1,027 shares of Optex Systems, Inc. (Delaware) Series A preferred stock.

Acquisition by Sileas on February 20, 2009

On February 20, 2009, Sileas purchased 100% of the equity (which at the time represented 90% of the issued and outstanding equity interests of Optex Systems, Inc. (Delaware)) and debt interest in Optex Systems, Inc. (Delaware) held by Longview,. As of the date of this transaction, Sileas became the majority owner of Optex Systems Holdings.

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

As a result of the transaction between Sileas and Longview, on February 20, 2009, Sileas (which is 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. This secured promissory note bears simple interest at the rate of 4% per annum, and the interest rate increases to 10% per annum upon the occurrence of an event of default thereunder. 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 due to a reorganization into Sileas or reincorporation in another jurisdiction, then this secured promissory note shall be immediately due and owing without demand. In the event that such a major transaction occurs prior to the maturity date resulting in Sileas receiving net consideration with a fair market value in excess of the principal and interest due under the terms of this secured promissory note (the "Optex Consideration"), then in addition to paying the principal and interest due, Sileas shall also pay to Longview an amount equal to 90% of the Optex Consideration. The obligations of Sileas under this secured promissory note are secured by a security interest in Optex Systems Holdings' common and preferred stock owned by Sileas that was granted to Longview and also by a lien on all of the assets of Sileas (which consist solely of the Optex Systems Holdings common and preferred stock held by Sileas).

Optex Systems Holdings has not guaranteed the note, and Longview does not have legal remedies that it can exercise against 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 the Optex Systems Holdings common and preferred stock held by Sileas.

Note 5 –Reorganization Plan and Private Placement

Reorganization/Share Exchange

On March 30, 2009, a reorganization occurred whereby the then existing shareholders of Optex Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (Delaware) common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Optex Systems Holdings common stock. Following the reorganization, Optex Systems, Inc. (Delaware) remained a wholly-owned subsidiary of Optex Systems Holdings.

Shares outstanding of Optex Systems Holdings common stock just prior to the closing of the reorganization consisted of 17,449,991 shares which included 1,250,000 shares issued on March 27, 2009 as payment for investor relations services. On June 29, 2009, 700,000 of the issued investor relations shares were surrendered to Optex Systems Holdings and cancelled upon termination of one of the investor relations contracts.

Private Placement

Prior to the closing of the reorganization, as of March 30, 2009, Optex Systems, Inc. (Delaware) 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, Inc. (Delaware) 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, Inc. (Delaware) after the closing referenced above. Gross proceeds to Optex Systems, Inc. (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, 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 acquirer's 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, 138,914,940 shares issued and outstanding as of March 29, 2009)	113,333	17,450	8,132	138,915
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	170,050	1,012,647	16,229,143
Retained Earnings	<u>(420,031)</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 issuance of 1,250,000 Sustut shares by Sustut prior to March 30, 2009. The original prepaid expense covered April 2009 through April 2010. On June 29, 2009 700,000 of these shares were returned to Optex Systems Holdings due to the cancellation of one of the investor relations agreements. The amortized expense related to the remaining 550,000 shares has been reflected on the Consolidated Statement of Operations for Optex Systems Holdings as expensed.

The accompanying unaudited pro forma financial information for the consolidated successor three and six months ended March 28, 2010 and three and six months ended March 29, 2009 (Combined Successor and Predecessor) 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 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 six months ended March 29, 2009 as if the acquisition of Optex Systems, Inc. (Texas) and reorganization plan had occurred on the first day of the year.

	Unaudited Six Months Ended March 29, 2009
Revenues	13,972,368
Net Income (Loss) attributable to common shareholders	(345,200)
Diluted earnings per share	\$ (0.00)
<i>Weighted Average Shares Outstanding</i>	<i>138,914,940</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 Irvine Sensors Corporation and the elimination of employee stock bonus compensation previously allocated from Irvine Sensors Corporation to reflect the costs of the ongoing entity.

Note 6 - Commitments and Contingencies

Leases

As of March 28, 2010, Optex Systems Holdings leased its office and manufacturing facilities under a non-cancellable operating lease expiring July 31, 2015 in addition to maintaining several non-cancellable operating leases for office and manufacturing equipment. Total expense under facility lease agreements as of the three and six months ended March 28, 2010 was \$64,988 and \$142,338 and total expense for manufacturing and office equipment was \$7,194 and 15,328, respectively. Total expense under facility lease agreements for the three and six months ended March 29, 2009 was \$56,978 and \$170,935, respectively. Total expense for manufacturing and office equipment for the three and six months ended March 29, 2009 was \$5,598 and \$11,195.

As of March 28, 2010, the remaining minimum lease payments under the non-cancelable operating leases for equipment, office and facility space are as follows:

	Operating Leases	
Fiscal Year		
2010	\$	49,127
2011		251,152
2012		236,112
2013		231,574
2014		241,748
2015		<u>201,457</u>
Total minimum lease payments	\$	<u>1,211,170</u>

Pursuant to the terms of the amendment to the facilities lease, there is no base rent payment due from January 1, 2010 through July 31, 2010, and the total value of this rent abatement is \$133,898. The value of the deferred rent expense will be amortized monthly at a rate of \$1,998 per month over the life of the lease. The total unamortized deferred rent as of March 28, 2010 is \$51,390.

Note 7 - Debt Financing

Related Parties

Short Term Note Payable/Longview Fund - On October 27, 2009, Optex Systems Holdings borrowed \$250,000 from the Longview Fund pursuant to a promissory note, with an original maturity date of December 1, 2009, which was extended to July 15, 2010 pursuant to an allonge dated January 5, 2010. The note bears interest at the rate of 10% per annum, and all accrued and unpaid interest thereon will be due upon maturity. The note requires Optex Systems Holdings to make a prepayment equal to 50% of the then outstanding principal amount plus accrued and unpaid interest thereon upon the closing of a credit facility or other equity or debt financing from which the net proceeds to Optex Systems Holdings are at least \$900,000, with any remaining unpaid balance due on July 15, 2010. In exchange for the allonge, Optex Systems Holdings granted Longview a warrant to purchase 100,000 shares of its restricted common stock with an exercise price of \$0.15 per share and with a term of three years. In conjunction with the Peninsula Bank financing (below) on March 22, 2010, Optex Systems Holdings paid to Longview a principal prepayment of \$125,000 and \$10,000 in accrued interest. The remaining principal amount of the note of \$125,000 plus accrued interest thereon is due on July 15, 2010.

Credit Facility - Peninsula Bank Business Funding

Effective March 10, 2010, Optex Systems, Inc. (Delaware) entered into a Loan and Security Agreement (“Agreement”) with Peninsula Bank Business Funding, a division of the Private Bank of the Peninsula (“Lender”).

The Agreement provides for a revolving line of credit of up to \$2,000,000, based upon advances to be made against percentages of eligible receivables as set forth in the Agreement. The material terms of the Agreement are as follows:

- The interest rate for all advances shall be the greater of 8.5% and the then in effect prime rate plus 3.5% and subject to a minimum quarterly interest payment of \$16,000.
- Interest shall be paid monthly in arrears.
- The expiration date of the Agreement is March 4, 2011, at which time any outstanding advances, and accrued and unpaid interest thereon, will be due and payable.
- In connection with the entry into the Agreement by the Lender, Optex Systems, Inc.(Delaware) paid the Lender a facility fee of \$20,000 and issued a warrant to Lender to purchase 1,000,000 shares of its common stock. The warrant bears an exercise price of \$0.10 per share and expires on March 3, 2016.
- The obligations of Optex Systems, Inc. (Delaware) to the Lender are secured by a first lien on all of its assets (including intellectual property assets should it have any in the future) in favor of the Lender.
- The Agreement contains affirmative and negative covenants that require Optex Systems, Inc. (Delaware) to maintain certain minimum cash and EBITDA levels on a quarterly basis and contains other customary covenants. The Agreement also contains customary events of default. Upon the occurrence of an event of default that remains uncured after any applicable cure period, the Lender’s commitment to make further advances may terminate, and the Lender would also be entitled to pursue other remedies against Optex Systems, Inc. (Delaware) and the pledged collateral.
- Pursuant to a guaranty executed by Optex Systems Holdings in favor of Lender, Optex Systems Holdings has guaranteed all obligations of Optex Systems, Inc. (Delaware) to Lender.

Note 8 – Intangible Assets and Goodwill

On October 14, 2008, in a purchase transaction that was consummated via public auction, Optex Systems, Inc. (Delaware) (Successor) purchased all of the assets of Optex Systems, Inc. (Texas) (Predecessor) in exchange for \$15 million of Irvine Sensors Corporation debt owned by it and the assumption of approximately \$3.8 million of certain Optex Systems, Inc. (Texas) liabilities (see Note 4). Optex Systems, Inc. (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>

Goodwill was tested for impairment as of March 28, 2010 using a fair value approach and based on the review, no impairment was required.

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><u>\$ 4,036,789</u></u>

The amortization of identifiable intangible assets associated with the Optex Systems Inc. (Texas) acquisition on October 14, 2008 expensed for the three and six months ended March 28, 2010 was \$259,395 and \$518,790, respectively. The intangible amortization allocable to manufacturing cost of sales was \$179,572 and \$359,144, and the intangible amortization allocable to general and administrative was \$79,821 and 159,642 for the three and six months ending March 28, 2010, respectively. The amortization of identifiable intangible assets expensed for the three and six months ended March 29, 2009 was \$517,798 and \$1,035,596, respectively. The intangible amortization allocable to manufacturing cost of sales was \$416,639 and \$833,280, respectively, and the intangible amortization allocable to general and administrative was \$101,159 and \$202,316 for the three and six months ending March 29, 2009, respectively. The identifiable intangible assets and recorded goodwill are amortized over five years for book purposes and over 15 years for income tax purposes. As of the March 28, 2010, the total unamortized balance of intangible assets was \$1,446,806. The amortizable intangible assets were tested for impairment as of September 27, 2009 utilizing undiscounted, projected cash flows and based upon this analysis, no impairment was noted. Subsequent to the review, there have been no material changes to our assumptions or estimates that would result in impairment. 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.

Identifiable intangible assets primarily consist of customer and program backlog. The remaining unamortized balance of intangible assets will be amortized between general and administrative expenses and costs of sales over their remaining respective estimated useful lives as follows:

		2010	2011	2012	2013
Customer backlog amortized by delivery schedule	COS	\$ 359,145	\$ 126,158	\$ 19,614	\$ 4,762
Customer backlog amortized by delivery schedule	G&A	32,323	11,354	1,765	427
Program backlog amortized straight line across 5 years	G&A	<u>127,323</u>	<u>254,645</u>	<u>254,645</u>	<u>254,645</u>
Total Amortization by Year		<u><u>\$ 518,791</u></u>	<u><u>\$ 392,157</u></u>	<u><u>\$ 276,024</u></u>	<u><u>\$ 259,834</u></u>

Note 9-Stock Based Compensation

Option Agreements:

On March 26, 2009, the Board of Directors of Optex Systems Holdings adopted the 2009 Stock Option Plan providing for the issuance of up to 6,000,000 shares to Optex Systems Holdings 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 any committee set up to act as a compensation committee of the Board of Directors and terminate after the earliest of the following events: (i) expiration of the option as provided in the option agreement, (ii) 90 days following the date of termination of the employee, or (iii) 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 is 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 will 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 stock 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, will 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 per share were granted to an officer of Optex Systems Holdings. These options vest as follows: 34% after the first year, and 33% each after the second and third years. These options have a seven year term from the date of issuance. On May 14, 2009, 1,267,000 stock options were issued to other Optex Systems Holdings employees, including options to purchase 250,000 shares to one executive officer. These stock options vest 25% per year after each year of employment and have a seven year term from the date of 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 anticipates that only 1,174,786 of the 1,267,000 shares will vest as of the end of the contract term. As of March 28, 2010, none of the stock options had vested and 26,000 shares had been forfeited due to employee turnover.

Optex Systems Holdings recorded compensation costs for options and shares granted under the plan amounting to \$24,937 and \$47,437 for the three and six months ended March 28, 2010, respectively. There were no stock options or shares granted or outstanding as of March 29, 2009; therefore, no compensation expense was recorded during that period. The impact of this expense was immaterial to the basic and diluted net loss per share for the three and six months ended March 28, 2010. 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 six months ended March 28, 2010, estimated deferred tax assets related to option compensation costs were \$16,129 and have been recorded to reflect the tax effect of the financial statement expense. There was no similar tax effect related to option compensation costs for the six months ended March 29, 2009 related to these stock options. 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-Merton option pricing model. The fair value of the underlying shares was determined based on the closing price of Optex Systems Holdings' publicly-traded shares on the grant date. 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 FASB ASC 718-10-S99-1 (Prior authoritative literature: Question 6 of SAB Topic 14.D.1). In making this determination and trying to find another comparable 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 sufficient 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 grant. 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 and the assumption that the company does not presently have any intention of paying cash dividends on its common stock. The following weighted-average assumptions were utilized in the fair value calculations for options granted:

**Year ended
September 27, 2009**

Expected dividend yield	0 %
Expected stock price volatility	23.6 %
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 03/28/10	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	310,250	05/13/2016	05/14/2010
05/14/09	316,750	0.15	310,250	05/13/2016	05/14/2011
05/14/09	316,750	0.15	310,250	05/13/2016	05/14/2012
05/14/09	316,750	0.15	310,250	05/13/2016	05/14/2013
Total	<u>2,681,649</u>		<u>2,655,649</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 September 27, 2009	2,667,649	\$ 0.21	5.14	\$ 560,206
Granted – 2010	-	-	-	-
Forfeited – 2010	(12,000)	-	-	-
Exercised – 2010	-	-	-	-
Outstanding as of March 28, 2010	<u>2,655,649</u>	-	4.64	-
Exercisable as of March 28, 2010	<u>0</u>	-	-	-

The weighted-average grant date fair value of options granted during the six months ended March 28, 2010 was \$0.14, and the total intrinsic value of options exercised during the six months ended March 28, 2010 was \$0.

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

	Number of Non- vested Shares Subject to Options	Weighted- Average Grant- Date Fair Value
Non-vested as of September 27, 2009	2,667,649	\$ 0.14
Non-vested granted — six months ended March 28, 2010	-	\$ 0.00
Vested — six months ended March 28, 2010	-	\$ 0.00
Forfeited — six months ended March 28, 2010	(12,000)	\$ 0.14
Non-vested as of March 28, 2010	2,655,649	\$ 0.14

As of March 28, 2010, the unrecognized compensation cost related to non-vested share based compensation arrangements granted under the plan that was approximately \$276,852. 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 six months ended March 28, 2010 was \$0.

During the fiscal year ended September 27, 2009, Optex Systems Holdings issued 480,000 shares of common stock at a market value of \$0.30 per share for a total \$144,000 and paid \$150,000 cash to a vendor in support of an investor relations agreement executed on June 29, 2009. Pursuant to the agreement, the shares are earned over the life of the contract at the rate of 40,000 shares per month through June 2010. During the three and six months ended March 28, 2010, Optex Systems Holdings expensed \$36,000 and \$72,000, respectively, for shares earned and the unamortized balance of shares issued against the contract is \$36,000 to be expensed through the third fiscal quarter of 2010.

There were no stock options issued to Optex Systems, Inc. (Texas) employees or equity instruments issued to consultants and vendors during the six months ended March 29, 2009.

Warrant Agreements:

Optex Systems Holdings calculates the fair value of warrants issued with debt or preferred stock using the Black-Scholes-Merton valuation method. The total proceeds received in the sale of debt or preferred stock and related warrants are allocated among these financial instruments based on their relative fair values. The discount arising from assigning a portion of the total proceeds to the warrants issued is recognized as interest expense for debt from the date of issuance to the earlier of the maturity date of the debt or the conversion dates using the effective yield method.

As of March 28, 2010, Optex Systems Holdings had the following warrants outstanding:

	Grant Date	Warrants Granted	Exercise Price	Outstanding as of 03/28/10	Expiration Date	Term
Private Placement Stock Holders	3/30/2009	8,131,667	\$ 0.450	8,131,667	3/29/2014	5 years
Finder Fee on Private Placement	3/30/2009	717,000	\$ 0.165	717,000	3/29/2014	5 years
Longview Fund Allonge Agreement	1/5/2010	100,000	\$ 0.150	100,000	1/4/2013	3 years
Peninsula Bank Holding Co - Line of Credit	3/4/2010	1,000,000	\$ 0.100	1,000,000	3/3/2016	6 years
Total Warrants		9,948,667		9,948,667		

During the three and six months ended March 28, 2010 Optex Systems Holdings recorded a total of \$3,395 in interest expense related to the outstanding warrants and has an unamortized interest balance of \$28,605. These warrants are not included in the computation of weighted average of shares as it would be anti-dilutive.

Note 10—Stockholders Equity

Common stock:

Optex Systems, Inc. (Texas) was authorized to issue 100,000 shares of no par common stock. At September 28, 2008, there were 18,870 shares issued and 10,000 shares outstanding.

The common stock, treasury stock and additional paid in capital accounts have been presented to reflect the ownership structure of Optex Systems, Inc. (Texas) as it existed prior to the acquisition by Irvine Sensors Corporation, since Optex Systems, Inc. (Texas) is presenting its financial statements as a separate, stand-alone entity.

On October 14, 2008, in a purchase transaction that was consummated via public auction, Optex Systems, Inc. (Delaware) (Successor) purchased all of the assets of Optex Systems, Inc. (Texas) (Predecessor) in exchange for \$15 million of Irvine Sensors Corporation debt owned by it and the assumption of approximately \$3.8 million of certain Optex Systems, Inc. (Texas) liabilities. The \$15 million of Irvine Sensors Corporation debt was contributed by Longview and Alpha to Optex Systems, Inc. (Delaware), in exchange for a \$6 million note payable from Optex Systems, Inc. (Delaware) and a \$9 million equity interest in Optex Systems, Inc. (Delaware) (which consisted of the issuance by Optex Systems, Inc. (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 Systems, Inc. (Delaware) common stock to Arland Holdings, Ltd. There was no contingent consideration associated with the purchase. In February 20, 2009, Longview sold 100% of its equity and debt interests in Optex Systems, Inc. (Delaware) to Sileas (representing 90% of the then outstanding equity interests in Optex Systems, Inc. (Delaware)), and Sileas became the majority owner of Optex Systems Holdings.

Stock Split:

On March 26, 2009, Optex Systems, Inc. (Delaware)'s Board of Directors effected 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 were split into 76,638,295 shares, and the 4,918,650 shares of common stock held by Arland Holdings, Ltd. were split into 8,361,705 shares.

As of March 30, 2009, Optex Systems, Inc. (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 Corp.	76,638,295
Arland Holdings, Ltd.	<u>8,361,705</u>
Total Outstanding	<u>85,000,000</u>

Reorganization & Private Placement:

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

On June 29, 2009, 750,000 shares of Optex Systems Holdings common stock were sold to in a private transaction for gross proceeds of \$150,000.

Each share of common 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 an 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. 480,981 of these options vested on March 30, 2010, subsequent to the March 28, 2010 quarter end. See Note 9 - 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 principal 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. (Delaware) Series A preferred stock were exchanged on a 1:1 basis for shares of Series A preferred stock of Optex Systems Holdings. As of the three and six months ended March 28, 2010, Optex Systems Holdings recorded \$96,652 and \$191,876 of dividends payable on Series A preferred shares, respectively.

Cancellation of Common Stock:

On June 29, 2009, Optex Systems Holdings cancelled an investor relations agreement resulting in the return of 700,000 shares of common stock previously issued by Sustut prior to the reverse merger on March 30, 2009. The shares were valued at \$105,000, returned to Optex System Holdings, and then cancelled (see also Note 9 regarding new investor relations shares issued).

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

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

We have audited the accompanying balance sheet of Optex Systems Holdings, Inc. (the Company) as of September 27, 2009, and the related statements of operations, stockholders' equity, and cash flows for the period October 15, 2008 through September 27, 2009. The Company'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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Optex Systems Holdings, Inc. as of September 27, 2009, and the results of its operations and its cash flows for the period October 15, 2008 through September 27, 2009 in conformity with accounting principles generally accepted in the United States of America.

/s/EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York
January 11, 2010

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

As successor by merger, effective October 1, 2009, of the registered public accounting firm Rotenberg & Co., LLP, we have audited the accompanying balance sheet of Optex Systems, Inc. (Texas) (the Company) as of September 28, 2008, and the related statements of operations, stockholders' equity, and cash flows for the year then ended and for the period September 29, 2008 through October 14, 2008. The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 audits 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Optex Systems, Inc. (Texas) as of September 28, 2008, and the results of its operations and its cash flows for the year then ended and for the period September 29, 2008 through October 14, 2008 in conformity with accounting principles generally accepted in the United States of America.

/s/EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York
January 11, 2010

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

	<u>Successor</u> <u>September 27, 2009</u>	<u>Predecessor</u> <u>September 28, 2008</u>
ASSETS		
Current Assets		
Cash	\$ 915,298	\$ 170,183
Accounts Receivable	1,802,429	2,454,235
Net Inventory	8,013,881	4,547,726
Deferred Tax Asset	711,177	-
Prepaid Expenses	318,833	307,507
Total Current Assets	\$ 11,761,618	\$ 7,479,651
Property and Equipment		
Property Plant and Equipment	\$ 1,341,271	\$ 1,314,109
Accumulated Depreciation	(1,094,526)	(994,542)
Total Property and Equipment	\$ 246,745	\$ 319,567
Other Assets		
Security Deposits	\$ 20,684	\$ 20,684
Intangibles	1,965,596	1,100,140
Goodwill	7,110,415	10,047,065
Total Other Assets	\$ 9,096,695	\$ 11,167,889
Total Assets	\$ 21,105,058	\$ 18,967,107

The accompanying notes are an integral part of these financial statements

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

	<u>Successor</u> <u>September 27, 2009</u>	<u>Predecessor</u> <u>September 28, 2008</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	\$ 2,497,322	\$ 1,821,534
Accrued Expenses	671,045	798,974
Accrued Warranties	81,530	227,000
Accrued Contract Losses	1,348,060	821,885
Loans Payable	-	373,974
Income Tax Payable	-	4,425
Total Current Liabilities	\$ 4,597,957	\$ 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	\$ 4,597,957	\$ 10,684,091
Stockholders' Equity		
Optex Systems Holdings, Inc. – (par \$0.001, 200,000,000 authorized, 139,444,940 shares issued and outstanding as of September 27, 2009)	\$ 139,445	
Optex Systems Holdings, Inc. Preferred Stock (\$0.001 par 5,000 authorized, 1027 Series A preferred issued and outstanding)	1	
Optex Systems, Inc. – Texas Common Stock (no par 100,000 authorized, 18,870 shares issued and 10,000 shares outstanding)		164,834
Optex Systems, Inc. – Texas Treasury Stock (8,870 shares at cost)	-	(1,217,400)
Additional Paid-in-capital	16,643,388	15,246,282
Retained Earnings (Deficit)	(275,733)	(5,910,700)
Total Stockholders' Equity	\$ 16,507,101	\$ 8,283,016
Total Liabilities and Stockholders' Equity	\$ 21,105,058	\$ 18,967,107

The accompanying notes are an integral part of these financial statements

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Consolidated Statements of Operations

	Successor For the period October 15, 2008 through September 27, 2009	Predecessor For the period September 29, 2008 through October 14, 2008	Predecessor Twelve Months ended September 28, 2008
Revenues	\$ 26,708,799	\$ 871,938	\$ 20,017,209
Total Cost of Sales	24,073,449	739,868	18,164,019
Gross Margin	\$ 2,635,350	\$ 132,070	\$ 1,853,190
General and Administrative			
Salaries and Wages	\$ 644,861	\$ 22,028	\$ 910,854
Employee Benefits & Taxes	227,315	495	190,489
Employee Stock/Option Bonus Plan	39,528	(4,812)	378,716
Amortization of Intangible	404,634	-	223,491
Rent, Utilities and Building Maintenance	210,258	12,493	228,694
Investor Relations	203,696	-	-
Legal and Accounting Fees	434,309	360	223,715
Consulting and Contract Service Fees	220,090	10,527	325,723
Travel Expenses	47,595	-	135,821
Corporate Allocations	-	-	2,076,184
Board of Director Fees	125,000	-	-
Asset Impairment of Goodwill	-	-	1,586,416
Other Expenses	282,136	16,155	227,336
Total General and Administrative	\$ 2,839,422	\$ 57,246	\$ 6,507,440
Operating Income (Loss)	\$ (204,072)	\$ 74,824	\$ (4,654,251)
Other Expenses			
Other Income and Expense	\$ -	\$ -	\$ (507)
Interest (Income) Expense – Net	170,078	9,492	199,753
Total Other	\$ 170,078	\$ 9,492	\$ 199,246
Income (Loss) Before Taxes	\$ (374,150)	\$ 65,332	\$ (4,853,496)
Income Taxes (Benefit)	(284,663)	-	(21,544)
Net Income (Loss) After Taxes	\$ (89,487)	\$ 65,332	\$ (4,831,952)
Less preferred stock dividend	\$ (186,246)	\$ -	\$ -
Net income (loss) applicable to common shareholders	\$ (275,733)	\$ 65,332	\$ (4,831,952)
Basic and diluted earnings (loss) per share	\$ (0.00)	\$ 6.53	\$ (483.20)
Weighted Average Common Shares Outstanding	126,290,753	10,000	10,000

The accompanying notes are an integral part of these financial statements

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

	Successor For the period October 15, 2008 through September 27, 2009	Predecessor For the period September 29, 2008 through October 14, 2008	Predecessor Year ended September 28, 2008
Cash flows from operating activities:			
Net Income (Loss)	\$ (89,487)	\$ 65,332	\$ (4,831,952)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	2,161,486	9,691	760,801
Provision for (use of) allowance for inventory valuation	(146,266)	27,363	(102,579)
Noncash interest expense	159,780	9,500	200,000
(Gain) loss on disposal and impairment of assets	-	-	1,586,416
Stock Option Compensation Expense	39,528	-	-
(Increase) decrease in accounts receivable	(397,996)	1,049,802	(410,602)
(Increase) decrease in inventory (net of progress billed)	(2,483,686)	(863,566)	1,667,418
(Increase) decrease in other current assets	196,633	18,541	(290,435)
(Increase) decrease in deferred tax asset	(711,177)	-	-
Increase (decrease) in accounts payable and accrued expenses	733,453	(186,051)	(1,132,319)
Increase (decrease) in accrued warranty costs	(145,470)	-	227,000
Increase (decrease) in due to parent	-	1,428	2,312,280
Increase (decrease) in accrued estimated loss on contracts	541,479	(15,304)	(555,462)
Increase (decrease) in income taxes payable	-	-	(21,544)
Total adjustments	\$ (52,236)	\$ 51,404	\$ 4,240,974
Net cash (used in) provided by operating activities	\$ (141,723)	\$ 116,736	\$ (590,978)
Cash flows from investing activities:			
Cash Received through Optex Systems, Inc. (Texas) acquisition	\$ 253,581	\$ -	\$ -
Purchased of property and equipment	(13,824)	(13,338)	(117,566)
Net cash (used in) provided by investing activities	\$ 239,757	\$ (13,338)	\$ (117,566)
Cash flows from financing activities:			
Issuance of common stock for cash	\$ 1,024,529	\$ -	\$ -
Proceeds (to) from loans payable	(207,265)	(20,000)	373,974
Net cash (used in) provided by financing activities	\$ 817,264	\$ (20,000)	\$ 373,974
Net increase (decrease) in cash and cash equivalents	\$ 915,298	\$ 83,398	\$ (334,570)
Cash and cash equivalents at beginning of period	-	170,183	504,753
Cash and cash equivalents at end of period	\$ 915,298	\$ 253,581	\$ 170,183

The accompanying notes are an integral part of these financial statements

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

	Successor For the period October 15, 2008 through September 27, 2009	Predecessor For the period September 29, 2008 through October 14, 2008	Predecessor Year ended September 28, 2008
Noncash investing and financing activities:			
Optex Systems, Inc. (Delaware) (Successor) purchase of Optex Systems, Inc. (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			
Additional 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			
Prepaid Expenses (1,030,000 shares issued at \$0.001 par)	\$ 226,500	-	-
Supplemental cash flow information:			
Cash paid for interest	\$ 10,290	-	-
Cash paid for taxes	\$ 488,799	-	-

The accompanying notes are an integral part of these financial statements

Optex Systems Holdings, Inc.
(formerly known as Sustut Exploration, Inc.)
Consolidated Statement of Stockholders' Equity

	<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
Cancellation of Investor Relations Stock	(700,000)		(700)			(104,300)		(105,000)
Investor Relations Common Stock Issued	480,000		480			143,520		144,000
Issuance of Common Stock	750,000		750			149,250		150,000
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	17,449,991		17,450			170,050		187,500
Stock Option Compensation Expense		-	-	-	-	39,528	-	39,528
Private Placement Sale of Stock	8,131,667	-	8,132	-	-	1,012,647	-	1,020,779
Accumulated Dividends on Preferred Stock						186,246	(186,246)	-
Net Earnings (Loss) from continuing operations	-	-	-	-	-	-	(89,487)	(89,487)
Balance at September 27, 2009	<u>139,444,940</u>	<u>1,027</u>	<u>\$ 139,445</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 16,643,388</u>	<u>\$ (275,733)</u>	<u>\$ 16,507,101</u>

The accompanying notes are an integral part of these financial statements

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

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 a wholly-owned subsidiary of Optex Systems Holdings, also known as Successor, entered into a reorganization agreement and plan of reorganization, pursuant to which Optex Systems, Inc. (Delaware) was acquired by Optex Systems Holdings in a share exchange transaction. Optex Systems Holdings became the surviving corporation. At the closing of the reorganization, the registrant 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 Corporation, Longview Fund, L.P. and Alpha Capital Anstalt, formed Optex Systems, Inc. (Delaware), which acquired all of the assets and assumed certain liabilities of Optex Systems, Inc., a Texas corporation and wholly-owned subsidiary of Irvine Sensors Corporation, also known as Predecessor, in a transaction that was consummated via purchase at a public auction. Following this asset purchase, Optex Systems, Inc. (Texas) remained a wholly-owned subsidiary of Irvine Sensors Corporation.

In accordance with FASB ASC 805 (Prior authoritative literature: SFAS No. 141(R), *Business Combinations* and EITF 98-3 "Determining Whether a Non-monetary Transaction Involves Receipt of Productive Assets or of a Business") Optex Systems, Inc. (Delaware)'s purchase of substantially all of the assets and assumption of certain liabilities represented the acquisition of a business. FASB ASC 805 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 Systems, Inc. (Delaware) obtained the inputs and processes necessary for normal operations.

Optex Systems, Inc. (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 Irvine Sensors Corporation, and Optex Systems, Inc. (Texas) was automatically converted to a Subchapter "C" Corporation. On December 29, 2006, the remaining 30% equity interest in Optex Systems, Inc. (Texas) was purchased by Irvine Sensors Corporation.

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

Optex Systems, Inc. (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 73.52% of Optex Systems Holdings. Optex Systems Holdings plans to carry on the business of Optex Systems, Inc. (Delaware) as its sole line of business and all of Optex Systems Holdings' operations are conducted by and through its wholly-owned subsidiary, Optex Systems, Inc. (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.

Optex Systems Holdings' operations are based in Richardson, Texas in a leased facility comprising 49,100 square feet. As of September 27, 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' 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 Systems, Inc. (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 Systems, Inc. (Delaware), the accounting acquirer in the Sustut reorganization and the Successor in the October 14, 2008 Optex Systems, Inc. (Texas) asset purchase transaction, for the period from October 15, 2008 through September 27, 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 Systems, Inc. (Texas), Predecessor.

The accompanying financial statements for the balance sheet as of September 28, 2008 and the results of operations and cash flows for the period ending September 28, 2008 include the historical accounts of Optex Systems, Inc. (Texas). These 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 Systems, Inc. (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 Systems, Inc. (Texas) accounts have been presented on the basis of push down accounting in accordance with FASB ASC 805-50-S99 (Prior authoritative literature: Staff Accounting Bulletin No. 54 *Application of "Push Down" Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase*). FASB ASC 805-50-S99 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 Systems, Inc. (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 Systems, Inc. (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.

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 Systems Holdings, Inc. 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's fiscal year ends on the Sunday nearest September 30. Fiscal year 2009 ended on September 27, 2009 and included 52 weeks. Fiscal year 2008 ended on September 28, 2008 and included 52 weeks.

Fair Value of Financial Instruments: FASB ASC 825-10 (Prior authoritative literature: 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 27, 2009 and September 28, 2008. The carrying value of the balance sheet financial instruments included in Optex Systems, Inc. (Texas)'s consolidated financial statements approximated their fair values.

Cash and Cash Equivalents: For financial statement presentation purposes, Optex 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'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.

Optex revenues and accounts receivables are derived from sales to U.S. government agencies (51%), General Dynamics (46%) or other prime government contractors (3%). Optex does not believe that this concentration results in undue credit risk because of the financial strength of the payees.

Accounts Receivable: Optex 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 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 has concluded that there is no need for an allowance for doubtful accounts for the years ended September 27, 2009 and September 28, 2008. Optex charges uncollectible accounts to bad debt expense in the period as they are first deemed uncollectible. In 2009, Optex Systems Holdings recorded \$35,297 in bad debt expense attributable to one customer that went out of business.

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 September 27, 2009, and September 28, 2008 inventory included:

	Successor As of September 27, 2009	Predecessor As of September 28, 2008
Raw Materials	\$ 7,161,241	\$ 5,575,520
Work in Process	4,043,308	4,199,657
Finished Goods	245,056	28,014
Gross Inventory	\$ 11,449,605	\$ 9,803,191
Less:		
Unliquidated Progress Payments	(2,880,898)	(4,581,736)
Inventory Reserves	(554,826)	(673,729)
Net Inventory	\$ 8,013,881	\$ 4,547,726

Warranty Costs: Some of Optex Systems Holdings' customers require that the company warrant the quality of its products to meet customer requirements and be free of defects for up to fifteen months subsequent to delivery.. In the year ended September 27, 2009, Optex Systems Holdings, Inc. recognized income of \$145,470 for unrecognized warranty costs due to an improvement in the warranty experience rate related to warranties expiring in fiscal 2009. In the year ended September 28, 2008, Optex Systems, Inc. (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 repair or replacement, in addition to estimated future warranty costs for covered 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 warranty covered sales.

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 4 and 11). Optex Systems Holdings 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. The performance of the test involves a two-step process. The first step of the impairment test involves comparing the fair values of the applicable reporting units with their aggregate carrying values, including goodwill. We generally determine the fair value of our reporting units using the income approach methodology of valuation that includes the discounted cash flow method as well as other generally accepted valuation methodologies, which requires significant judgment by management. If the carrying amount of a reporting unit exceeds the reporting unit's fair value, we perform the second step of the goodwill impairment test to determine the amount of impairment loss. The second step of the goodwill impairment test involves comparing the implied fair value of the affected reporting unit's goodwill with the carrying value of that goodwill. These impairment tests may result in impairment charges that could have a material adverse impact on our results of operations. The goodwill of Optex Systems Holdings, Inc. was reviewed as of September 27, 2009 and based on the assessment, it was determined that no impairment was required.

Optex 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 27, 2009 derived from the acquisition of Optex Systems, Inc. (Delaware) from Irvine Sensors as of October 14, 2008 and consisted of customer backlog, with initial useful lives ranging from one to five years. (See note 4 and 11). The identified amortizable intangible assets at September 28, 2008 derived from the acquisition of Optex Systems, Inc. (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 4 and 11).

Intangible assets with indefinite lives are tested annually for impairment, during the fiscal fourth 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 Systems Holdings adopted the provisions of FASB ASC 360-10 (Prior authoritative literature 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 Holdings recognizes revenue based on the modified percentage of completion method utilizing the units-of-delivery method, in accordance with FASB ASC 605-35 (Prior authoritative literature: SOP 81-1 “*Accounting for Performance of Construction-Type and certain Production -Type Contracts*”):

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 Systems Holdings contracts are fixed price production type contracts whereby a defined order quantity is delivered to the customer during a continuous or sequential production process tailored to the buyer's specifications (build to print). Optex Systems Holdings' 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 Systems Holdings 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 Systems Holdings' 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 estimate 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 the fiscal years ended September 27, 2009 and September 28, 2008, estimated loss reserves were \$1,348,060 and \$821,885, respectively. Increases in estimated loss reserves from fiscal 2008 to fiscal 2009 of \$526,175 were primarily attributable to unanticipated increases in material and production costs encountered in 2009 due to manufacturing issues on our U.S. government Howitzer programs.

Government Contracts: Virtually all of Optex Systems Holdings' 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 prime military contracts and are generally, "flowed down" to Optex Systems Holdings as subcontractors on other military business. It has been Optex Systems Holdings' experience that the termination for convenience is rarely invoked, except where it has been mutually beneficial for both parties. Optex Systems Holdings is not currently aware of any pending terminations for convenience or default on its 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 Systems Holdings could be liable for any excess cost incurred by the government to acquire supplies from another supplier similar to those terminated from Optex Systems Holdings. Optex Systems Holdings 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 Systems Holdings 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 Systems Holdings 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 Systems Holdings 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 Systems Holdings 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 27, 2009 and September 28, 2008 zero and approximately \$4.0 million of booked orders fell under this criteria. Optex Systems Holdings' experience has been that the historically negotiated price differentials have been immaterial and accordingly, it does 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.

Stock-Based Compensation: In December 2004, FASB issued FASB ASC 718 (Prior authoritative literature: SFAS No. 123R, "Share-Based Payment"). FASB ASC 718 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. FASB ASC 718 focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. FASB ASC 718 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.

Optex Systems Holdings' accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of FASB ASC 505-50 (Prior authoritative literature: 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 FASB ASC 718

Income Tax/Deferred Tax: FASB ASC 740 (Prior Authoritative Literature: SFAS No. 109, "Accounting for Income Taxes"), requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on differing treatment of items for financial reporting and income tax reporting purposes. The deferred tax balances are adjusted to reflect tax rates by tax jurisdiction, based on currently enacted tax laws, which will be in effect in the years in which the temporary differences are expected to reverse. Optex Systems Holdings has recognized deferred income tax benefits on net operating loss carry-forwards to the extent Optex Systems Holdings believes it will be able to utilize them in future tax filings.

Earnings 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 common share gives effect to the assumed exercise of stock options when dilutive. 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. It also assumes that outstanding common shares were increased by shares issuable upon exercise of those stock options for which market price exceeds the exercise price, less shares which could have been purchased by us with the related proceeds. In period of losses, diluted loss per share is computed on the same basis as basic loss per share as the inclusion of any other potential shares outstanding would be anti-dilutive.

If Optex Systems Holdings had recorded income applicable to common shareholders for the period October 15, 2008 through September 27, 2009, the weighted average number of common shares outstanding would have increased by 42,570,745 shares, reflecting the addition of dilutive securities in the calculation of diluted earnings per share. There were no dilutive convertible securities for the 2008 fiscal year.

Note 3 - Recent Accounting Pronouncements

In June 2008, FASB issued FASB ASC 260-10-55 (Prior authoritative literature: FASB Staff Position EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities"). FASB ASC 260-10-55 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. FASB ASC 260-10-55 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 FASB ASC 260-10-55 to have a material effect on Optex Systems Holdings' financial statements.

In May 2009, FASB issued FASB ASC 855-10 (Prior authoritative literature: SFAS No. 165, "*Subsequent Events*"). FASB ASC 855-10 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. FASB ASC 855-10 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 FASB ASC 855-10 did not have a material effect on Optex Systems Holdings' financial statements.

In June 2009, FASB issued ASC 105-10 (Prior authoritative literature: SFAS No. 168, "*The FASB Accounting Standards Codification TM and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162*"). FASB ASC 105-10 establishes the FASB Accounting Standards Codification TM (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. FASB ASC 105-10 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. Adoption of FASB ASC 105-10 did not have a material effect on Optex Systems Holding's financial statements.

In June 2006, FASB issued FASB ASC 740-10 (Prior authoritative literature: FASB 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* ". FASB ASC 740-10 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. FASB ASC 740-10 is effective for fiscal years beginning after December 15, 2006. The adoption of FASB ASC 740-10 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 ASC 820-10 (Prior authoritative literature: FASB Statement 157, "*Fair Value Measurements*"). FASB ASC 820-10 defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosures about fair value measurements. FASB ASC 820-10 applies under other accounting pronouncements that require or permit fair value measurements. Accordingly, FASB ASC 820-10 does not require any new fair value measurements. However, for some entities, the application of FASB ASC 820-10 will change current practice. The changes to current practice resulting from the application of FASB ASC 820-10 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 ASC 820-10 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 ASC 820-10 did not have a material impact on Optex Systems Holdings' financial position, results of operations, or cash flows.

In February 2007, FASB ASC 825-10 (Prior authoritative literature: 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 were effective as of the beginning of fiscal year 2008, with early adoption permitted. The adoption of FASB ASC 825-10 did not have a material impact on Optex Systems Holdings' financial position, results of operations, or cash flows.

In March 2007, FASB ASC 715-60 (Prior authoritative literature: EITF Issue No. 06-10, "*Accounting for Collateral Assignment Split-Dollar Life Insurance Agreements*"). FASB ASC 715-60 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. FASB ASC 715-60 is effective for fiscal years beginning after December 15, 2007. The adoption of FASB ASC 715-60 did not have a material impact on Optex Systems Holdings' financial position, results of operations, or cash flows.

In December 2007, FASB issued FASB ASC 805 (Prior authoritative literature: SFAS No. 141(R), "*Business Combinations*") and FASB ASC 810-10-65 (Prior authoritative literature: 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. FASB ASC 805 and FASB ASC 810-10-65 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 FASB ASC 805 and FASB ASC 810-10-65 on its financial statements.

In December 2007, the SEC issued FASB ASC 718-10-S99-1 (Prior authoritative literature: Staff Accounting Bulletin No. 110). FASB ASC 718-10-S99-1 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. FASB ASC 718-10-S99-1 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 FASB ASC 815-10 (Prior authoritative literature: SFAS No. 161, "*Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133*"). FASB ASC 815-10 requires enhanced disclosures about an entity's derivative and hedging activities. FASB ASC 815-10 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 27, 2009. The adoption of FASB ASC 815-10 did not have a material impact Optex Systems Holdings' financial position, results of operations, or cash flows.

In May 2008, FASB issued FASB ASC 944 (Prior authoritative literature: SFAS No. 163, "*Accounting for Financial Guarantee Insurance Contracts—an interpretation of FASB Statement No. 60*"). FASB ASC 944 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. FASB ASC 944 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 FASB ASC 944 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 Systems, Inc. (Texas)

Acquisition of Assets of Optex Systems, Inc. (Texas) by Optex Systems, Inc. (Delaware) on October 14, 2008

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

Optex Systems, Inc. (Delaware) purchased all of the assets of Optex Systems, Inc. (Texas), including: intellectual property, production processes and know-how, and outstanding contracts and customer relationships. Optex Systems, Inc. (Delaware) also assumed certain liabilities of Optex Systems, Inc. (Texas) consisting of accounts payable and accrued liabilities. Optex Systems Holdings' 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 Irvine Sensors Corporation.

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

Secured Promissory Note Issued in Connection with Purchase by Optex Systems, Inc. (Delaware) (Successor)

In connection with the public sale of the Optex Systems, Inc. (Texas) (Predecessor) assets to Optex Systems, Inc. (Delaware) (Successor), Optex Systems, Inc. (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 Systems, Inc. (Delaware) promissory note to Sileas, as described below. On March 27, 2009, Sileas and Alpha exchanged their Notes plus accrued and unpaid interest of \$159,780 for 1,027 shares of Optex Systems, Inc. (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 Systems, Inc. (Delaware). Currently, 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 such a major transaction occurs prior to the maturity date resulting in Sileas receiving net consideration with a fair market value in excess of the principal and interest due under the terms of the 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 the 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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (Delaware) common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Optex Systems Holdings common stock. Following the reorganization, Optex Systems, Inc. (Delaware) remained a wholly-owned subsidiary of Optex Systems Holdings.

Shares outstanding of Optex Systems Holdings just prior to the closing of the reorganization consisted of 17,449,991 shares which included 1,250,000 shares issued on March 27, 2009 as payment for Investor Relations Services. On June 29, 2009, 700,000 of the issued investor relations shares were surrendered to Optex Systems Holdings and cancelled upon termination of one of the Investor Relations contracts.

Private Placement

Prior to the closing of the reorganization agreement, as of March 30, 2009, Optex Systems, Inc. (Delaware) 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, Inc. (Delaware) 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, Inc. (Delaware) after the closing referenced above. Gross proceeds to Optex Systems, Inc. (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, 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	10,422,425	-	-	10,422,425
Total Assets	\$ 19,302,861	\$ 187,500	\$ 929,738	\$ 20,420,099
Liabilities				
Loans Payable	146,709		(146,250)	459
Other Current Liabilities	4,416,403	-	55,209	4,471,612
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, 138,914,940 shares issued and outstanding as of March 29, 2009)	113,333	17,450	8,132	138,915
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	170,050	1,012,647	16,229,143

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 issuance of 1,250,000 Sustut shares by Sustut prior to March 30, 2009. The original prepaid expense covered April 2009 through April 2010. On June 29, 2009 700,000 of these shares were returned to Optex Systems Holdings due to the cancellation of one of the investor relations agreements. The amortized expense related to the remaining 550,000 shares has been reflected on the Consolidated Statement of Operations for Optex Systems Holdings as expensed.

The expenses reflected by Optex Systems Holdings on its Statement of Operations were increased by \$63,750 for fiscal year 2009 and are expected to increase for 2010 by \$18,750 (as a non-cash expense) as a result of the issuance of the 1,250,000 shares for Investor Relations Services by Sustut and subsequent return of 700,000 shares to Optex Systems Holdings and are carried on the Optex Systems Holdings' Balance Sheet as a prepaid expense. The same Investor Relations agreements also called for an aggregate cash payment \$36,000 for 2009. Therefore, the total pre-tax impact of the agreements for Investor Relations Services was \$99,750 for fiscal 2009 including both the cash expense and the amortization of the prepaid expense which is carried on the Condensed Consolidated Balance Sheet of Optex Systems Holdings.

The accompanying unaudited pro forma financial information for the consolidated successor and predecessor year ended September 27, 2009 and successor year ended September 28, 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 fiscal years ended September 27, 2009 and September 28, 2008 as if the acquisition of Optex Systems, Inc. (Texas) and the reorganization had occurred on the first day of each of the fiscal years.

	Unaudited, Pro forma	
	Years Ended	
	September 27,	September 28,
	2009	2008
Revenues	\$ 27,580,737	\$ 20,017,209
Net Income (Loss) applicable to common shareholders	\$ (362,149)	\$ (4,461,601)
Diluted earnings per share	\$ (0.00)	\$ (0.03)
<i>Weighted Average Shares Outstanding</i>	<i>139,045,625</i>	<i>138,914,940</i>

The unaudited, pro forma information depicted above reflect the impacts of reduced interest expense, increased intangible amortization expenses, the elimination of corporate allocation costs from Irvine Sensors Corporation and the elimination of employee stock bonus compensation previously allocated from Irvine Sensors Corporation 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 Irvine Sensors Corporation.

Note 6 - Property and Equipment

A summary of property and equipment at September 27, 2009 and September 28, 2008 is as follows:

	Estimated Useful Life	Successor Year Ended September 27, 2009	Predecessor Year Ended September 28, 2008
Property and Equipment			
Furniture and Equipment	3-5yrs	\$ 159,724	\$ 145,071
Machinery and Equipment	5 yrs	1,034,440	1,026,250
Leasehold Improvements	7 yrs	147,107	142,788
Less: Accumulated Depreciation		(1,094,526)	(994,542)
Net Property & Equipment		\$ 246,745	\$ 319,567
Depreciation Expense		\$ 99,984	\$ 164,434

Depreciation expense included in cost of goods sold and general and administrative expense for fiscal 2009 is \$61,628 and \$38,356, respectively. Depreciation expense included in cost of goods sold and general and administrative expense for fiscal 2008 is \$104,837 and 59,597, respectively.

Note 7 – Accrued Liabilities

The components of accrued liabilities for years ended September 27, 2009 and September 28, 2008 are summarized below:

	Successor Year Ended September 27, 2009	Predecessor Year Ended September 28, 2008
Customer Advance Payments	\$ 80,753	\$ -
Deferred Rent Expense	27,860	84,435
Accrued Vacation	153,291	94,311
Property Taxes	17,532	17,557
Contract Settlement	-	351,217
Franchise Taxes	5,100	-
Operating Expenses	244,884	128,717
Payroll & Payroll Related	141,625	122,737
Total Accrued Expenses	\$ 671,045	\$ 798,974

Contract Settlement Costs represent amounts due to the U.S. 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 Systems, Inc. (Texas) settled the contract overpayment with the customer in 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 8 - Commitments and Contingencies

Leases

As of September 27, 2009, Optex Systems Holdings leased 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 concluded negotiations on a new lease on the existing facilities effective as of January 4, 2010 (see subsequent events). Total expenses under the existing facility lease agreements as of the fiscal year ended September 27, 2009 was \$309,693. Total expenses for manufacturing and office equipment for fiscal year ended 2009 was \$2,726. Total expenses under these facility lease agreements for the fiscal year ended September 28, 2008 was \$313,032 and total expenses for manufacturing and office equipment was \$21,830.

At September 27, 2009, the remaining minimum lease payments under the non-cancelable operating leases for equipment, office and facility space were as follows:

	Operating Leases
Fiscal year	
2010	\$ 79,867
2011	16,753
2012	-
2013	-
Thereafter	-
Total minimum lease payments	\$ 96,620

Note 9 - Transactions with a Related Party

Corporate Cost Allocations: In accordance with government contracting regulations, Irvine Sensors Corporation was required to allocate some portion of its corporate general and administrative expense to its operating subsidiaries, such as Optex Systems. Irvine Sensors Corporation 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 Irvine Sensors' total revenues, payroll expense and net book value of tangible assets determined a percentage of corporate general and administrative expense for allocation to Optex Systems. 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 the use of alternative allocation methodologies.

The estimated total General and Administrative expenses assuming Optex Systems, Inc. (Texas) was operated on a stand alone basis during the 2008 fiscal year are:

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

As a result of the purchase of Optex Systems, Inc. (Texas) on October 14, 2008, these general and administrative costs were incurred and paid directly by Optex Systems, Inc. (Delaware) for the 2009 fiscal year, and have been reflected in the financial statements.

Due to Parent (Irvine Sensors Corporation): Due to Parent relates to expenses of Optex Systems, Inc. (Texas) incurred by or shared with Irvine Sensors and pushed down to Optex Systems, Inc. (Texas) through an intercompany payable account, "Due to Parent," during the fiscal year ended September 28, 2008. The ending balance as of September 28, 2008 represents the cumulative expenses incurred, net of any cash transfers made to/from Irvine Sensors since inception in January 2006. Significant amounts charged through this account include Irvine Sensors corporate cost allocations, legal expenses, accounting and audit fees, travel expenses, consulting fees, and insurance costs. As a result of the asset purchase on October 14, 2008, the balance was eliminated and no longer applicable to Optex Systems, Inc. (Texas) during the 2009 fiscal year.

Note 10 - Debt Financing

Related Parties

Note Payable/Timothy Looney - In January 2007, Irvine Sensors Corporation amended its earn-out agreement with Timothy Looney in consideration for Mr. Looney providing Optex Systems, Inc. (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 27, 2009 or sixty days after retirement of Irvine Sensors Corporation's senior debt. Aggregate advances of \$2 million were provided to Optex Systems, Inc. (Texas) in January 2007 pursuant to the secured subordinated term note, and the advances and accrued interest were outstanding at September 28, 2008. This Note was secured by the assets of Optex Systems, Inc. (Texas), but was subordinated to the liens of Alpha and Longview that were secured by the assets of Irvine Sensors Corporation, including Optex Systems, Inc. (Texas), its wholly-owned subsidiary. Following the public sale of the assets of Optex Systems, Inc. (Texas) to Optex Systems, Inc. (Delaware) on October 14, 2008, the entire \$2,000,000 Note Payable with accrued interest of \$345,648 remained a liability of Optex Systems, Inc. (Texas) and as such is not included in the Optex Systems Holdings, Inc. fiscal 2009 financial statements.

Short Term Note Payable/Longview Fund - On September 23, 2008, Optex Systems, Inc. (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 the 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). In the year ended 2009, Optex Systems paid \$459 against the principle balance recorded interest expenses and paid \$7,557 as a result of the interest accrued on the note prior to its conversion to common stock.

Short term note payable (Qioptic) - On November 20, 2008, Optex Systems, Inc. (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 including accrued interest expense of \$2,733, as of March 29, 2009.

Note 11 – Intangible Assets and Goodwill

Fiscal year ended September 27, 2009

On October 14, 2008, in a purchase transaction that was consummated via public auction, Optex Systems, Inc. (Delaware) (Successor) purchased all of the assets of Optex Systems, Inc. (Texas) (Predecessor) in exchange for \$15 million of Irvine Sensors Corporation debt owned by it and the assumption of approximately \$3.8 million of certain Optex Systems, Inc. (Texas) liabilities (see Note 4). Optex Systems, Inc. (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>

Goodwill was tested for impairment as of September 27, 2009 using a fair value approach and based on the review no impairment was present and therefore no adjustment to the carrying value was required.

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>

The amortization of identifiable intangible assets associated with the Optex Systems Inc. (Texas) acquisition on October 14, 2008 expensed for fiscal year 2009 was \$2,071,194. The expenses split between manufacturing cost of sales and general and administrative cost were \$1,666,558 and \$404,635, respectively. The identifiable intangible assets and recorded goodwill are amortized over five years for book purposes and is deductible over 15 years for income tax purposes.. As of the year ended September 27, 2009, the total unamortized balance of intangible assets was \$1,965,596. The amortizable intangible assets were tested for impairment as of September 27, 2009 based on undiscounted cash flows and no impairment was required.

Identifiable intangible assets primarily consist of customer and program backlog. The remaining unamortized balance of intangible assets will be amortized between general and administrative expenses and costs of sales over their remaining respective estimated useful lives as follows:

		2010	2011	2012	2013
Contracted backlog amortized by delivery schedule	COS	\$ 718,290	\$ 126,158	\$ 19,614	\$ 4,762
Contracted backlog amortized by delivery schedule	G&A	64,646	11,354	1,765	427
Program backlog amortized straight line across 5 years	G&A	254,645	254,645	254,645	254,645
Total Amortization by Year		<u>\$ 1,037,581</u>	<u>\$ 392,157</u>	<u>\$ 276,024</u>	<u>\$ 259,834</u>

Fiscal year ended September 28, 2008

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

Optex Systems, Inc. (Texas) 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 Systems, Inc. (Texas) in December 2005 and the purchase of the remaining minority interest 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 Systems, Inc. (Texas) by Irvine Sensors Corporation. The excess of the purchase price over such values is presented as goodwill in the accompanying balance sheet for the fiscal year ended September 28, 2008.

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	1,040,000
	<u>20,905,400</u>
Excess purchase price reported as goodwill	<u>\$11,633,481</u>

Goodwill related to the Irvine Sensors Corporation acquisition of Optex Systems, Inc. (Texas) 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 Systems, Inc. (Texas) and the goodwill was based upon the most recent value of Optex Systems, Inc. (Texas) as determined by the asset sale via public auction to third party purchasers on October 14, 2008.

Identifiable intangible assets as of September 28, 2008 included non-competition agreements and customer backlog, and were amortized over their 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 Systems, Inc. (Texas) acquisition in fiscal 2008 was \$596,367. The identifiable intangible assets and recorded goodwill are deductible over 15 years for income tax purposes. As of the year ended September 28, 2008, the total unamortized balance of intangible assets was \$1,100,140.

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

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

Note 12-Stock Based Compensation

On March 26, 2009, the Board of Directors adopted the 2009 Stock Option Plan providing for the issuance of up to 6,000,000 shares to Optex Systems Holdings 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: (i) expiration of the option as provided in the option agreement, (ii) 90 days following the date of termination of the employee, or (iii) 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 is 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 will 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, will 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 Optex Systems Holdings employees, including 250,000 shares to one 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 anticipates that only 1,174,786 of the 1,267,000 shares will vest as of the end of the contract term. As of September 27, 2009 none of the stock options had vested and 14,000 shares had been forfeited due to employee turnover.

Optex Systems Holdings recorded compensation costs for options and shares granted under the plan amounting to \$39,528 for the fiscal year ended September 27, 2009. There were no stock options or shares granted or outstanding prior to September 28, 2008, therefore no compensation expense was recorded in fiscal 2008. The impact of this expense was immaterial to the basic and diluted net loss per share for the fiscal year ended September 27, 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 year ended September 27, 2009 estimated deferred tax assets related to option compensation costs were \$13,440 and have been recorded for the tax effect of the financial statement expense. There was no tax effect of the income tax deduction in excess of the financial statement expense for 2009 related to these stock options. 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-Merton option pricing model. The fair value of the underlying shares was determined based on the opening price of Optex Systems Holdings' publicly-traded shares as of September 28, 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 FASB ASC 718-10-S99-1 (Prior authoritative literature: Question 6 of SAB Topic 14.D.1). In making this determination and trying to find another comparable 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 sufficient 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 grant. 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 and the assumption that Optex Systems Holdings does not presently have any intention of paying cash dividends on its common stock. The following weighted-average assumptions were utilized in the fair value calculations for options granted:

**Year ended
September 27, 2009**

Expected dividend yield	0%
Expected stock price volatility	23.6%
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 09/27/09	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	313,250	05/13/2016	05/14/2010
05/14/09	316,750	0.15	313,250	05/13/2016	05/14/2011
05/14/09	316,750	0.15	313,250	05/13/2016	05/14/2012
05/14/09	316,750	0.15	313,250	05/13/2016	05/14/2013
Total	<u>2,681,649</u>		<u>2,667,649</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 September 28, 2008	-	\$ -	-	-
Granted – 2009	2,681,649	\$ 0.21	5.14	\$ 563,146
Forfeited – 2009	(14,000)	\$ 0.21	5.14	(2,940)
Exercised – 2009	-	\$ -	-	-
Outstanding as of September 27, 2009	<u>2,667,649</u>	\$ 0.21	5.14	\$ 560,206
Exercisable as of September 27, 2009	<u>0</u>	\$ -	-	\$ -

The weighted-average grant date fair value of options granted during the year ended September 27, 2009 was \$0.14. The total intrinsic value of options exercised during the year ended September 27, 2009 was \$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 September 27, 2009	-	\$ -
Non-vested granted — year ended September 27, 2009	2,681,649	\$ 0.14
Vested — year ended September 27, 2009	-	\$ 0.00
Forfeited — year ended September 27, 2009	(14,000)	\$ -
Non-vested as of September 29, 2009	<u>2,667,649</u>	<u>\$ 0.14</u>

As of September 27, 2009, the unrecognized compensation cost related to non-vested share based compensation arrangements granted under the plan that was approximately \$320,973. 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 ended September 27, 2009 was \$0.0.

Total stock-based compensation expense of Optex Systems, Inc. (Texas) (Predecessor) associated with Irvine Sensors Corporation stock grants during fiscal years 2009 and 2008 was (\$4,812) and \$378,716, respectively. These amounts were pushed down by Irvine Sensors Corporation and charged to general and administrative expense for 2009 and 2008.

For the fiscal year ended September 27, 2009, Optex Systems issued 480,000 shares of common stock at a market value of \$0.30 per share for a total \$144,000 and paid \$150,000 cash to a vendor in support of an investor relations agreement executed on June 29, 2009. Pursuant to the agreement, the shares are earned over the life of the contract at the rate of 40,000 shares per month through June 2010. During 2009, Optex Systems expensed \$36,000 for shares earned and the unamortized balance of shares issued against the contract is \$108,000 to be expensed in fiscal year 2010.

There were no stock options issued to Optex Systems, Inc. (Texas) employees or equity instruments issued to consultants and vendors in fiscal 2008.

Note 13 – Stockholders Equity

Common stock:

Optex Systems, Inc. (Texas) was authorized to issue 100,000 shares of no par common stock. At September 28, 2008, there were 18,870 shares issued, 10,000 shares outstanding and 8,870 treasury shares.

The common stock, treasury stock and additional paid in capital accounts have been presented to reflect the ownership structure of Optex Systems, Inc. (Texas) as it existed prior to the acquisition by Irvine Sensors Corporation, since Optex Systems, Inc. (Texas) is presenting its financial statements as a separate, stand-alone entity.

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

On February 20, 2009, Sileas purchased 100% of the equity and debt interest held by Longview, representing 90% of Optex Systems, Inc. (Delaware). As of the date of this transaction, Sileas was the majority owner of Optex Systems Holdings.

Stock Split

On March 26, 2009, Optex Systems, Inc. (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 were split into 76,638,295 shares, and the 4,918,650 shares of common stock held by Arland Holdings, Ltd. were split into 8,361,705 shares.

As of March 30, 2009, Optex Systems, Inc. (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.	<u>8,361,705</u>
Total Outstanding	<u><u>85,000,000</u></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 Systems, Inc. (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 in connection with the private placement closed prior to the reorganization.

On June 29, 2009, 750,000 common shares were sold to in a private transaction for gross proceeds of \$150,000.

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 with an 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 12 - 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' 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 S 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 S 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. As of the year ended September 27, 2009 Optex Systems has recorded \$186,246 of dividends payable on Series A preferred shares.

Cancellation of Common Stock

On June 29, 2009 Optex cancelled an investor relations agreement resulting in the return of 700,000 shares of common stock previously issued by Sustut prior to the reverse Merger on March 30, 2009. The shares were valued at \$105,000, returned to Optex System Holdings, Inc., and then cancelled. (see also Note 12 on new investor relations shares issued).

Note 14 - Income Taxes

The income tax provision as of September 27, 2009 includes the following:

	<u>2009</u>
Current income tax expense:	
Federal	\$ 426,514
State	-
	<u>426,514</u>
Deferred income tax provision (benefit):	
Federal	(711,177)
State	-
Change in valuation allowance	-
	<u>(711,177)</u>
Provision for (Benefit from) income taxes, net	<u>\$ (284,663)</u>

The income tax provision for Optex Systems as of September 27, 2009 differs from those computed using the statutory federal tax rate of 34%, due to the following permanent differences:

	<u>2009</u>	<u>%</u>
Tax benefit at statutory federal rate	\$ (127,211)	34%
Nondeductible expenses	(157,452)	42%
	<u>\$ (284,663)</u>	<u>76%</u>

Deferred income taxes recorded in the balance sheets results from differences between financial statement and tax reporting of income and deductions. A summary of the composition of the deferred income tax assets (liabilities) follows:

	<u>2009</u>
Stock Options	\$ 13,440
Inventory Reserve	(40,427)
Unicap	54,494
Contract Loss Reserve	178,900
Fixed assets	(58,476)
Intangible Asset Amortization	612,707
Other	(49,461)
Subtotal	<u>\$ 711,177</u>
Valuation allowance	-
Net deferred asset (liability)	<u>\$ 711,177</u>

Optex Systems Holdings has no loss carryforwards available as of October 15, 2008.

As the result of the assessment of the FASB ASC 740-10 (Prior Authoritative Literature: FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes — An Interpretation of FASB Statement No. 109"), Optex Systems Holdings has no unrecognized tax benefits. By statute, the tax year ending in September 27, 2009 is open to examination by the major taxing jurisdictions to which the Optex Systems Holdings is subject.

Cash paid for income taxes for the fiscal years ended September 27, 2009 and September 28, 2008 were \$488,799, and \$0, respectively.

As of September 28, 2008 Optex Systems, Inc. (Texas) had generated net losses for financial accounting purposes in the amount of approximately \$4,831,952. During this period Optex Systems, Inc. (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 tax 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 Systems, Inc. (Delaware) to offset its future taxable income. Additionally, since Optex Systems, Inc. (Texas) was acquired in a transaction effected as an asset purchase, Optex Systems, Inc. (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 Systems, Inc. (Texas). There was no provision for income taxes in fiscal 2008.

Note 15 — Subsequent Events

On October 27, 2009, Optex Systems Holdings borrowed \$250,000 from Longview pursuant to a promissory note, which originally expired on December 1, 2009, but was extended until July 15, 2010. The note bears interest at the rate of 10% per annum, and all accrued and unpaid interest will be due upon maturity. Optex will make a prepayment equal to 50% of the then outstanding principal amount plus accrued and unpaid interest thereon upon the closing of a credit facility or other equity or debt financing from which the net proceeds are at least \$900,000, with any remaining unpaid balance due on July 15, 2010. In exchange for the extension, Optex Systems Holdings granted Longview a warrant to purchase 100,000 shares of restricted common stock with an exercise price of \$0.15 per share and a term of three years. In February 2010, \$125,000 plus accrued interest to date was repaid and the balance of the principal amount and the associated accrued and unpaid interest thereon is due to be repaid on or before the maturity date.

Effective as of January 4, 2010, Optex Systems Holdings, Inc. renewed its Richardson, TX lease. Under the terms of the amendment:

- The lease term is extended until July 31, 2015.
- The base rent is as follows: until 7/31/2010, \$0.00 per square foot, from 8/1/2010 – 7/31/2013, \$4.70 per square foot and from 8/1/2013 – 7/31/2015, \$4.95 per square foot.
- A \$195,352.00 improvement allowance is included.
- For the first two years of the extended term, the landlord has granted the option to take over additional space at similar terms as in the amendment.

Optex Systems Holdings has evaluated subsequent events for the period September 28, 2009 through January 11, 2010, the date its financial statements were issued, and concluded there were no other events or transactions occurring during this period that required recognition of disclosure in its financial statements.



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

Reorganization

On March 30, 2009, in reliance upon Section 4(2) of the Securities Act, a reorganization occurred whereby the then existing shareholders of Optex Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (Delaware) common stock purchased in the private placement were exchanged by Optex Systems Holdings for 8,131,667 shares of Optex Systems Holdings common stock. Optex Systems, Inc. (Delaware) will remain a wholly-owned subsidiary of Optex Systems Holdings. The number of shareholders involved in the reorganization was 20.

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 Systems, Inc. (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 Systems, Inc. (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 Systems, Inc. (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 Optex Systems Holdings 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.

All of the above equity transactions were made in reliance on Section 4(2) of the Securities Act.

The following table summarizes the transactions.

IR Shares issued & cancelled

3/27/09	1,000,000 shares issued to American Venture Capital	(prior to reverse merger)
3/27/09	250,000 shares issued to Dawn Van Zandt	(prior to reverse merger)
7/20/09	(700,000) shares cancelled from American Capital Ventures	(contract cancelled on 6/29/09)
9/2/09	480,000 shares issued to ZA Consulting	(contract signed on 6/30/09)

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.

Registration Exemptions Claimed – Explanation

The registration exemption claimed in each instance for the referenced issuances is Section 4(2) of the Securities Act. The facts relied upon are that each case involved a discrete issuance of legended, restricted securities to one entity upon direct communication to the service provider in each instance (with no offers to any other persons and no solicitations/public announcements, etc.) in exchange for services rendered. It was not made with a view toward distribution and was made for a specific discrete purpose. The recipients, in each case, were deemed sophisticated as to the nature of their business, and there is public information available to the recipient in each case, through our SEC filings. The services rendered in each case were for a period of one year.

For the March 30, 2009 transaction, the exemption claimed is again Section 4(2), and the facts relied upon were that it was a contemplated share exchange on a restricted basis without a view toward distribution of securities. This was limited to the shareholders in Optex Systems, Inc. (Delaware) who represented as to their accredited status as well as to not entering into the transactions with a view toward distribution. The share exchange was done through direct communication (the shares were directly exchanged by Optex Systems Holdings for Optex Systems Holdings shares) and there was no general solicitation or offer to any parties other than the discrete number of shareholders in Optex Systems, Inc. (Delaware). All shares issued are legended, restricted shares, and there was available information on Sustut in its SEC filings. The number of shareholders of Optex Systems, Inc. (Delaware) involved was 19.

With regard to the June 29, 2009 transaction, the exemption claimed is again Section 4(2), and this was again a discrete issuance to three investors without a view toward distribution with a discrete purpose and not tied to another transaction. Again, there was direct communication to the three investors and no offers made to any other investors. All three are known to be sophisticated investors, and all shares issued are legended, restricted shares, and there was available information on Optex Systems Holdings in its SEC filings.

Item 16. Exhibits and Financial Statement Schedules

Exhibits

Exhibit No.	Description
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 (2).
3.2	Bylaws of Optex Systems Holdings (1).
5.1	Opinion as to Legality of the Shares (3)
10.1	2009 Stock Option Plan (1).
10.2	Employment Agreement with Danny Schoening (1).
10.3	Lease for 1420 Presidential Blvd., Richardson, TX (1).
10.4	Form of Warrant (3)
10.5	Specimen Stock Certificate (3)
10.6	Contract W52H0905D0248 with Tank-automotive and Armaments Command, dated July 27, 2005
10.7	Contract W52H0909D0128 with Tank-automotive and Armaments Command, dated March 24, 2009
10.8	Contract W52H0905D0260 with Tank-automotive and Armaments Command, 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 (4)
- 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 Polycast
- 10.16 Third Amendment to Lease, between Aquiport DFWIP and Optex Systems, Inc., dated January 7, 2010
- 10.17 \$250,000 principal amount Note in favor of the Longview Fund, L.P., dated October 27, 2009 and allonge
- 10.18 Various Investor Relations Contracts
- 10.19 Form of Loan and Security Agreement between Optex Systems, Inc. and Peninsula Bank Business Funding, dated March 4, 2010
- 10.20 Form of Unconditional Guaranty executed by Optex Systems Holdings, Inc. in favor of Peninsula Bank Business Funding, dated March 4, 2010
- 10.21 Form of Warrant issued by Optex Systems Holdings, Inc. to Peninsula Bank Business Funding, dated March 4, 2010
- 14.1 Code of Ethics (3)
- 16 Letter re: Change in Certifying Accountant
- 21.1 List of Subsidiaries – Optex Systems, Inc. (1)
- 23.1 Consent of EFP Rotenberg, LLP

- (1) Incorporated by reference from our Current Report on Form 8-K dated April 3, 2009.
- (2) Incorporated by reference from our Amendment No. 1 to Registration Statement on Form S-1 filed on September 28, 2009
- (3) Incorporated by reference from our Registration Statement on Form S-1 filed on May 19, 2009
- (4) Incorporated by reference from our Form 10-K for the fiscal year ended September 27, 2009, filed on January 11, 2010

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 Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Richardson, State of Texas, on June 14, 2010.

OPTEX SYSTEMS HOLDINGS, INC.

By: /s/ Stanley A. Hirschman

Stanley A. Hirschman, Principal Executive Officer and Director

Date: June 14, 2010

By: /s/ Karen Hawkins

Karen Hawkins, Principal Financial Officer and Principal Accounting Officer

Date: June 14, 2010

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Stanley A. Hirschman</u> Stanley A. Hirschman	Principal Executive Officer and Director	June 14, 2010
<u>/s/ Karen Hawkins</u> Karen Hawkins	Principal Financial Officer and Principal Accounting Officer	June 14, 2010
<u>/s/ Ronald F. Richards</u> Ronald F. Richards	Director	June 14, 2010
<u>/s/ Merrick Okamoto</u> Merrick Okamoto	Director	June 14, 2010

APPENDIX A
SOLICITATION
RESPONSE

The response to this bid proposal is not available to Optex Systems, Inc. It was prepared by the original owners of Optex (two companies ago) and was not filed with the other contract information. It is assumed that since the critical information of the response was captured in the contract, that the previous owners discarded these documents.

CONTRACT ATTACHED

SOLICITATION, OFFER AND AWARD

1. This Contract Is A Rated Order Under DPAS (15 CFR 700)

Rating DOA5 Page 1 of 46

Table with 6 columns: 2. Contract No., 3. Solicitation No., 4. Type of Solicitation, 5. Date Issued, 6. Requisition/Purchase No. Values: W52H09-05-R-0050, Negotiated (RFP), 2005APR07, SEE SCHEDULE

7. Issued By Code W52H09 8. Address Offer To (If Other Than Item 7) TACOM-ROCK ISLAND AMSTA-IC-CFA-C ROCK ISLAND IL 61299-7630

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

9. Sealed offers in original and 1 signed copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if handcarried, in the depository located in until 03:45pm (hour) local time 2005MAY20 (Date).

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

10. For Information Name LINDA M MAES Telephone No. (Include Area Code) (NO Collect Calls) Call: E-mail address: MAESL@RIA.ARMY.MIL (309) 782-3657

11. Table Of Contents

Table with 8 columns: (X), Section, Description, Page(s), (X), Section, Description, Page(s). Rows include Part I - The Schedule, Part II - Contract Clauses, Part III - List Of Documents, Exhibits, And Other Attachments, Part IV - Representations And Instructions.

OFFER (Must be fully completed by offeror)

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

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

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

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

15A. Contractor/Offeror/Quoter Code Facility 16. Name and Title of Person Authorized to Sign Offer (Type or Print)

15B. Telephone Number (Include Area Code) 15C. Check if Remittance Address is Different From Blk 15A- Furnish Such Address In Offer 17. Signature 18. Offer Date

AWARD (To be completed by Government)

19. Accepted As To Items Numbered 20. Amount 21. Accounting And Appropriation

22. Authority For Using Other Than Full And Open Competition: 23. Submit Invoices To Address Shown In Item
 10 U.S.C. 2304(c) () 41 U.S.C. 253(c) () (4 copies unless otherwise specified)

24. Administered By (If other than Item 7) Code 25. Payment Will Be Made By Code

SCD PAS ADP PT

26. Name of Contracting Officer (Type or Print) 27. United States Of America 28. Award Date

/SIGNED/

(Signature of Contracting Officer) IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

NSN 7540-01-152-8064 33-132 Standard Form 33 (Rev. 4-85)
 PREVIOUS EDITIONS NOT USABLE Prescribed By GSA-FAR (48 CFR) 53.214(c)

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

SECTION A - SUPPLEMENTAL INFORMATION EXECUTIVE SUMMARY:

1. THIS SOLICITATION W52H09-05-R-0050, ISSUED ON A FULL AND OPEN COMPETITIVE BASIS, FOR THE M187A1 MOUNT TELESCOPE, WILL RESULT IN THE

AWARD OF A 5-YEAR FIRM-FIXED PRICE, INDEFINITE QUANTITY (IDIQ) CONTRACT. THIS CONTRACT INCLUDES FIVE ORDERING PERIODS AS SET FORTH IN THE PARAGRAPH BELOW.

2. EVALUATION OF OFFERS WILL BE IN ACCORDANCE WITH SECTION M OF THIS SOLICITATION. ONE AWARD WILL BE MADE FOR THIS ITEM. THE

GOVERNMENT STRONGLY ADVISES REVIEWING SECTIONS L & M PRIOR TO SUBMITTING A PROPOSAL.

IT SHOULD BE NOTED THAT A SUBCONTRACTING PLAN IS REQUIRED AT TIME OF PROPOSAL SUBMISSION FROM ALL OFFERORS OTHER THAN SMALL BUSINESS CONCERNS. SEE FAR PART 19.704 FOR SUBCONTRACTING PLAN CONTENT REQUIREMENTS.

3. PLEASE NOTE THAT THIS SOLICITATION CONTAINS A SECTION B, "SUPPLIES OR SERVICES AND PRICES/COSTS" SECTION, WHICH IS FOR ITEM

IDENTIFICATION ONLY. THE CONTRACTOR SHALL PROVIDE PRICES ON THE PRICING EVALUATION SHEET IDENTIFIED AS ATTACHMENT 001. AFTER CONTRACT AWARD DELIVERY ORDERS WILL BE ISSUED CONTAINING QUANTITIES AND PRICES IN SECTION B PULLED FROM INFORMATION PROVIDED ON THE PRICE EVALUATION SHEET IN ATTACHMENT 001.

4. FIRST ARTICLE TESTING (FAT) IS REQUIRED FOR THESE ITEMS. SEE CLAUSES ES6016 & IF7116. ALL COSTS FOR THESE TESTS ARE TO BE BORNE BY

THE CONTRACTOR. INSPECTION /ACCEPTANCE FOR THE FIRST ARTICLE TEST REPORT WILL BE ORIGIN/DESTINATION; FOB IS DESTINATION.

5. PRIOR TO FIRST ARTICLE APPROVAL, THE ACQUISITION OF MATERIAL OR COMPONENTS FOR, OR THE COMMENCEMENT OF PRODUCTION OF, THE BALANCE OF

THE CONTRACT QUANTITY IS AT THE SOLE RISK OF THE CONTRACTOR. ONLY THE CONTRACTING OFFICER, BY WRITTEN AUTHORIZATION, MAY ALLOW THE CONTRACTOR TO ACQUIRE SPECIFIC MATERIAL OR COMPONENTS BEYOND THOSE REQUIRED FOR FIRST ARTICLE TEST. PLEASE SEE CLAUSE AT ES6016.

AS CALLED OUT IN CLAUSE ES6030, CONFIRMATORY TESTING WILL BE REQUIRED. SHIPMENT OF THE CONFIRMATORY TEST SAMPLES SHALL BE IMMEDIATELY AFTER COMPLETION OF THE FIRST ARTICLE TEST AND UPON AUTHORIZATION FROM THE CONTRACTING OFFICER. DISPOSITION OF THE FIRST ARTICLE TEST REPORT WILL BE IN ACCORDANCE WITH ES6016 REGARDLESS OF COMPLETION STATUS OF CONFIRMATORY TEST.

6. AT THE GOVERNMENT'S DISCRETION, PHYSICAL CONFIGURATION AUDIT OF ALL ITEMS DEEMED APPROPRIATE, WILL BE CONDUCTED AT THE CONTRACTOR'S

FACILITY.

7. THE FOLLOWING ITEM IS BEING SOLICITED:

CLIN 0001: M187A1 MOUNT TELESCOPE - GUARANTEED MINIMUM QUANTITY IS 138 EACH NSN: 1240-01-483-5324 P/N: 12984689

8. DURING THE LIFE OF THIS CONTRACT (FROM AWARD DATE UNTIL 30 JUNE 2010), THE GOVERNMENT IS ENTITLED TO ORDER A MAXIMUM TOTAL QUANTITY

OF 1250 EACH.

9. AN AWARD UNDER THIS SOLICITATION IN NO WAY OBLIGATES THE GOVERNMENT TO PURCHASE ANY QUANTITY UNDER THE RESULTANT CONTRACT, EXCEPT

FOR THE GUARANTEED MINIMUM QUANTITY LISTED IN PARAGRAPH 7. EACH DELIVERY ORDER STANDS ON ITS OWN ISOFAR AS IT OBLIGATES THE GOVERNMENT.

10. THE PRICING RANGES SHOWN ON ATTACHMENT 001 ARE PROVIDED FOR THE PURPOSE OF ESTABLISHING REASONABLE QUANTITIES AGAINST WHICH TO PROVIDE PRICES. OFFERORS ARE REQUIRED TO COMPLETE AND SUBMIT THE "PRICING EVALUATION SHEET" AT ATTACHMENT 001. PLEASE PROVIDE PRICES FOR ALL YEARS, AND ALL RANGES, INCLUDING THE BREAKOUT OF FIRST ARTICLE TEST. PROPOSALS OFFERING PRICES FOR QUANTITIES OR RANGES OTHER THAN THOSE SOLICITED WILL NOT BE CONSIDERED.

11. FOLLOWING ARE THE DATES OF THE FIVE ORDERING PERIODS COVERED BY THIS SOLICITATION;

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

12. THE GOVERNMENT'S ESTIMATED BUY QUANTITIES, BY ORDERING PERIOD ARE AS FOLLOWS:

CLIN 0001, NSN: 1240-01-483-5324, P/N: 12984689, M187A1 MOUNT TELESCOPE
OP ESTIMATED BUY
01 201
02 130

CONTINUATION SHEET

PHN/SIN W52H09-05-R-0050

MOD/AMD

Name of Offeror or Contractor:

05 50

13. ALL SHIPMENTS WILL BE FOB DESTINATION TO ONE OR MORE OF THE FOLLOWING LOCATIONS:

DODAAC: W52H1C

ADDRESS: XR W0K8 USA MAC
 ROCK ISLAND ARSENAL, BLDG 299
 GILLESPIE AVE AND BECK LANE
 ROCK ISLAND, IL 61299-5000
 ATTN: DAVE HERRERA/ (309) 782-6869
 POC: ROD KEENEY/AMSTA-LC-CFTL/ (309) 782-6649

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 95304-5000

W25G1U
 XU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 BUILDING MISSION DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

14. DELIVERIES TO DDSP NEW CUMBERLAND FACILITY MUST BE SCHEDULED IN ADVANCE; APPOINTMENTS MAY BE SCHEDULED AS EARLY AS TEN DAYS IN ADVANCE OF THE ANTICIPATED DELIVERY DATE AND MAY BE MADE BY CALLING (800) 307-8496. THE FOLLOWING ADDITIONAL INFORMATION WILL BE REQUIRED AT TIME OF APPOINTMENT SCHEDULING:

- A. CONTRACT NUMBER
- B. COMMODITY/NOUN NAME
- C. NSN, IF SOLID LOAD
- D. TOTAL WEIGHT AND CUBE
- E. VENDOR

15. ALL DELIVERY ORDERS WILL BE ISSUED UNILATERALLY BY TACOM-RI, AMSTA-LC-CFA, WITH FIRM DELIVERY DATES.

16. DELIVERY PRODUCTION RATES SHALL BE AS FOLLOWS: (ADA = AFTER DATE OF AWARD)

CLIN 0001AA - FIRST ARTICLE TEST REPORT/ 300 ADA
 CLIN 0001AB - PRODUCTION QUANT WITH FAT/ 450 ADA
 THEREAFTER.

5 EACH
 QUANTITIES WILL BE INITIAL PRODUCTION OF 10, WITH 10 PER MONTH

17. EARLIER DELIVERY IS ACCEPTABLE IF ACCOMPLISHED AT NO ADDITIONAL COST TO THE GOVERNMENT.

18. THE TECHNICAL DATA PACKAGE CONTAINS SOURCE CONTROLLED DRAWINGS: 12961446, 12984810, 12984836, 8215831, AND 8261839.

19. IN ORDER TO ACCOMPLISH COORDINATION BETWEEN THE CONTRACTOR AND THE GOVERNMENT IN PERFORMANCE OF THIS EFFORT, THE STATEMENT OF WORK

AT ATTACHMENT 003 IS A REQUIREMENT OF ANY CONTRACT RESULTING FROM THIS SOLICITATION.

20. A POST-AWARD CONFERENCE WILL BE CONDUCTED AT THE CONTRACTOR'S FACILITY 30 DAYS AFTER AWARD OF CONTRACT.

21. POINT OF CONTACT FOR THIS SOLICITATION IS LINDA MAES, PHONE 309-782-3657, FAX 309-782-1616, EMAIL MAESL@RIA.ARMY.MIL.

CONTINUATION SHEET

PIN/SIIN W52H09-05-R-0050

MOD/AMD

Name of Offeror or Contractor:

*** END OF NARRATIVE A 001 ***

Re_g_u_l_a_t_o_r_ C_i_t_e T_i_t_l_e

D_a_t_e

A-1 52.204-4504

ONLINE REPRESENTATIONS AND CERTIFICATIONS APPLICATION (ORCA)
INSTRUCTIONS

JAN/2005

Effective 1 Jan 2005, contractors are required to use the On-line Representations and Certifications Application (ORCA). Contractors will complete and update the on-line provisions in ORCA (_h_t_t_p://_w_w_w._b_p_n._g_o_v/_o_r_c_a) on at least a yearly basis. When submitting a quote/offer/bid in response to this solicitation, contractors will attest that, at the time of their submission, their ORCA records are current, accurate, and complete, and applicable to the solicitation (including the business size standard applicable to the NAICS code for this solicitation). This is accomplished by completing the provision at FAR 52.204 -8, Annual Representations and Certifications, or FAR 52.212 -3, Offeror Representations and Certifications -- Commercial Items (& Alternates I & II), whichever is included in this solicitation. If this solicitation also includes the provision at FAR 52.204 -7, Central Contractor Registration, paragraph (b) of clause 52.204 -8 applies. Representations and certifications that are to be completed through ORCA are not repeated in this solicitation. However, this solicitation may include other representation and certification requirements not covered by ORCA, which must be completed and returned with your quote/offer/bid.

The NAICS code for this solicitation is 333314 and the small business size standard is 500 employees.

(End of Provision) (AS6100)

A-2 52.246-4311

HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT
TACOM-RI

JUL/2004

This contract requires the offeror to be in compliance with the higher level quality requirement listed in Section E on date of award. Compliance is defined as meeting the intent of the higher level quality requirement. The contractor shall have documentation attesting to the compliance available to the Government upon request.

Note: It is not mandatory that a contractor be registered by the Registration Accreditation Board.

(End of Clause) (AS6002)

A-3 HQ, DA NOTICE TO OFFERORS - USE OF CLASS I OZONE-DEPLETING SUBSTANCES JUL/1993

(a) In accordance with Section 326 of P.L. 102-484, the Government is prohibited from awarding any contract which includes a specification or standard that requires the use of a Class I ozone-depleting substance (ODS) identified in Section 602(a) of the Clean Air Act, 42 U.S.C. 7671a(a), or that can be met only through the use of such a substance unless such use has been approved, on an individual basis, by a senior acquisition official who determines that there is no suitable substitute available.

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

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

(End of Clause)

(AA7020)

A-4 52.201-4501

NOTICE ABOUT TACOM-RI OMBUDSMAN
TACOM-RI

AUG/2004

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

a. We have an Ombudsman Office here at TACOM-RI. Its purpose is to open another channel of communication with TACOM-RI contractors.

b. If you think that this solicitation:

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

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

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

d. If the buyer or PCO doesn't respond to the problem to your satisfaction, or if you want to make comments anonymously, you can

contact the Ombudsman Office. The address and phone number are:

U.S. Army, TACOM-Rock Island
 1 Rock Island Arsenal
 ATTN: AMSTA-AQ-AR (OMBUDSMAN)
 Rock Island IL 61299-7630
 Phone: (309) 782-3223/3224
 Electronic Mail Address: ombudsman@ria.army.mil

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

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

(End of clause)

(AS7006)

A-5 52.204-4505 DISCLOSURE OF UNIT PRICE INFORMATION FEB/2003
 TACOM-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 USC 552. Unit price is defined as the contract price per unit or item purchased. We consider any objection to be waived unless the contracting officer is notified of your objection to such release prior to submission of initial proposals.

(End of clause)

AS7909

A-6 52.204-4506 PUBLIC ACTIVITY INVOLVEMENT FEB/2003
 TACOM-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 at 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 w_w_w._g_s_i_e._a_r_m_y._m_i_l

(End of Clause)

AS7005

CONTINUATION SHEET

PIIN/SIIN W52H09-05-R-0050

MOD/AMD

Name of Offeror or Contractor:

A-7	52.210-4516	COMMERCIAL EQUIVALENT ITEM(S)	JUN/1998
	TACOM-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.

(End of Clause)

(AS7003)

A-8	52.211-4506	INSTRUCTIONS REGARDING SUBSTITUTIONS FOR MILITARY AND FEDERAL SPECIFICATIONS AND STANDARDS	DEC/1997
	TACOM-RI		

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

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

SPI MILITARY/FEDERAL LOCATION OF FACILITY ACO SPEC/STANDARD REQUIREMENT

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

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

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

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

proposed SPI.

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

(f) Bidders/quoters/offerors are cautioned that there is always the possibility that the Government could make a determination at the Head of the Contracting (HCA)/Program Executive Officer (PEO) level that the proposed SPI is not acceptable for this procurement. If such a determination is made, and the bid/quote/offer only identifies a price predicated on use of proposed SPI, the bid/quote/offer will be determined nonresponsive.

Bidders/quoters/offerors who propose SPI processes are encouraged to provide a price below to reflect their price for the item manufactured in accordance with the requirements as stated in this solicitation to preclude possibly being determined nonresponsive:

CLIN	PRICE	\$
CLIN	PRICE	\$
CLIN	PRICE	\$
CLIN	PRICE	\$

(End of clause)

(AS7008)

A-9	52.215-4503	NOTICE TO OFFERORS - ELECTRONIC	BID/OFFER	RESPONSE REQUIRED	FEB/2002
	TACOM-RI				

1. In accordance with Management Reform Memorandum (MRM) #2 from the Department of Defense (DoD), all Services are required to

eliminate paper from their acquisition process by January 1, 2000 (see information at <http://www.acq.osd.mil/ide/documents/mrm2.pdf>).

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Name of Offeror or Contractor:

2. In response to this mandate, TACOM-RI has established the capability to receive bids, proposals, and quotes electronically. A hotlink from the TACOM-RI Solicitation Page has been activated to fully automate the response process (see h_t_t_p://_a_a_i_s..r_i_a..a_r_m_y..m_i_l/_a_a_i_s/_S_O_L_I_T_N_F_O/_i_n_d_e_x_..h_t_m)_

3. I_M_P_O_R_T_A_N_T_: Bids/proposals/quotes in response to this solicitation are REQUIRED to be submitted in electronic format. Hard copy bids/proposals/quotes WILL NOT BE ACCEPTED. Bids/proposals/quotes submitted by electronic fax to 309-782-2047 will be accepted as these bids/proposals/quotes are considered to be electronic communication.

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-RI (TACOM-RI 52.215 -4510)

LS7013, Electronic Award Notice - TACOM-RI (TACOM-RI 52.215 -4511)

(End of clause)

(AS7004)

A-10 52.233-4503 AMC-LEVEL PROTEST PROGRAM JUN/1998 TACOM-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

The AMC-level protest procedures are found at:
http://www.amc.army.mil/amc/command_counsel/protest/bidprotest.html

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

(End of Clause)

(AS7010)

A-11 52.243-4510 DIRECT VENDOR DELIVERY JAN/1999 TACOM-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:

(End of clause)

(AS7012)

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Name of Offeror or Contractor:

CONTINUATION SHEET

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MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 SECURITY CLASS: Unclassified

0001AA	D_A_T_A_I_T_E_M_	1	LO \$	*_*_N_S_P_*_* \$	*_*_N_S_P_*_*_
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_a_n_d_M_a_r_k_i_n_g

_n_s_p_e_c_t_i_o_ I_a_n_d_A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination

Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC

SUPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_C_D M_A_R_F_O_R_T_C_D

001 Z55555 3

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y D_A_Y_S_A_F_T_E_R_A_W_A_R_D

001 1 0300

FOB POINT: Destination

SHIP TO:

(Z55555) TACOM-ROCK ISLAND
ATTN AMSTA-LC-CFA
ROCK ISLAND IL 61299-7630

P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_W/_F_A_T

0001AB

EA \$

\$

NOUN: M187A1 TELESCOPE MOUNT

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_k_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12984689

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g

FOB POINT:

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S

(W52H1C) SR W0K8 USA MAC ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

MARK FOR: ATTN: DAVE HERRERA

CONTINUATION SHEET

PIN/SIN W52H09-05-R-0050

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
0002	D_A_T_A_I_T_E_M_		\$	*_*_N_S_P_*_* \$ *_*_N_S_P_*_*_

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)

I_n_s_p_e_c_t_i_o_n_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Destination

CONTINUATION SHEET

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Name of Offeror or Contractor:

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

Regulation or Code TitleDateC-1 52.210-4501
TACOM-RI

DRAWINGS/SPECIFICATION

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 - TDPL 12984689: 19200 with revisions in effect as of 02/03/2005 (except as follows):

NSN: 1240014835324

ENGINEERING EXCEPTIONS: The following Engineering Exceptions apply to this procurement action(s):

The following NEW drawings are to be added to this TDP:

Drawing 12984706 SPACER, FIBER OPTIC depicted on pages 89-90 of ECP H04A2085 Drawing 12984707 CLAMP, FIBER OPTIC depicted on pages 91-92 of ECP H04A2085 Drawing 12984708 CLAMP, FIBER OPTIC depicted on pages 93-94 of ECP H04A2085 Drawing 12984709 FIBER OPTIC CABLE ASSEMBLY depicted on pages 95-96 of ECP H04A2085 Drawing 12984710 CLIP depicted on pages 97-98 of ECP H04A2085 Drawing 12984737 SPACER, FIBER OPTIC depicted on pages 99-100 of ECP H04A2085 Drawing 13010962 PLATE, ADAPTER depicted on pages 101-104 of ECP H04A2085

The following drawing is part of this TDP: 8261835

The following drawings are NOT part of this TDP:

Drawing 12599211 BRACKET depicted on pages 8-9 of ECP H04A2032
Drawing 13010373 SPACER depicted on pages 10-11 of ECP H04A2032

Dwg's 8587542, 10516567 Change from Distribution "C" To: Distribution "A" Dwg 12591426 Change from Distribution "B" To: Distribution Statement "A". All remaining Product drawings and Associated document without Distribution Add Distribution Statement "A".

Wear used spec MIL-HDBK-132 is for reference only.

Dwg 12961446 Vendor Address change to:

170 E Kirkham Avenue
Webster Grove, MO 6199

Frat No. Good

Dwg 8215831 Vendor address change to:

15260 Hallmack Drive
Macomb, MI 48042

Dwg 8261839 1st Vendor Name & Address change to:

VEEDER ROOT
2100 W BROAD ST.
ELIZABETHTOWN, NC 28337

Delete 2nd Vendor

Delete PL 12961176, 12961178

Dwg 12961162

In Vendor Blk Change from "Suggested" To "Approved Source of Supply".

Drawings 12961176, 12961178, 11727818:

Delete above title block "SEE SEPARATE PARTS LIST"

Drawing 12984661

CONTINUATION SHEET

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Name of Offeror or Contractor:

Delete Note 2, QAP not required.

Drawing 8215832

Add above title block "Source Control Drawing".

Delete the following are no longer required for this procurement.

12599177

12599179

PL 11727818

PL 12961178

PL 12961176

ADD the following they are required for this procurement

12984698

12984711

Add Distribution Statement "A" to all QA Documents.

QAP 10556186

PAGE 1 UNDER NON-GOVERNMENT DOCUMENTS

DELETE ASTM B211 AND ASTM B221

REPLACE WITH SAE AMS-QQ-A-225/6A, SAE AMS-QQ-A-225/8A,

ASTM A479/A479M-04, SAE AMS-QQ-S-763A

DELETE ASTM-A580/A580M

REPLACE WITH ASTM A313/A313M

PAGE 4 UNDER TEST DATA TO COMPLY WITH

DELETE ASTM B211 AND ASTM B221

REPLACE WITH SAE AMS-QQ-A-225/6A, SAE AMS-QQ-A-225/8A,

ASTM A479/A479M-04, SAE AMS-QQ-S-763A

DELETE ASTM-A580/A580M

REPLACE WITH ASTM A313/A313M

PAGE 5 PARAGRAPH 505

DELETE MIL-F-13962

REPLACE WITH MIL-F-13926

Where QAP or SQAP are called out on individual drawing and where these are not Provided or available, the requirement of the drawing will be the basis of Acceptance

DOCUMENT	DELETE	REPLACE WITH
All QA Documents	MIL-STD-105	MIL-STD-1916
	MIL-STD-105 AQLS	MIL-STD-1916 VL IV for MAJOR & MIL-STD-1916 VL II for MINOR Characteristics

The following Government Acceptance Inspection Equipment (AIE) design drawings, cited elsewhere in the technical data, are appropriate for use during the performance of this contract to inspect the applicable characteristics:

None

All other Government AIE designs which are cited in the Technical Data Package List or in any other documents in the technical data package are no longer maintained by the Government.

These AIE designs may not reflect the latest component configuration and are, therefore, included for informational purposes only. The contractor is responsible for the design and submission to the Government for review of all AIE design documentation, other than those listed above, in accordance with Clause N/A specified elsewhere in Section E of this contract.

The contractor may elect to submit an alternate design for those listed above but must submit the alternate AIE design to the Government for review and approval.

Page 3 of 3 Pages Contract C Requirements

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Name of Offeror or Contractor:

(End of Clause) (CS6100)

C-2 52.211 -4505 AVAILABLE TECHNICAL DATA PACKAGE (TDP) APR/2000 TACOM RI

The Technical Data Package(s) (TDP) for this solicitation is currently accessible on the Internet in the National Stock Number/TDP column of the Open Solicitations Web Page listing associated with this solicitation (address: http://aais.ria.army.mil/aais/Padds_h_b/index.html). Contractors who are interested in bidding, offering, or quoting on the item(s) being solicited must download a copy of the TDP so that they will have access to the TDP in accordance with the solicitation. Hard

copies of the TDP will NOT be provided during the solicitation process. At time of award, the TDP will continue to be accessible on the Internet on the Award Web Page for an additional 30 days.

(End of Clause)

(CS7102)

C-3 52.248-4502 CONFIGURATION MANAGEMENT DOCUMENTATION JUL/2001
TACOM RI

The contractor may submit Engineering Change Proposals (ECPs), Value Engineering change Proposals (VECPs), (Code V shall be assigned to an engineering change that will effect a net life cycle cost), including Notice of Revisions (NORs), and Request for Deviations (RFDs), for the documents in the Technical Data Package (TDP). The contractor shall prepare these documents in accordance with the Data Item Descriptions cited in block 04 on the enclosed DD Form 1423, Contract Data Requirements List.

Contractor ECPs/VECPs shall describe and justify all proposed changes and shall included NORs completely defining the change to be made. Contractors may also submit RFD, which define a temporary departure from the Technical Data package or other baseline documentation under Government control. The contractor shall not deliver any units incorporating any change/deviation to Government documentation until notified by the Government that the change/deviation has been approved and the change/deviation has been incorporated in the contract.

If the Government receives the same or substantially the same VECPs from two or more contractors, the contracts whose VECP is received first will be entitled to share with the Government in all instant, concurrent, future, and collateral savings under the terms of the VE clause in the contract.

Duplicate VECPs, which are received subsequently, will be returned to the contractor(s) without formal evaluation, regardless of whether or not the first VECP has been approved and accepted by the Government.

(End of Clause)

(CS7110)

C-4 THE M187A1 MOUNT TELESCOPE SHALL BE MANUFACTURED IN ACCORDANCE WITH THE REQUIREMENTS OF CLAUSE C-1, DRAWINGS/SPECIFICATIONS AND THE STATEMENT OF WORK, ATTACHMENT 003.

*** END OF NARRATIVE C 001 ***

CONTINUATION SHEET

PII/SHI W52H09-05-R-0050

MOD/AMD

Name of Offeror or Contractor:

SECTION D - PACKAGING AND MARKING

Re_g_u_l_a_t_o_r__C_i_t_e	T_i_t_l_e	D_a_t_e
D-1 52.211-4501	PACKAGING REQUIREMENTS (SPECIAL PACKAGING INSTRUCTIONS)	FEB/2004

A. Military preservation, packing, and marking 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, dated 10 May 02 and the Special Packaging Instruction contained in the TDP.

Preservation: MILITARY

Level of Packing: A

Quantity Per Unit Package: 001

SPI Number: P12984689 DATED 21 MAR 01

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 preferred commercial expendable pallet is 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 F, Change Notice 2, Date 10 Feb 04, including bar coding. The contractor is responsible for application of special markings as discussed in the Military Standard regardless of whether specified in the contract or 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.

C.2. Contractors and vendors shall apply identification and address markings with bar codes in accordance with this standard. For shipments moving to overseas locations and for mobile deployable units, the in-the-clear address must also include the host country geographic address and the APO/FPO address. The MSL will include both linear and 2D bar codes per the standard. The DD Form 250 or the commercial packing list shall have bar coding applied as per Direct Vendor Delivery Shipments in the standard (except for deliveries to DLA Distribution Depots; e.g. New Cumberland, San Joaquin, Red River, Anniston). Packing lists are required in accordance with the standard, see paragraph 5.3.

C.3. Contractor to contractor shipments shall have the address markings applied to the identification marked side of the exterior shipping container or to the unitized load markings. The following shall be marked "FROM: name and address of consignor and TO: name and address of consignee".

C.4. Military Shipping Label. The following website (Computer Automated Transportation Tool, CAAT) provides detailed instructions for downloading and installing the Military Shipment Label/Issue Receipt Document (CATT MSL/IRRD) software that will generate a Military Shipping Label to include the required Code 39 and 2D (PDF417) bar codes on the label: http://www.asset-trak.com/catt/msl_irrd/mslirrdmain.htm. This program was developed by the Army and is free to those with government contracts. Two contractors have introduced a version of the MSL software that can be purchased by contractors. Both programs produce labels that appear to be in compliance with the requirements of MIL-STD-129F. Contractors are MILPAC (_h_t_t_p:_/_/_/m_i_l_p_a_c_.c_o_m) and Easysoft Corporation (_h_t_t_p:_/_/_/e_a_s_y_s_o_f_t_c_o_r_p_.c_o_m). Insure that the "ship to" and "mark for" in-the-clear delivery address is complete including: consignee's name, organization, department name, office, building, room, street address, city, state, country code, & DODAAC.

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.

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 the contractor provides the PCO and ACO with notification 60 days

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Name of Offeror or Contractor:

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 the PCO and ACO. The Government reserves the right to require testing to validate alternate industrial preservation methods, materials, alternate blocking, bracing, cushioning, and packing.

F. Hazardous Materials:

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 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. A Product Material Safety Data Sheet (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: THE UNIT PACKAGE WILL SERVE AS THE SHIPPING CONTAINER. (End of clause) (DS6419)

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Name of Offeror or Contractor:

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

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

(EA7001)

	Re_g_u_l_a_t_o_r_ C_i_t_e	T_i_t_l_e_	D_a_t_e_
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 below. The Contractor shall be fully compliant prior to award of this contract.

Title	Number	Date	Tailoring
Quality Management Systems Requirements	ISO 9001:2000	13 Dec 2000	EXCLUDE PARA. 7.3

(End of clause)

(EF6002)

E-4	52.209-4512 TACOM-RI	FIRST ARTICLE TEST (CONTRACTOR TESTING)	MAR/2001
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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. The first article shall consist of: 5 EACH MOUNT TELESCOPE, PN 12984689, SUBASSEMBLIES & COMPONENTS. VISUAL & DIMENSIONAL MEASUREMENTS REQUIRED. THE FIRST ARTICLE TEST REPORT SHALL BE BASED ON 3 EACH MOUNT TELESCOPE, AND THE REMAINING TWO SHALL BE SENT OUT FOR CONFIRMATORY TESTING. PLEASE SEE CLAUSE ES6030 BELOW.

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. The Contractor shall provide to the Contracting Officer at least 20 calendar days advance notice of the scheduled date for final

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inspection and test of the first article. 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.

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 submitted through the Administrative Contracting Officer to the Contracting Officer with a copy furnished to AMSRD-AAR-QEP-A.

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.

(End of Clause)

(ES6016)

E-5 52.209-4513 FIRST ARTICLE CONFIRMATORY TEST MAY/1994
TACOM-RI

a. When notified by the Contracting Officer that First Article Confirmatory Testing will be imposed, the contractor shall submit upon completion of First Article contractor testing, the following items identified below for confirmatory testing:

QUANTITY	ITEM NOMENCLATURE	DRAWING
2 EACH	M187A1 MOUNT TELESCOPE	12984689

b. Shipment of the confirmatory test sample shall be accomplished on or before the submission date of the contractor's First Article Test Report.

c. The confirmatory test sample shall be packaged and packed by the contractor in accordance with contractual requirements and marked "For Confirmatory Test". The sample shall be shipped to the location identified below at Contractor's expense:

XR W0K8 USA MAC
ROCK ISLAND ARSENAL, BLDG 299
GILLESPIE AVE AND BECK LANE
ROCK ISLAND, IL 61299-5000
ATTN: DAVE HERRERA
POC: ROD KEENEY AMSTA-LC-CFTL / (309) 782-6649

The accompanying Material Inspection and Receiving Report (DD Form 250) shall be marked "For Confirmatory Test, No Charge". Two copies of the DD Form 250 shall be forwarded to: THE CONTRACTING OFFICE BY ELECTRONIC MAIL: MAESL@RIA.ARMY.MIL OR CARSONC@RIA.ARMY.MIL, OR FAX: 309-782-1616, ATTN: LINDA MAES OR CHRIS CARSON.

d. Failure of the confirmatory test sample shall NOT be cause for disapproval of the first article. Notification of approval, conditional approval, or disapproval of the first article shall be in accordance with the First Article Approval - Contractor Testing Clause.

e. At the Contracting Officer's discretion, the confirmatory test units with unused repair parts may be returned to contractor for refurbishing and may subsequently be shipped as deliverable contract items. Inspection and acceptance of the refurbished test units shall be in accordance with contractual requirements. The costs of refurbishing will be negotiated between the parties.

(End of Clause)

(ES6030)

CONTINUATION SHEET

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E-6 52.246-4528 REWORK AND REPAIR OF NONCONFORMING MATERIAL MAY/1994
TACOM-RI

a. Rework and Repair are defined as follows:

(1) Rework - The reprocessing of nonconforming material to make it conform completely to the drawings, specifications or

contract requirements.

(2) Repair - The reprocessing of nonconforming material in accordance with approved written procedures and operations to reduce, but not completely eliminate, the nonconformance. The purpose of repair is to bring nonconforming material into a usable condition. Repair is distinguished from rework in that the item after repair still does not completely conform to all of the applicable drawings, specifications or contract requirements.

b. Rework procedures along with the associated inspection procedures shall be documented by the Contractor and submitted to the Government Quality Assurance Representative (QAR) for review prior to implementation. Rework procedures are subject to the QAR's disapproval.

c. Repair procedures shall be documented by the Contractor and submitted on a Request for Deviation/Waiver, to the Contracting Officer for review and written approval prior to implementation.

d. Whenever the Contractor submits a repair or rework procedure for Government review, the submission shall also include a description of the cause for the nonconformances and a description of the action taken or to be taken to prevent recurrence.

e. The rework or repair procedure shall also contain a provision for reinspection which will take precedence over the Technical Data Package requirements and shall, in addition, provide the Government assurance that the reworked or repaired items have met reprocessing requirements.

(End of Clause)

(ES7012)

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SECTION F - DELIVERIES OR PERFORMANCE

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

(FA7001)

	<u>Re_g_u_l_a_t_o_r__ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</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 CONSIGNEE'S PREMISES	APR/1984
F-4	52.247-48	F.O.B. DESTINATION - EVIDENCE OF SHIPMENT	FEB/1999
F-5	252.211-7003	ITEM IDENTIFICATION AND VALUATION	JAN/2004

[NOTE: The following clause requires unique item identification marking, or a DoD recognized unique identification equivalent, for all items delivered under the contract for which the Government's acquisition cost (as defined under 'Definitions' below) is \$5,000 or more. Unique item identification marking is also required for items listed in paragraphs (c) (1) (ii) of the clause. Unique item identification marking is required for embedded subassemblies, components, and parts if listed in paragraph (c) (1) (ii), or if listed elsewhere in the solicitation or resulting contract. In the event that the Government has not yet identified these items or embedded parts, paragraph (c) (1) (ii) will read "TBD" for "to be determined". If these items are identified by the Government before the time proposals are due, an amendment to the solicitation will be issued which identifies them. If not, award will be made on the basis of them not being identified; however, the contract may be later modified to include such identification marking. This clause also requires the contractor to report the Government's acquisition cost for each item delivered under the contract. Information concerning these requirements is available at <http://www.acq.osd.mil/uid/>]

(a) Definitions. As used in this clause--Automatic identification device means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

Commonly accepted commercial marks means any system of marking products for identification that is in use generally throughout commercial industry or within commercial industry sectors. Some examples of commonly accepted commercial marks are: EAN.UCC Global Trade Item Number; Automotive Industry Action Group B-4 Parts Identification and Tracking Application Standard, and B-2 Vehicle Identification Number Bar Code Label Standard; American Trucking Association Vehicle Maintenance Reporting Standards; Electronic Industries Alliance EIA 802 Product Marking Standard; and Telecommunications Manufacturers Common Language Equipment Identification Code.

Concatenated unique item identifier means--

(1) For items that are serialized within the enterprise identifier, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, and unique serial number within the enterprise identifier; or (2) For items that are serialized within the original part number, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, original part number, and serial number within the part number.

Data qualifier means a specified character (or string of characters) that immediately precedes a data field that defines the general category or intended use of the data that follows.

DoD recognized unique identification equivalent means a unique identification method that is in commercial use and has been recognized by DoD. All DoD recognized unique identification equivalents are listed at [_h_t_t_p://_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d._](http://www.acq.osd.mil/uid/)

DoD unique item identification means marking an item with a unique item identifier that has machine-readable data elements to distinguish it from all other like and unlike items. In addition-- (1) For items that are serialized within the enterprise identifier, the unique identifier shall include the data elements of issuing agency code, enterprise identifier, and a unique serial number.

(2) For items that are serialized within the part number within the enterprise identifier, the unique identifier shall include the data elements of issuing agency code, enterprise identifier, the original part number, and the serial number.

Enterprise means the entity (i.e., a manufacturer or vendor) responsible for assigning unique item identifiers to items. Enterprise identifier means a code that is uniquely assigned to an enterprise by a registration (or controlling) authority. Government's unit acquisition cost means--

(1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery; and (2) For cost-type line, subline, or exhibit line items, the Contractor's estimated fully burdened unit cost to the Government

for each item at the time of delivery.

Issuing agency code means a code that designates the registration (or controlling) authority.

Item means a single hardware article or unit formed by a grouping of subassemblies, components, or constituent parts required to be

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delivered in accordance with the terms and conditions of this contract.

Machine-readable means an automatic information technology media, such as bar codes, contact memory buttons, radio frequency identification, or optical memory cards.

Original part number means a combination of numbers or letters assigned by the enterprise at asset creation to a class of items with the same form, fit, function, and interface.

Registration (or controlling) authority means an organization responsible for assigning a non-repeatable identifier to an enterprise (i.e., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, Uniform Code Council (UCC)/EAN International (EAN) Company Prefix, or Defense Logistics Information System (DLIS) Commercial and Government Entity (CAGE) Code).

Serial number within the enterprise identifier or unique serial number means a combination of numbers, letters, or symbols assigned by the enterprise to an item that provides for the differentiation of that item from any other like and unlike item and is never used again within the enterprise.

Serial number within the part number or serial number means a combination of numbers or letters assigned by the enterprise to an item that provides for the differentiation of that item from any other like item within a part number assignment.

Serialization within the enterprise identifier means each item produced is assigned a serial number that is unique among all the tangible items produced by the enterprise and is never used again.

The enterprise is responsible for ensuring unique serialization within the enterprise identifier.

Serialization within the part number means each item of a particular part number is assigned a unique serial number within that part number assignment. The enterprise is responsible for ensuring unique serialization within the part number within the enterprise identifier.

Unique item identification means marking an item with machine-readable data elements to distinguish it from all other like and unlike items.

Unique item identifier means a set of data marked on items that is globally unique, unambiguous, and robust enough to ensure data information quality throughout life and to support multi-faceted business applications and users.

Unique item identifier type means a designator to indicate which method of uniquely identifying a part has been used. The current list of accepted unique item identifier types is maintained at
_h_t_t_p://_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d_.

(b) The Contractor shall deliver all items under a contract line, subline, or exhibit line item.

(c) Unique item identification.

(1) The Contractor shall provide DoD unique item identification, or a DoD recognized unique identification equivalent, for--

(i) All items for which the Government's unit acquisition cost is \$5,000 or more; and

(ii) The following items for which the Government's unit acquisition cost is less than \$5,000:

T_B_

(iii) Subassemblies, components, and parts embedded within items as specified in Exhibit Number T_B_D or Contract Data Requirements

List Item Number T_B_D_.

(2) The unique item identifier and the component data elements of the unique item identifier shall not change over the life of the item.

(3) Data syntax and semantics. The Contractor shall--

(i) Mark the encoded data elements (except issuing agency code) on the item using any of the following three types of data qualifiers, as specified elsewhere in the contract:

(A) Data Identifiers (DIs) (Format 06).

(B) Application Identifiers (AIs) (Format 05), in accordance with ISO/IEC International Standard 15418, Information Technology--

EAN/UCC Application Identifiers and ASC MH 10 Data Identifiers and ASC MH 10 Data Identifiers and Maintenance.

(C) Text Element Identifiers (TEIs), in accordance with the DoD collaborative solution ``DD'' format for use until the final solution is approved by ISO JTC1/SC 31. The DoD collaborative solution is described in Appendix D of the DoD Guide to Uniquely Identifying Items, available at

_h_t_t_p://_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d_.

(ii) Use high capacity automatic identification devices in unique identification that conform to ISO/IEC

International Standard 15434, Information Technology--Syntax for High Capacity Automatic Data Capture Media.

(4) Marking items.

(i) Unless otherwise specified in the contract, data elements for unique identification (enterprise identifier, serial number, and, for serialization within the part number only, original part number) shall be placed on items requiring marking by paragraph (c)(1) of this clause in accordance with the version of MIL-STD-130, Identification Marking of U.S. Military Property, cited in the contract Schedule.

(ii) The issuing agency code--

(A) Shall not be placed on the item; and

(B) Shall be derived from the data qualifier for the enterprise identifier.

(d) Commonly accepted commercial marks. The Contractor shall provide commonly accepted commercial marks for items that are not required to have unique identification under paragraph (c) of this clause.

(e) Material Inspection and Receiving Report. The Contractor shall report at the time of delivery, as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the following information:

(1) Description.*

(2) Unique identifier**, consisting of--

(i) Concatenated DoD unique item identifier; or

(ii) DoD recognized unique identification equivalent.

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- (3) Unique item identifier type.**
 - (4) Issuing agency code (if DoD unique item identifier is used).**
 - (5) Enterprise identifier (if DoD unique item identifier is used).**
 - (6) Original part number.**
 - (7) Serial number.**
 - (8) Quantity shipped.*
 - (9) Unit of measure.*
 - (10) Government's unit acquisition cost.*
 - (11) Ship-to code.
 - (12) Shipment date.
 - (13) Contractor's CAGE code or DUNS number.
 - (14) Contract number.
 - (15) Contract line, subline, or exhibit line item number.*
 - (16) Acceptance code.
- * Once per contract line, subline, or exhibit line item.
- ** Once per item.

(f) Material Inspection and Receiving Report for embedded subassemblies, components, and parts requiring unique item identification. The Contractor shall report at the time of delivery, as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the following information: (1) Unique item identifier of the item delivered under a contract line, subline, or exhibit line item that contains the embedded subassembly, component, or part.

- (2) Unique item identifier of the embedded subassembly, component, or part, consisting of--
- (i) Concatenated DoD unique item identifier; or
 - (ii) DoD recognized unique identification equivalent.
- (3) Unique item identifier type.**
 - (4) Issuing agency code (if DoD unique item identifier is used).**
 - (5) Enterprise identifier (if DoD unique item identifier is used).**
 - (6) Original part number.**
 - (7) Serial number.**
 - (8) Unit of measure.
 - (9) Description.
- ** Once per item.

(g) The Contractor shall submit the information required by paragraphs (e) and (f) of this clause in accordance with the procedures at h_t_t_p:/_/_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d._. (h) Subcontracts. If paragraph (c) (1) (iii) of this clause applies, the Contractor shall include this clause, including this paragraph (h), in all subcontracts issued under this contract.

(End of clause)
(FA6002)

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Name of Offeror or Contractor:

SECTION H - SPECIAL CONTRACT REQUIREMENTS

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

(HA7001)

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
H-1	252.247-7023	TRANSPORTATION OF SUPPLIES BY SEA	MAY/2002
	DFARS		
H-2	252.247-7024	NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA	MAR/2000
	DFARS		
H-3	52.232-4506	PROGRESS PAYMENT LIMITATION	MAR/1988
	TACOM-RI		

Prior to first article approval, only costs incurred for the first article are allowable for progress payments; however, such payments shall not exceed ten percent 10% of the initial award value of the contract.

(End of Clause)

(HS6002)

H-4	52.246-4500	MATERIAL INSPECTION & RECEIVING REPORTS (DD FORM 250)	NOV/2001
	TACOM-RI		

(a) Material Inspection and Receiving Report(s) (DD Form 250), are required to be prepared and furnished to the Government under the clause of this contract entitled 'Material Inspection and Receiving Report'. Distribution of reports to the Purchasing Office (in accordance with DoD FAR Supplement Appendix F) shall be accomplished electronically.

(b) Two copies of the DD Form 250 are required to be submitted to the Purchasing Office. To satisfy this submission requirement electronically, the completed documents may be transmitted via electronic mail, or data fax. The electronic mail address for submission is CARSONCERIA.ARMY.MIL or MAESL@RIA.ARMY.MIL. The data fax number for submission is 309-782-1616, ATTN: CHRIS CARSON or LINDA MAES.

(c) Any additional copies required in accordance with Appendix F may be submitted to the addresses identified below via the U. S. Postal Service:

(1) The FMS/MAP copies may be submitted to: N/A

(End of Clause)

(HS6510)

H-5	52.247-4545	PLACE OF CONTRACT SHIPPING POINT, RAIL INFORMATION	MAY/1993
	TACOM-RI		

The bidder/offeror is to fill in the 'Shipped From' address, if different from 'Place of Performance' indicated elsewhere in this section.

Shipped From:

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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:

(End of Clause) (HS7600)

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Name of Offeror or Contractor:

SECTION I - CONTRACT CLAUSES

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

(IA7001)

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</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	52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN/1997
I-5	52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN/1997
I-6	52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN/2003
I-7	52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG/2000
I-8	52.204-7	CENTRAL CONTRACTOR REGISTRATION	OCT/2003
I-9	52.209-6	PROTECTING THE GOVERNMENTS INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	JAN/2005
I-10	52.211-5	MATERIAL REQUIREMENTS	AUG/2000
I-11	52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS	SEP/1990
I-12	52.215-2	AUDIT AND RECORDS - NEGOTIATION	JUN/1999
I-13	52.215-14	INTEGRITY OF UNIT PRICES	OCT/1997
I-14	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT/2000
I-15	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN	JAN/2002
I-16	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN - ALTERNATE I	OCT/2001
I-17	52.219-16	LIQUIDATED DAMAGES - SUBCONTRACTING PLAN	JAN/1999
I-18	52.222-19	CHILD LABOR - COOPERATION WITH AUTHORITIES AND REMEDIES	JUN/2004
I-19	52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB/1999
I-20	52.222-26	EQUAL OPPORTUNITY	APR/2002
I-21	52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	DEC/2001
I-22	52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN/1998
I-23	52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	DEC/2001
I-24	52.223-6	DRUG-FREE WORKPLACE	MAY/2001
I-25	52.223-14	TOXIC CHEMICAL RELEASE REPORTING	AUG/2003
I-26	52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (DEVIATION)	JAN/2004
I-27	52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG/1996
I-28	52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR/2003
I-29	52.230-2	COST ACCOUNTING STANDARDS	APR/1998
I-30	52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS	NOV/1999
I-31	52.232-1	PAYMENTS	APR/1984
I-32	52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB/2002
I-33	52.232-11	EXTRAS	APR/1984
I-34	52.232-17	INTEREST	JUN/1996
I-35	52.232-23	ASSIGNMENT OF CLAIMS - ALTERNATE I	APR/1984
I-36	52.232-25	PROMPT PAYMENT	OCT/2003
I-37	52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER - CENTRAL CONTRACTOR REGISTRATION	OCT/2003
I-38	52.233-1	DISPUTES	JUL/2002
I-39	52.233-3	PROTEST AFTER AWARD	AUG/1996
I-40	52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT/2004
I-41	52.242-13	BANKRUPTCY	JUL/1995
I-42	52.243-1	CHANGES - FIXED PRICE	AUG/1987
I-43	52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	DEC/2004
I-44	52.246-1	CONTRACTOR INSPECTION REQUIREMENTS	APR/1984
I-45	52.247-63	PREFERENCE FOR U.S. - FLAG AIR CARRIERS	JUN/2003

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Regulator_Cite	Title	Date
I-46 52.248-1	VALUE ENGINEERING	FEB/2000
I-47 52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY/2004
I-48 52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR/1984
I-49 52.253-1	COMPUTER GENERATED FORMS	JAN/1991
I-50 252.203-7001 DFARS	PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES	DEC/2004
I-51 252.204-7003 DFARS	CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT	APR/1992
I-52 252.204-7004 DFARS	CENTRAL CONTRACTOR REGISTRATION - ALTERNATE A	NOV/2003
I-53 252.205-7000 DFARS	PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS	DEC/1991
I-54 252.209-7000 DFARS	ACQUISITION FROM SUBCONTRACTORS SUBJECT TO ON-SITE INSPECTION UNDER THE INTERMEDIATE-RANGE NUCLEAR FORCES (INF) TREATY	NOV/1995
I-55 252.219-7003 DFARS	SMALL, SMALL DISADVANTAGED, AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)	APR/1996
I-56 252.225-7002 DFARS	QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS	APR/2003
I-57 252.225-7004	REPORTING OF CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES	APR/2003
I-58 252.225-7012 DFARS	PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES	MAY/2004
I-59 252.225-7013 DFARS	DUTY-FREE ENTRY	JAN/2004
I-60 252.225-7014 DFARS	PREFERENCE FOR DOMESTIC SPECIALTY METALS - ALTERNATE I	APR/2003
I-61 252.225-7016 DFARS	RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS	MAY/2004
I-62 252.225-7021 DFARS	TRADE AGREEMENTS	DEC/2004
I-63 252.225-7025 DFARS	RESTRICTION ON ACQUISITION OF FORGINGS	APR/2003
I-64 252.226-7001 DFARS	UTILIZATION OF INDIAN ORGANIZATIONS, INDIAN-OWNED ECONOMIC ENTERPRISES, AND NATIVE HAWAIIAN SMALL BUSINESS CONCERNS (OCT 2003)	SEP/2004
I-65 252.231-7000 DFARS	SUPPLEMENTAL COST PRINCIPLES	DEC/1991
I-66 252.232-7003 DFARS	ELECTRONIC SUBMISSION OF PAYMENT REQUESTS	JAN/2004
I-67 252.232-7004 DFARS	DOD PROGRESS PAYMENT RATES	OCT/2001
I-68 252.242-7000 DFARS	POSTAWARD CONFERENCE	DEC/1991
I-69 252.242-7004 DFARS	MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM	DEC/2000
I-70 252.243-7001 DFARS	PRICING OF CONTRACT MODIFICATIONS	DEC/1991
I-71 252.243-7002 DFARS	REQUESTS FOR EQUITABLE ADJUSTMENT	MAR/1998
I-72 252.244-7000 DFARS	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS)	MAR/2000
I-73 252.246-7000 DFARS	MATERIAL INSPECTION AND RECEIVING REPORT	MAR/2003
I-74 52.216-18	ORDERING	OCT/1995

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders

by the individuals or activities designated in the Schedule. Such orders may be issued from DATE OF AWARD through 30 JUNE 2010.

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

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

(End of Clause)

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Name of Offeror or Contractor:

(IF6155)

I-75 52.216-19 ORDER LIMITATIONS

OCT/1995

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than 15 EACH,

the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

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

(1) Any order for a single item in excess of 250 EACH;

(2) Any order for a combination of items in excess of N/A; or

(3) A series of orders from the same ordering office within N/A days that together call for quantities exceeding the limitation in

subparagraph (1) or (2) above.

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

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 10 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of Clause)

(IF6029)

I-76 52.216 -22 INDEFINITE QUANTITY OCT/1995

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

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The

Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum".

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

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract FOR ORDERS PLACED AFTER JUN 2010.

(End of clause)

(IF6036)

I-77 52.232-16 PROGRESS PAYMENTS - ALTERNATE III

APR/2003

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

(a) Computation of amounts.

(1) Unless the Contractor requests a smaller amount, the Government will compute each progress payment as 80 percent of the

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

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(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 that are determined due and will be paid to subcontractors -

- (i) In accordance with the terms and conditions of a subcontract of invoice; and
- (ii) Ordinarily within 30 days of the submission of the Contractor's next payment request to the Government.

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

- (i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and
- (ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any

contribution remaining unpaid shall be excluded from the Contractor's total costs for progress payments until paid).

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

- (i) Costs that are not reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices.
- (ii) Costs incurred by subcontractors or suppliers.
- (iii) Costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.
- (iv) Payments made or amounts payable to subcontractors or suppliers, except for--
 - (A) Completed work, including partial deliveries, to which the Contractor has acquired title; and
 - (B) Work under cost-reimbursement or time-and-material subcontracts to which the Contractor has acquired title.

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

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

(7) If a progress payment or the unliquidated progress payment exceed the amounts permitted by subparagraphs (a) (4) or (a) (5)

above, the Contractor shall repay the amount of such excess to the Government on demand.

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

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

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

- (1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (f) and (g) below).
- (2) Performance of this contract is endangered by the Contractor's (i) failure to make progress or (ii) unsatisfactory financial

condition.

- (3) Inventory allocated to this contract substantially exceeds reasonable requirements.
 - (4) The Contractor is delinquent in payment of the costs of performing this contract in the ordinary course of business.
 - (5) The unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract.
-

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

(d) Title.

(1) Title to the property described in this paragraph (d) shall vest in the Government. Vestiture shall be immediately upon the

date of this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

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

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

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

(iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other

similar manufacturing aids, title to which would not be obtained as special tooling under subparagraph (ii) above; and

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

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

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

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

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

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

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

in the Government under this clause.

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

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

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

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

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

(i) Reservations of rights.

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

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

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

(1) The amounts included are limited to -

- (i) The unliquidated remainder of financing payments made; plus
- (ii) any unpaid subcontractor requests for financing payments.

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

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

- (i) Are substantially similar to the terms of the clause for any subcontractor that is a large business concern, or that clause with its Alternate I for any subcontractor that is a small business concern;
- (ii) Are at least as favorable to the Government as the terms of this clause;
- (iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;
- (iv) Are in conformance with the requirements of FAR 32.504(e); and
- (v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Government's right to require delivery of the property to the Government if (A) the Contractor defaults or (B) the subcontractor becomes bankrupt or insolvent.

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

- (i) Are substantially similar to the Performance-Based Payments clause at FAR 52.232 -32 and meet the criteria for, and definition of, performance-based payments in FAR Part 32;
- (ii) Are in conformance with the requirements of FAR 32.504(f); and
- (iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Government's right to require delivery of the property to the Government if - (A) The Contractor defaults; or (B) The subcontractor becomes bankrupt or insolvent.

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

- (i) Are constructed in accordance with FAR 32.206(c) and included in a subcontract for a commercial item purchase that meets the definition and standards for acquisition of commercial items in FAR Part 2 and 12;
- (ii) Are in conformance with the requirements of FAR 32.504(g); and
- (iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Government's right to require delivery of the property to the Government if - (A) The Contractor defaults; or (B) The subcontractor becomes bankrupt or insolvent.

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

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

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Government to the Contractor under this contract.

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

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

(k) Limitations on Unfinalized Contract Actions. Notwithstanding any other progress payment provision in this contract, progress payments may not exceed eighty percent (80%) of costs incurred on work accomplished under unfinalized contract actions. A "contract action" is any action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is finalized. 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 unfinalized contract actions shall be liquidated at eighty percent (80%) of the amount invoiced for work performed under the unfinalized contract action as long as the contract action remains unfinalized. The amount of unliquidated progress payments for unfinalized contract actions shall not exceed eighty percent (80%) of the maximum liability of the Government under the unfinalized contract action or such lower limit specified elsewhere in the contract. Separate limits may be specified for separate actions.

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

(m) Progress payments 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.

(n) The provisions of this clause will not be applicable to individual orders at or below the simplified acquisition threshold.

(End of Clause)

(IF6193)

I-78 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT JUL/1995

(a) Except as provided in (b) below, the Contractor shall not enter into any agreement with an actual or prospective subcontractor, nor otherwise act in any manner, which has or may have the effect of restricting sales by such subcontractors directly to the Government of any item or process (including computer software) made or furnished by the subcontractor under this contract or under any follow-on production contract.

(b) The prohibition in (a) above does not preclude the Contractor from asserting rights that are otherwise authorized by law or regulation.

(c) The Contractor agrees to incorporate the substance of this clause, including this paragraph (c), in all subcontracts under this contract which exceed \$100,000.

(End of Clause)

(IF7210)

I-79 52.203-7 ANTI-KICKBACK PROCEDURES JUL/1995

(a) Definitions.

Kickback, as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection

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with a subcontract relating to a prime contract.

Person, as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

Prime contract, as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

Prime Contractor, as used in this clause, means a person who has entered into a prime contract with the United States.

Prime Contractor employee, as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

Subcontract, as used in this clause, means a contract or contractual action entered into by a prime Contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.

Subcontractor, as used in this clause (1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and (2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.

Subcontractor employee, as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

(b) The Anti-Kickback of 1986 (41 U.S.C. 51.58) (the Act), prohibits any person from--

- (1) Providing or attempting to provide or offering to provide any kickback;
- (2) Soliciting, accepting, or attempting to accept any kickback; or
- (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the

United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c) (1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.

(3) The Contractor shall cooperate fully with any Federal agency investigating a possible violation described in paragraph (b) of this clause.

(4) The Contracting Officer may (i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or (ii) direct that Prime Contractor withhold from sums owed a subcontractor under the prime contract the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c) (4) (ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c) (4) (i) of this clause. In either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.

(5) The Contractor agrees to incorporate the substance of this clause, including subparagraph (c) (5) but excepting subparagraph (c) (1), in all subcontracts under this contract which exceed \$100,000.

(End of Clause)

(IF7211)

I-80 52.209-3 FIRST ARTICLE APPROVAL-CONTRACTOR TESTING, ALTERNATE I AND ALTERNATE JAN/1997

II

(a) The Contractor shall test * unit(s) of Lot/Item * as specified in this contract. At least twenty (20) calendar days 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 ** calendar days from the date of this contract to * marked 'FIRST ARTICLE TEST REPORT: Contract No., Lot/Item No. .' Within thirty (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

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the first article. The notice of conditional approval or approval shall not relieve the Contractor from complying with all requirements of the specifications and all other terms and conditions of this contract. A notice of conditional approval shall state any further action required of the Contractor. A notice of disapproval shall cite reasons for the disapproval.

(c) If the first article is disapproved, the Contractor, upon Government request, shall 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/or 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.

* (See instructions regarding submission of First Article clause)

** (See Schedule B)

End of Clause)

(IF7116)

I-81

52.215-8

ORDER OF PRECEDENCE - UNIFORM CONTRACT FORMAT

OCT/1997

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order: (a) the Schedule (excluding the specifications); (b) representations and other instructions; (c) contract clauses; (d) other documents, exhibits, and attachments; and (e) the specifications.

NOTE: The Order of Precedence within the specifications (paragraph (e) above) is: (1) Detailed specifications (including gage designs) for item(s) being procured; (2) Detailed specifications for material or operations; (3) General Specifications for class or items, and (4) General Specifications for class of materials.

(End of Clause)

(IF7003)

I-82 52.219-4

NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS.

OCT/2004

(a) Definition. HUBZone small business concern, as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business concerns maintained by the Small Business Administration.

(b) Evaluation preference.

(1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers except--

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- (i) Offers from HUBZone small business concerns that have not waived the evaluation preference.
- (ii) Otherwise successful offers from small business concerns.
- (iii) Otherwise successful offers of eligible products under the Trade Agreements Act when the dollar threshold

for application of the Act is exceeded (see 25.402 of the Federal Acquisition Regulation (FAR); and

- (iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219 -23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer. These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) Waiver of evaluation preference. A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference.

Offeror elects to waive the evaluation preference.

(d) Agreement. A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for

(1) Services (except construction), at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern nonmanufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

(End of clause)

NOTE: The small disadvantaged business price evaluation adjustment described in Paragraph (b) (3) of this clause is currently suspended and will not be incorporated in this solicitation.

(IF7004)

I-83 52.222-20 WALSH-HEALEY PUBLIC CONTRACTS ACT DEC/1996

(a) All stipulations required by the Act and regulations issued by the Secretary of Labor (41 CFR Chapter 50) are incorporated by reference. These stipulations are subject to all applicable rulings and interpretations of the Secretary of Labor that are now, or may hereafter, be in effect.

(b) All employees whose work relates to this contract shall be paid not less than the minimum wage prescribed by regulations issued by the Secretary of Labor (41 CFR 50-202.2) . Learners, student learners, apprentices, and handicapped workers may be employed at less than the prescribed minimum wage (see 41 CFR 50-202.3) to the same extent that such employment is permitted under Section 14 of the Fair Labor Standards Act (41 U.S.C. 40) .

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Name of Offeror or Contractor:

(End of clause)

(IF7114)

I-84

52.227-1

AUTHORIZATION AND CONSENT

JUL/1995

(a) The Government authorizes and consents to all use and manufacture, in performing this contract or any subcontract at any tier, of any invention described in and covered by a United States patent (1) embodied in the structure or composition of any article the delivery of which is accepted by the Government under this contract or (2) used in machinery, tools, or methods whose use necessarily results from compliance by the Contractor or a subcontractor with (i) specifications or written provisions forming a part of this contract or (ii) specific written instructions given by the Contracting Officer directing the manner of performance. The entire liability to the Government for infringement of a patent of the United States shall be determined solely by the provisions of the indemnity clause, if any, included in this contract or any subcontract hereunder (including any lower-tier subcontract), and the Government assumes liability for all other infringement to the extent of the authorization and consent hereinabove granted.

(b) The Contractor agrees to include, and require inclusion of, this clause, suitably modified to identify the parties, in all subcontracts at any tier for supplies or services (including construction, architect-engineer services, and materials, supplies, models, samples, and design or testing services expected to exceed the simplified acquisition threshold); however, omission of this clause from any subcontract, including those at or below the simplified acquisition threshold, does not affect this authorization and consent.

(End of Clause)

(IF7220)

I-85

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 Chapter 2) clause with an authorized deviation is indicated by the addition of '(DEVIATION)' after the name of the regulation.

(End of clause)

(IF7016)

I-86 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS FEB/2003
DFARS

(a) D_e_f_i_n_i_t_i_o_n. '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 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 from the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI process in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI process accepted at specific facilities is available via the Internet in Excel format at <http://www.dcm.a.mil/onebook/7.0/7.2/7.2.6/reports/modified.xls>

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standard 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 proposed 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

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Name of Offeror or Contractor: 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)

(IA7009)

CONTINUATION SHEET

PIIN/SIIN W52H09-05-R-0050

MOD/AMD

Name of Offeror or Contractor:

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A_d_d_e_n_d_a_</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f_P_a_g_e_s</u> <u>T_r_a_n_s_m_i_t_t_e_d</u> <u>B_y</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

The following documents are hereby attached by reference and form a part of this acquisition. These documents are available in electronic format on the internet at <https://aais.ria.army.mil/aais/SOLINFO/index.htm>. Vendors should ensure that they have the correct revisions in their possession prior to submitting a bid proposal/quote.

List of		Number	
<u>A_d_d_e_n_d_a_</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f_P_a_g_e_s</u>
Attachment	1A Instructions for Completing DD Form 1423	JUN 90	1 Pg
Attachment	2A IOC Form 715-3	FEB 96	2 Pgs
Attachment	3A AMCCOM Form 71-R	01OCT88	2 Pgs
Attachment	4A Guidance on Documentation of Contract Data Requirements List (CDRL)		2 Pgs
Attachment	5A Disclosure of Lobbying Activities (SF-LLL)		3 Pgs
Attachment	6A Data Delivery Description - Engineering Change Proposal	JUL 01	9 Pgs
Attachment	7A Data Delivery Description - Notice of Revision	JUL 01	2 Pgs
Attachment	8A Data Delivery Description - Request for Deviation (End of Clause)	JUL 01	4 Pgs

(JS7001)

PH/SHIN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(KA7001)

	<u>Re_g_u_l_a_t_o_r__ C_i_t_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
K-1	52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	OCT/2003
K-2	252.209-7001 DFARS	DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY	SEP/2004
K-3	252.209-7004 DFARS	SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY	MAR/1998
K-4	252.225-7031	SECONDARY ARAB BOYCOTT OF ISRAEL	APR/2003
K-5	52.204-8	ANNUAL REPRESENTATIONS AND CERTIFICATIONS	JAN/2005

(a) (1) If the clause at 52.204 -7, Central Contractor Registration, is included in this solicitation, paragraph (b) of this provision applies.

(2) If the clause at 52.204 -7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (b) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

() (i) Paragraph (b) applies.

() (ii) Paragraph (b) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(b) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [offeror to insert changes, identifying change by clause number, title, date]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

 FAR Clause Title Date Change

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of Provision)

(KF7004)

K-6

52.207-4

ECONOMIC PURCHASE QUANTITY - SUPPLIES

AUG/1987

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

(a) Offerors are invited to state an opinion on whether the quantity(ies) of supplies on which bids, proposals or quotes are requested in this solicitation is (are) economically advantageous to the Government.

(b) Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to recommend an economic purchase quantity. If different quantities are recommended, a total and a unit price must be quoted for applicable items. An economic purchase quantity is that quantity at which a significant price break occurs. If there are significant price breaks at different quantity points, this information is desired as well.

OFFEROR RECOMMENDATIONS

	PRICE I_T_E_M_	
Q_U_A_N_T_I_T_Y_	Q_U_O_T_A_T_I_O_N_	T_O_T_A_

(c) The information requested in this provision is being solicited to avoid acquisitions in disadvantageous quantities and to assist the Government in developing a data base for future acquisitions of these items. However, the Government reserves the right to amend or cancel the solicitation and resolicit with respect to any individual item in the event quotations received and the Government's requirements indicate that different quantities should be acquired.

(End of Provision)

(KF7003)

K-7 52.230 -1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION JUN/2000

Note:

This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201 -2(c)(5) or 9903.201 -2(c)(6), respectively.

I. DISCLOSURE STATEMENT - COST ACCOUNTING PRACTICES AND CERTIFICATION.

(a) Any contract in excess of \$500,000 resulting from this solicitation, will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201 -1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR, 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

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Name of Offeror or Contractor:

(1) Certificate of Concurrent Submission of Disclosure Statement.

The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable, Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation)

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

(2) Certificate of Previously Submitted Disclosure Statement.

The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

(3) Certificate of Monetary Exemption.

The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

(4) Certificate of Interim Exemption.

The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202 -1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a review certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50n million or more in the current cost accounting period may not claim this exemption(4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS - ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE.

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201 -2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR Subpart 9903.201 -2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

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Name of Offeror or Contractor:

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a) (3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

() YES

() NO

(End of Provision)

(KF7060)

K-8 252.225-7020 TRADE AGREEMENTS CERTIFICATE JAN/2004 DFARS

(a) Definitions. Caribbean Basin country end product, designated country end product, Free Trade Agreement country end product, nondesignated country end product, qualifying country end product, and U.S. made end product have the meanings given in the Trade Agreements clause of this solicitation.

(b) Evaluation. The Government -

(1) Will evaluate offers in accordance with the policies and procedures of Part 225 of the Defense Federal Acquisition Regulation Supplement; and

(2) Will consider only offers of end products that are U.S.-made, qualifying country, designated country, Caribbean Basin country, or Free Trade Agreement country end products, unless the Government determines that -

(i) There are no offers of such end products;

(ii) The offers of such end products are insufficient to fulfill the Government's requirements; or

(iii) A national interest exception to the Trade Agreements Act applies.

(c) Certification and identification of country of origin.

(1) For all line items subject to the Trade Agreements clause of this solicitation, the offeror certifies that each end product to be delivered under this contract, except those listed in paragraph (c) (2) of this provision, is a U.S.-made, qualifying country, designated country, Caribbean Basin Country, or Free Trade Agreement country end product.

(2) The following supplies are other nondesignated country end products:

(Line Item Number)

(Country of Origin)

(End of provision)

(KA7510)

K-9 252.247-7022 REPRESENTATION OF EXTENT OF TRANSPORTATION BY SEA AUG/1992 DFARS

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

(a) The Offeror shall indicate by checking the appropriate blank in paragraph (b) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the Transportation of Supplies by Sea clause of this solicitation.

(b) Representation.

The Offeror represents that it--

Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

(c) Any contract resulting from this solicitation will include the Transportation of Supplies by Sea clause. If the Offeror represents that it will not use ocean transportation, the resulting contract will also include the Defense Far Supplement clause at 252.247 -7024, Notification of Transportation of Supplies by Sea.

(End of Provision)

(KA7500)

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(LA7001)

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
L-1	52.211-2	AVAILABILITY OF SPECIFICATIONS LISTED IN THE DOD INDEX OF SPECIFICATIONS AND STANDARDS (DODISS) AND DESCRIPTIONS LISTED IN THE ACQUISITION MANAGEMENT SYSTEMS AND DATA REQUIREMENTS CONTROL LIST, DOD 5010.12-L	JAN/2004
L-2	52.215-1	INSTRUCTIONS TO OFFERORS - COMPETITIVE ACQUISITION	JAN/2004
L-3	52.222-38	COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS	DEC/2001
L-4	52.232-13	NOTICE OF PROGRESS PAYMENTS	APR/1984
L-5	252.225-7003	REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES	APR/2003
		DFARS	
L-6	52.211-14	NOTICE OF PRIORITY RATING FOR NATIONAL DEFENSE USE	SEP/1990

Any contract awarded as a result of this solicitation will be a DO rated order certified for national defense use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation.

(LF6014)

L-7	52.215-20	REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA, ALTERNATE III	OCT/1997
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(a) Exceptions from cost or pricing data.

(1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the

information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) Commercial item exception. For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial marketplace that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include--

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

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Name of Offeror or Contractor:

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) Requirements for cost or pricing data. If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as

letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed in Far 15.406 -2.

(c) Submit the cost portion of the proposal via the following electronic media ANY WINDOWS/IBM COMPATABLE FORMAT.

(End of provision)

(LF6027)

L-8

52.216-1

TYPE OF CONTRACT

APR/1984

The Government contemplates award of FIRM FIXED PRICE INDEFINITE DELIVERY, INDEFINITE QUANTITY contract resulting from this solicitation.

(End of Provision)

(LF6008)

L-9

52.233-2

SERVICE OF PROTEST

AUG/1996

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from -1-. A protest to be filed with HQ, AMC, in accordance with the clause in Section A entitled AMC-Level Protest Program, shall be addressed 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)

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO. (End of Provision)

(LF6255)

L-10 52.252-5 AUTHORIZED DEVIATIONS IN PROVISIONS APR/1984

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of '(DEVIATION)' after the date of the clause.

(b) The use in this solicitation of any DOD FAR SUPPLEMENT (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of '(DEVIATION)' after the name of the regulation.

(End of Provision)

(LF7015)

L-11 52.215-4510 ELECTRONIC BIDS/OFFERS NOV/2001
TACOM-RI

1. Quotes/bids/proposals to the Government shall be signed by a MEMBER OF THE FIRM AUTHORIZED TO BIND THE COMPANY. This requirement is in accordance with (IAW) Federal Acquisition Regulation (FAR) 4.102.

2. Quoters/Bidders/Offerors are required to submit their quotes/bids/proposals for this solicitation via electronic response on the TACOM-RI Business Opportunities, open Solicitations web page, or via facsimile (datafax) to 309/782-2047.

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

NOTE: ELECTRONIC RESPONSES: You may submit multiple files against a solicitation. However, all the files must only pertain to the

one solicitation. Each complete quote/bid/proposal in response to a solicitation must be submitted individually/ separately and must be properly identified.

FACSIMILE RESPONSES: Facsimile bids or offers should only be sent to our secure facsimile machine at Area Code (309) 782-2047. Each complete quote/bid/proposal in response to a solicitation must be submitted individually/separately against that solicitation, and must be properly identified.

TACOM-RI will not be responsible for electronic or facsimile responses that are not submitted correctly and/or are improperly identified.

3. Prior to submission of your quote, bid, or proposal, read the latest electronic bid/proposal instructions at web page,

"h_t_t_p_s://_a_a_i_s_b_i_d_s._r_i_a._a_r_m_y._m_i_l_", and click on the icon for additional information.

4. Assuming that your quote/bid/proposal was electronically transmitted successfully, you will receive the following message:

"A directory for your Cage Code, XXXX, was created under Solicitation W52H09XXXXXXX, and your file was moved to it. If you have any other files to send, use the "Back" arrow on your browser. IF YOU EXPERIENCE ANY PROBLEMS WITH THIS PROCESS, CONTACT THE CONTRACT SPECIALIST LISTED ON THE OPEN SOLICITATION PAGE,

_"h_t_t_p_s://_a_a_i_s._r_i_a._a_r_m_y._m_i_l/_a_a_i_s/_P_a_d_d_s_w_e_b/_i_n_d_e_x._h_t_m_l_"

5. If you receive an error message of any type, your quote/bid/proposal was not transmitted and must be resubmitted if you wish it to be considered for award. You may resubmit by repeating the steps for electronic submittal or by datafaxing your quote/bid/proposal to Area Code (309)782-2047.

6. Quotes/bids/proposals must arrive in their entirety by the time specified in the solicitation. Quoters/Bidders/Offerors bear the responsibility of timely transmission of their quotes/bids/proposals to ensure the availability of an open transmission line and to take into consideration the length of time required to complete the required upload transaction prior to the time established in the solicitation.

(End of Provision)

(LS7011)

L-12 52.215-4511 ELECTRONIC AWARD NOTICE FEB/2002 TACOM RI

a. Any contract awarded as result of this solicitation will be posted to the Internet for downloading and paper copies will not be distributed. This is a material condition of the solicitation and by submission of a bid or proposal, the vendor agrees to accept an electronic award transmitted in the manner described above.

b. Notice of award to the awardee will be issued only via electronic mail. Venders who wish to be notified if they receive an award as a result of this solicitation must provide their electronic mail address in the space provided below. If the vendor fails to provide an electronic mail address, then a separate notice of award will not be provided and it shall be the sole responsibility of the vendor to periodically check the Internet to determine if he/she has received an award. In this event, the vendor's failure to check the Internet and download a copy of the award in a timely manner shall not be an excuse for failure to perform or grounds for a delivery schedule extension.

c. Notice of award to unsuccessful offerors shall be issued only via the Federal Business Opportunities (FedBusOpps) or electronic mail. Vendors who wish to receive an electronic mail notice if they are unsuccessful must provide an electronic mail address in the space provided below. If the vendor fails to provide an electronic mail address, then a separate notice will not be provided, and it shall be the sole responsibility of the vendor to periodically check the FedBusOpps to determine if an award has been made. In this event, the vendor's failure to check the FedBusOpps to determine if an award has been made shall not constitute grounds for an extension of the ten (10) day protest period allowed in regulations.

Vendor's Electronic Mail Address:

(End of Provision)

(LS7013)

PRICE

1. THE OFFEROR SHALL ENTER FIRM FIXED UNIT PRICES FOR EACH ORDERING PERIOD AND QUANTITY RANGE, ON THE APPLICABLE PRICING EVALUATION

SHEET. THE OFFEROR SHALL ALSO ENTER FIRST ARTICLE TEST (FAT) PRICE IN THE SPACE PROVIDED ON THE PRICING EVALUATION SHEET. ALL UNIT

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

PRICES PROPOSED WILL BE BINDING.

2. THE GOVERNMENT RESERVES THE RIGHT TO REQUIRE THE SUBMISSION OF ANY DATA (I.E. COST OR PRICING DATA) NECESSARY TO VALIDATE THE

REASONABLENESS OF AN OFFER.

*** END OF NARRATIVE L 001 ***

PHN/SHN W52H09-05-R-0050 MOD/AMD

Name of Offeror or Contractor:

SECTION M - EVALUATION FACTORS FOR AWARD

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(MA7001)

	<u>Re_g_u_l_a_t_o_r__ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
M-1	52.215-4507 TACOM-RI	EVALUATION OF OFFERS	MAR/1988

An offeror must quote on all items in this solicitation to be eligible for award. All items will be awarded only as a unit. Evaluation of offers will be based, among other factors, upon the total price quoted for all items.

(End of Provision)

(MS7100)

PRICE

1. THE GOVERNMENT WILL EVALUATE OFFERS BASED ON PRICES PROPOSED FOR ALL ORDERING PERIODS AND ANY OTHER PRICE RELATED FACTORS REQUIRED

BY THE SOLICITATION.

2. FOR EACH PROPOSAL, THE GOVERNMENT WILL CALCULATE A TOTAL EVALUATED PRICE BY MULTIPLYING THE PROPOSED UNIT PRICES FOR EACH RANGE AND

ORDERING PERIOD BY THEIR RESPECTIVE WEIGHT AND MAXIMUM QUANTITY, AND SUMMING THEIR TOTALS. THE WEIGHT ASSOCIATED WITH EACH RANGE REPRESENTS THE LIKELIHOOD THAT AN ORDER, IF PLACED, WOULD BE PLACED WITHIN THAT RANGE.

FOR PURPOSES OF EVALUATION, FAT PRICE WILL BE ADDED TO THE TOTAL EVALUATED CLIN PRICE, AS APPLICABLE. FAILURE TO PROPOSE FAT MAY BE CONSIDERED A REASON FOR DISQUALIFICATION. THE PRICE FOR FAT WILL BE AMORTIZED INTO THE UNIT PRICE FOR THE INITIAL DELIVERY ORDER.

3. THE TOTAL EVALUATED PRICE IS THE SUM OF THE WEIGHTED EVALUATION PRICE FOR ALL ORDERING PERIODS PLUS FAT PRICE.

*** END OF NARRATIVE M 001 ***

2. Contract (Proc. Inst. Ident) No. W52H09-05-D-0248
 3. Effective Date 2005JUL27
 4. Requisition/Purchase Request/Project No. SEE SCHEDULE

5. Issued By Code W52H09
 6. Administered By (If Other Than Item 5) Code S4402A
 TACOM-ROCK ISLAND DCMA DALLAS
 AMSTA-LC-CFA-C 600 NORTH PEARL STREET
 LINDA M MAES (309)782-3657 SUITE 1630
 ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843

e-mail address: LINDA.MAES@US.ARMY.MIL SCD A PAS S4402A5601APC ADP PT HQ0339

7. Name And Address Of Contractor (No. Street, City, County, State, And Zip Code) OPTEX SYSTEMS INC
 8. Delivery FOB Origin X Other (See Below) SEE SCHEDULE
 1420 PRESIDENTIAL DR
 RICHARDSON, TX 75081-2769
 9. Discount For Prompt Payment

10. Submit Invoices Item
 (4 Copies Unless Otherwise Specified) 12
 TYPE BUSINESS: Other Small Business Performing in U.S.

Code 0BK64 Facility Code To The Address Shown In:

11. Ship To/Mark For Code
 12. Payment Will Be Made By Code HQ0339
 SEE SCHEDULE DFAS COLUMBUS CENTER
 DFAS-CO/WEST ENTITLEMENT OPERATIONS
 PO BOX 182381
 COLUMBUS OH 43218-2381

13. Authority For Using Other Than Full And Open Competition: 10 U.S.C. 2304(c)) 41 U.S.C. 253(c))
 14. Accounting And Appropriation Data

15A. Item No.	15B. Schedule Of Supplies/Services	15C. Quantity	15D. Unit	15E. Unit Price	15F. Amount
SEE SCHEDULE	CONTRACT TYPE: Firm-Fixed-Price				
				KIND OF CONTRACT: Supply Contracts and Priced Orders	

Contract Expiration Date: 2010JUN30 15G. Total Amount Of Contract \$0.00

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	
	F	Deliveries or Performance		Other Statements of Offerors		
	G	Contract Administration Data		L	Instrs., Conds., and Notices to Offerors	
	H	Special Contract Requirements		M	Evaluation Factors for Award	

Contracting Officer Will Complete Item 17 Or 18 As Applicable

17. 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.
 18. X Award (Contractor is not required to sign this document.) Your offer on Solicitation Number W52H0905R0050 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 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.)

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

By /SIGNED/

2005JUL27

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8069

25-106

Standard Form 26 (Rev. 4-85)

PREVIOUS EDITIONS UNUSABLE

GPO : 1985 0 - 478-632

Prescribed By GSA-FAR (4.8 CFR) 53.214(a)

PHN/SHN 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

PHN/SHIN W52H09-05-D-0248

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 SECURITY CLASS: Unclassified

0001AA	D_A_T_A_I_T_E_M_	1	LO	\$ **_N_S_P_ *_ \$ **_N_S_P_ *_ *	
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination

Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

001		3			
-----	--	---	--	--	--

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y D_A_Y_S_A_F_T_E_R_ A_W_A_R_D

001	1	0300			
-----	---	------	--	--	--

FOB POINT: Destination

SHIP TO:

(Z55555) TACOM-ROCK ISLAND
ATTN AMSTA-LC-CFA
ROCK ISLAND IL 61299-7630

P_R_O_D_U_C_T_I_O_ Q_U_A_N_T W/ F_A_T

0001AB			EA	\$ **_N/_A_ *_ *	
--------	--	--	----	------------------	--

NOUN: M187A1 TELESCOPE MOUNT

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s_/_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12984689

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA OSC ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
---------	-------------------	---------------	------------	--------

MARK FOR: ATTN: DAVE HERRERA

0002	D_A_T_A_I_T_E_M		\$	***_N_S_P_*** \$ ***_N_S_P_***
------	-----------------	--	----	--------------------------------

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)

I_n_s_p_e_c_t_i_o_ _a_n_d_ A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A_d_d_e_n_d_a</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f_P_a_g_e_s</u> <u>T_r_a_n_s_m_i_t_t_e_d</u> <u>B_y</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 Page 1 Of 3

Firm-Fixed-Price

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

6. Issued By	Code	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)	9A. Amendment Of Solicitation No.
---	-----------------------------------

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

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248

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

10B. Dated (See Item 13)

Code	Facility Code	2005JUL27
------	---------------	-----------

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor^X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2006APR25

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN W52H09-05-D-0248 MOD/AMD P00001

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 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248

MOD/AMD P00001

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION I - CONTRACT CLAUSES

St_a_t_u_s	R_e_f_e_r_e_n_c_e	T_i_t_l_e	D_a_t_e
I-1 ADDED	52.232-23	ASSIGNMENT OF CLAIMS	JAN/1986

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

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

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248

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

10B. Dated (See Item 13)

Code	Facility Code	2005JUL27
0BK64		

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor^X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2006JUL26

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248 MOD/AMD P00002

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 INCOPORATING 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

PHN/SIN W52H09-05-D-0248

MOD/AMD P00002

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u>	<u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u> <u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</u>
Attachment 005	ECP H05A2036		
Attachment 006	ECP H06A2004		
Attachment 007	ECP H06A5004		
Attachment 008	ECP H06A2048		

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

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

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code	Facility Code	2005JUL27
0BK64		

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2006AUG18

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN 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 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248

MOD/AMD P00003

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A_d_d_e_n_d_a</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f P_a_g_e_s T_r_a_n_s_m_i_t_t_e_d B_y</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 Page 1 Of 3

Firm-Fixed-Price

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

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code S4402A

TACOM-ROCK ISLAND DCMA DALLAS
AMSTA-LC-GAWC-B 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) 9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248

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

10B. Dated (See Item 13)

Code 0BK64 Facility Code 2005JUL27

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2007JAN25

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIHN 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 themount. 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, H06A6062, 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 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248

MOD/AMD P00004

Name of Offeror or Contractor: OPEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u> <u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u> <u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</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 Page 1 Of 3

Firm-Fixed-Price

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

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	
	9B. Dated (See Item 11)
X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0248
TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
Code ⁰ BK64 Facility Code	2005JUL27

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor ^X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2007MAY01

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN W52H09-05-D-0248 MOD/AMD P00005

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 \$1034.00 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 WILL BE AT AN ADDITIONAL COST OF \$247.00 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 ***

CONTINUATION SHEET

PII/SIIN W52H09-05-D-0248

MOD/AMD P00005

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A_d_d_e_n_d_a</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f P_a_g_e_s T_r_a_n_s_m_i_t_t_e_d B_y</u>
Attachment 032	H07A2006		
Attachment 033	H06A2083		
Attachment 034	H07A5001		
Attachment 035	H07A6001		
Attachment 036	H07A6002		
Attachment 037	H07A6005		
Attachment 038	H07A6015		

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
P00006	2008JUL17	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	10A. Modification Of Contract/Order No. W52H09-05-D-0248
---	---

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
Code ⁰ BK64 Facility Code	2005JUL27

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN W52H09-05-D-0248 MOD/AMD P00006

Name of Offeror or Contractor: OPTEX SYSTEMS INC SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION P00006 TO W52H0905D0248 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 a lump sum payment of \$542,540.00 to be paid on delivery order 0001; a unit price adjustment of \$477.27 each to be paid on delivery order 0001, and a unit price increase of \$1947.65 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, 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.

2) REVISE THE DELIVERY SCHEDULE ON EACH INDIVIDUAL DELIVERY ORDER.
ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

*** END OF NARRATIVE A0009 ***

CONTINUATION SHEET

PIN/SIN W52H09-05-D-0248

MOD/AMD P00006

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of	Number	
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u> <u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u> <u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</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. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

(YYYYMMDD)

W52H09-05-D-0248 0001 2005JUL27 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND AMSTA-LC-CFA-C LINDA M MAES (309)782-3657 ROCK ISLAND IL 61299-7630 EMAIL: LINDA.MAES@US.ARMY.MIL DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 X DESTINATION OTHER

(See Schedule if other)

SCD: A PAS: S4402A5601APC ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

(YYYYMMDD)

0 OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR SEE SCHEDULE X SMALL SMALL

NAME RICHARDSON, TX 75081-2769 AND ADDRESS 12. DISCOUNT TERMS 13. MAIL INVOICES TO THE ADDRESS IN BLOCK 14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

0 TYPE BUSINESS: Other Small Business Performing in U.S. See Block 15

SEE SCHEDULE DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381 PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT. X

TYPE OF ORDER PURCHASE Reference your Oral Written Quotation , Dated . furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY ORDERED/ ACCEPTED* 21. UNIT 22. UNIT PRICE 23. AMOUNT

SEE SCHEDULE CONTRACT TYPE:

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is 24. UNITED STATES OF AMERICA 25. TOTAL \$1,401,734.11

same as quantity ordered, indicate by X. VICKI AHLGRIM /SIGNED/ 26.

If different, enter actual quantity accepted below VICKI.AHLGRIMBUS.ARMY.MIL (309) 782-3220 DIFFERENCES quantity ordered and encircle. BY: CONTRACTING/ORDERING OFFICER

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

32. PAID BY 33. AMOUNT VERIFIED CORRECT FOR PARTIAL

f. TELEPHONE NUMBER g. E-MAIL ADDRESS FINAL

31. PAYMENT 34. CHECK NUMBER

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 35. BILL OF LADING NO. PARTIAL FINAL

37. RECEIVED AT 38. RECEIVED BY (Print) 39. DATE RECEIVED (YYYYMMDD) 40. TOTAL CONTAINERS 41. S/R ACCOUNT NUMBER 42. S/R VOUCHER NO.

PHNSHN W52H09-05-D-0248/0001 MOD/AMD

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 - 179 each, M187A1 Mount Telescope, NSN: 1240-01-483-5324, P/N: 12984689, unit price \$4,260.59*, total \$762,645.61

CLIN 0001AC- 150 each, M187A1 Mount Telescope, NSN: 1240-01-483-5324, P/N: 12984689, unit price \$4,260.59*, total \$639,088.50

*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 \$4,246.00. 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 \$4,260.59.

2. In accordance with the terms and conditions of W52H09-05-D-0248, this Delivery Order 0001 obligates the guaranteed minimum quantity of 329 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 ***

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0001 MOD/AMD

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: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AA	D_A_T_A_I_T_E_M	1	LO	\$ *_*_N*_S*_P*_*_ \$	<u>*_*_N*_S*_P*_*_</u>
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination
 Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 3
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 1 30-MAY-2006

FOB POINT: Destination

SHIP TO:
 (Z55555) TACOM-ROCK ISLAND
 ATTN AMSTA-LC-CFA
 ROCK ISLAND IL 61299-7630

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	179	EA	\$ 4_,_2_6_0_._5_9_0_0_0 \$	7_6_2_,_6_4_5_._6_1_
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NOUN: MOUNT, TELESCOPE AND
 PRON: W15AAC06M1 PRON AMD: 02 ACRN: AA
 AMS CD: 33104540041

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:
 SPI P12984689
 LEVEL PRESERVATION: Military
 LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
R_E_C_D_M_I_L_S_T_R_I_P_ A_D_D_S_I_C_D M_A_R_F_O_R T_C_D
001 W52H095181T700 W52H1C J 1
P_R_O_C_D B_R_B_L_K P_T
G19
D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
001 12 25-OCT-2006
002 12 27-NOV-2006
003 12 27-DEC-2006
004 12 25-JAN-2007
005 12 26-FEB-2007
006 12 26-MAR-2007
007 12 25-APR-2007
008 12 25-MAY-2007
009 24 25-JUN-2007
010 30 25-JUL-2007
011 29 24-AUG-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S
(W52H1C) XU WOK8 USA OSC ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000
C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y

0001AC		150	EA	\$ 4,260.59000	\$ 639,088.50
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NOUN: MOUNT, TELESCOPE AND
PRON: M151R095M1 PRON AMD: 02 ACRN: AB
AMS CD: 060011

P_a_c_k_a_g_i_n_a_n_d M_a_f_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689
LEVEL PRESERVATION: Military
LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	D_e_l_i_v_e_r_i_e_o_r_P_e_r_f_o_r_m_a_n_c_e DOC		SUPPL		
	R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D				
001	W52H0951802900 W52H1C	J	1		
	D_E_R_E_L_C_D_Q_U_A_N_T_I_T_Y				
001	18			25-OCT-2006	
002	18			27-NOV-2006	
003	18			27-DEC-2006	
004	18			25-JAN-2007	
005	3			26-FEB-2007	

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA OSC ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

DOC	SUPPL R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D				
002	W52H0952082901 W25G1U	J	1		
	D_E_R_E_L_C_D_Q_U_A_N_T_I_T_Y				
001	15			26-FEB-2007	
002	18			26-MAR-2007	
003	18			25-APR-2007	
004	18			25-MAY-2007	
005	6			25-JUN-2007	

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S

(W25G1U) XU TRANSPORTATION OFFICER
 DDFP NEW CUMBERLAND FACILITY
 BUILDING MISSION DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD

Name of Offeror or Contractor: OPEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ IT_P	OBLG			JOB ORDER	ACCOUNTING	OBLIGATED A_M_O_U_N_T
	M_I_P	A_R_N ST	A_C_O_U_N_T_I_N_C_L_A_S_S_I_F_I_C_A_T_I_O_N		NU_M_B_E_R	S_A_T_O	
0001AB	W15AAC06M1 33104540041 W15M378791M1	AA 2	21	52033000056D6D02P33104526KB S11116	576C06	W52H09	\$ 762,645.61
0001AC	M151R095M1 060011	AB 2	97	X4930AC9G 6D 26KB S11116		W52H09	\$ 639,088.50
TOTAL							\$ 1,401,734.11

SERVICE NA_M	T_O_T_A_L	BY_Y	A_C_R_N	A	N_T_I_N_C_L_A_S_S_I_F_I_C_A_T_I_O_N	ACCOUNTING S_T_A_T_I_O_N	OBLIGATED A_M_O_U_N_T
Army		AA	21	52033000056D6D02P33104526KB S11116	W52H09		\$ 762,645.61
Army		AB	97	X4930AC9G 6D 26KB S11116	W52H09		\$ 6_3_9_._0_8_8_._5_0
TOTAL							\$ 1,401,734.11

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 2

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2006MAY18	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code	Facility Code	
0BK64		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

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 6

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
02	2006JUL26	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code	Facility Code
0BK64	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: 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.

X 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 X 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/

2006JUL26

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 02

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 \$220.54 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 \$72,557.66.
- 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 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0001 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001AA	D_A_T_A_I_T_E_M	1	LO	\$ *_*_N_S_P_*_* \$	*_*_*N_S_P_*_**
--------	-----------------	---	----	---------------------	-----------------

NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_g a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_n a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination
Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D	M_I_L_S_T_R_I_P	A_D_D	S_I_C_D	M_A_R	F_O_R	T_C_D
001						3

D_E_R_E_L_C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E
001	1	30-AUG-2006

FOB POINT: Destination

SHIP TO:

(Z55555) C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_Y_O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

0001AB	P_R_O_D_U_C_T_I_O_n Q_U_A_N_T_I_T_Y	179	EA	\$ 4,481.13000 \$	8,021.2227
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NOUN: MOUNT, TELESCOPE AND

PRON: W15AAC06M1 PRON AMD: 02 ACRN: AA
AMS CD: 33104540041

P_a_c_k_a_g_i_n_g a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_n a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D	M_I_L_S_T_R_I_P	A_D_D	S_I_C_D	M_A_R	F_O_R	T_C_D
001	W52H095181T700 W52H1C		J			1

P_R_O_C_D	B_R_B_L_K P_T
G19	

D_E_R_E_L_C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E
001	12	25-OCT-2006

CONTINUATION SHEET

PII/SHI W52H09-05-D-0248/0001 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
002	12 27-NOV-2006				
003	12 27-DEC-2006				
004	12 25-JAN-2007				
005	12 26-FEB-2007				
006	12 26-MAR-2007				
007	12 25-APR-2007				
008	12 25-MAY-2007				

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__ A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

0001AC P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y

150 EA \$ 4,481.13000 \$ 672,169.50

NOUN: MOUNT, TELESCOPE AND

PRON: M151R095M1 PRON AMD: 02

ACRN: AB

AMS CD: 060011

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D__ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

001 W52H0951802900 W52H1C J 1

D_E__R_E_L__C_D__ Q_U_A_N_T_I_T_Y _D_E_L_I_V_A_T_E_

001 18 25-OCT-2006

002 18 27-NOV-2006

003 18 27-DEC-2006

004 18 25-JAN-2007

005 3 26-FEB-2007

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 02

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_

A_D_D__S_I__C_D M_A_R__F_O_R T__C_D

002 W52H095208Z901 W25G1U J 1

D_E__R_E_L__C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E_

001	15	26-FEB-2007
002	18	26-MAR-2007
003	18	25-APR-2007
004	18	25-MAY-2007
005	6	25-JUN-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W25G1U) SU TRANSPORTATION OFFICER
 DDSF NEW CUMBERLAND FACILITY
 2001 MISSION DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0001

MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/		OBLG STAT/	INCREASE/DECREASE		CUMULATIVE
	AMS CD/			P_R_I_O_R_A_M_O_U_N_T	A_M_O_U_N_T	
<u>I_T_E_P_</u>	<u>M_I_P_R</u>	<u>AC_R_N_</u>	<u>JO_O_R_D_N_O_</u>			<u>A_M_O_U_N_T</u>
0001AB	W15AAC06M1	AA	2 \$	762,645.61 \$	39,476.66	\$ 802,122.27
	33104540041		576C06			
	W15M378791M1					
0001AC	M151R095M1	AB	2 \$	639,088.50 \$	33,081.00	\$ 672,169.50
	060011					
				NET CHANGE \$	72,557.66	

SERVICE	NET CHANGE			ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y_A_C_R_N</u>	<u>AC_C_O_N_T_</u>	<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	<u>S_T_T_I_O_</u>	<u>A_M_O_U_N_T</u>
Army	AA	21	52033000056D6D02P33104526KB	S11116	\$ 39,476.66
Army	AB	97	X4930AC9G 6D	26KB S11116	\$ 33,081.00
				NET CHANGE \$	72,557.66

	PRIOR AMOUNT		INCREASE/DECREASE		CUMULATIVE
	<u>O_F_A_W_A_R_D</u>		<u>A_M_O_U_N_T</u>		<u>_O_B_L_I_G_A_M_T_</u>
NET CHANGE FOR AWARD: \$	1,401,734.11		\$ 72,557.66		\$ 1,474,291.77

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 8

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
03	2006NOV28	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code	Facility Code	
0BK64		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

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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/

2006NOV28

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN 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-IC-QAWC-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 ***

CONTINUATION SHEET

PIN/SIN W52H09-05-D-0248/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AA	D_A_T_A_I_T_E_M_	1	LO	\$ *_N_S_P_*_ \$	<u>*_N_S_P_*_</u>
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination
 Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_T_ C_D M_A_R_ F_O_R T_ C_D
 001 3
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 1 12-JAN-2007

FOB POINT: Destination

SHIP TO:
 (Z55555) C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_Y_O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	179	EA	\$ 4,_4_8_1_._1_3_0_0_0 \$ 8_0_2_._1_2_2_._2_7_	
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NOUN: MOUNT, TELESCOPE AND
 PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA
 AMS CD: 33104540041

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:
 SPI P12984689
 LEVEL PRESERVATION: Military
 LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 03

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
DOC	SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_				
	A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D				
001	W52H095181T700 W52H1C J	1			
	P_R_O_ C_D B_R_ B_L_K P_T				
	G19				
	D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_				
001	DELETED				
002	DELETED				
003	DELETED				
004	10	28	JAN-2007		
005	10	28	FEB-2007		
006	10	28	MAR-2007		
007	20	28	APR-2007		
008	20	28	MAY-2007		
009	20	28	JUN-2007		
010	20	28	JUL-2007		
011	20	28	AUG-2007		
012	20	28	SEP-2007		
013	29	28	OCT-2007		
FOB POINT: Destination					
SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S					
(W52H1C) XU W0K8 USA ROCK ISL ARSENAL					
BLDG 299 GILLESPIE AV AND BECK LANE					
ROCK ISLAND IL 61299-5000					
C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R					
W52H09-05-D-0248/0001					
0001AC	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	150		EA \$ 4,481.13000 \$ 672,169.50	
NOUN: MOUNT, TELESCOPE AND					
PRON: M151R095M1 PRON AMD: 04 ACRN: AB					
AMS CD: 060011					
P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g					
PACKAGING/PACKING/SPECIFICATIONS:					
SPI P12984689					
LEVEL PRESERVATION: Military					
LEVEL PACKING: A					
I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e					
INSPECTION: Origin ACCEPTANCE: Origin					
D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e					

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
DOC	SUPPL R_E_C_D_			M_I_L_S_T_R_I_P_	
A_D_D_ S_I_ C_D	M_A_R_ F_O_R T_ C_D				
001	W52H095180Z900 W52H1C	J	1		
D_E_R_E_L_ C_D	Q_U_A_N_T_I_T_Y			_D_E_L_D_A_T_E_	
001	DELETED				
002	DELETED				
003	DELETED				
004	10			28-FEB-2007	
005	10			28-MAR-2007	
006	10			28-APR-2007	
007	20			28-MAY-2007	
008	25			28-JUN-2007	

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

DOC	SUPPL R_E_C_D_			M_I_L_S_T_R_I_P_	
A_D_D_ S_I_ C_D	M_A_R_ F_O_R T_ C_D				
002	W52H095208Z901 W25G1U	J	1		
D_E_R_E_L_ C_D	Q_U_A_N_T_I_T_Y			_D_E_L_D_A_T_E_	
001	10			28-MAR-2007	
002	10			28-APR-2007	
003	10			28-MAY-2007	
004	5			28-JUN-2007	
005	30			28-JUL-2007	
006	10			28-AUG-2007	

FOB POINT: Destination

SHIP TO: P_A_R_C_E_ P_O_S_T A_D_D_R_E_S_S

(W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 MISSION DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0001

MOD/AMD 03

Name of Offor or Contractor: OPTEX SYSTEMS INC

SECTION I - CONTRACT CLAUSES

St_a_t_u_s	E_o_C_i_t_e	T_i_t_l_e	D_a_t_e
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. G_o_v_e_r_n_m_e_n_t_-f_u_r_n_i_s_h_e_d_p_r_o_p_e_r_t_y_. (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 and 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.

C_h_a_n_g_e_s_i_n_G_o_v_e_r_n_m_e_n_t_-f_u_r_n_i_s_h_e_d_p_r_o_p_e_r_t_y_. (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. T_i_t_l_e_i_n_G_o_v_e_r_n_m_e_n_t_ p_r_o_p_e_r_t_y_.

- (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. U_s_e_o_f_G_o_v_e_r_n_m_e_n_t_p_r_o_p_e_r_t_y_. The Government property shall be used only for performing this contract, unless otherwise provided in this contract or approved by the Contracting Officer. e.

P_r_o_p_e_r_t_y_d_m_i_n_i_s_t_r_a_t_i_o_n_ (1) The Contractor shall be responsible and accountable for all Government property provided under this a 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. A_c_c_e_s_s_ 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.

PHNSHN W52H09-05-D-0248/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

g. R_i_s_k_f_l_o_s_s_s_ 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 Government 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. E_q_u_i_t_a_b_l_e_d_j_u_s_t_m_e_n_t_ 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) G_o_v_e_r_n_m_e_n_t_p_r_o_p_e_r_t_y_d_i_s_p_o_s_a_l. 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.

(ii) 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

PHNSHN W52H09-05-D-0248/0001 MOD/AMD 03

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) A_b_a_n_d_o_n_m_e_n_t_o_f_g_o_v_e_r_n_m_e_n_t_p_r_o_p_e_r_t_y.

(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. C_o_m_m_u_n_i_c_a_t_i_o_n_s. All communications under this clause shall be in writing.

l. O_v_e_r_s_e_a_s_o_n_t_r_a_c_t_s. 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)

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
04	2007APR02	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0001

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

10B. Dated (See Item 13)

Code	Facility Code
0BK64	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

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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/

2007APR02

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001

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-0248 DO 0001, IS TO REVISE THE DELIVERY SCHEDULE. SEE SCHEDULE B.
ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0005 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001AB	P_R_O_D_U_C_T_T_O_Q_U_A_N_T_I_T_Y	179	EA \$	4,481.13000 \$ 802,122.27
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NOUN: MOUNT, TELESCOPE AND

PRON: W15AAC06M1

PRON AMD: 03

ACRN: AA

AMS CD: 33104540041

P_a_c_k_a_g_i_n_g_a_n_d_M_a_f_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_n_a_n_d_A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r_P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D

001 W52H095181T700 W52H1C

J 1

P_R_O_C_D B_R_B_L_K_P_T

G19

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

004	10	30-APR-2007
005	10	30-MAY-2007
006	10	30-JUN-2007
007	20	30-JUL-2007
008	20	30-AUG-2007
009	20	30-SEP-2007
010	20	30-OCT-2007
011	20	30-NOV-2007
012	20	30-DEC-2007
013	29	30-JAN-2008

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA ROCK ISL ARSENAL

BLDG 299 GILLESPIE AV AND BECK LANE

ROCK ISLAND

IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0248/0001

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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0001AC	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	150	EA \$ 4,481.130000	6,721,695.00
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NOUN: MOUNT, TELESCOPE AND
 PRON: M151R095M1 PRON AMD: 04
 AMS CD: 060011

ACRN: AB

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI P12984689
 LEVEL PRESERVATION: Military
 LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r F_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H0951802900 W52H1C J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E_
 004 10 30-MAY-2007
 005 10 30-JUN-2007
 006 10 30-JUL-2007
 007 20 30-AUG-2007
 008 25 30-SEP-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__ A_D_D_R_E_S_S
 (W52H1C) XU WOK8 USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
 A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 002 W52H0952082901 W25G1U J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E_
 001 10 30-JUN-2007
 002 10 30-JUL-2007
 003 10 30-AUG-2007
 004 5 30-SEP-2007
 005 30 30-OCT-2007
 006 10 30-NOV-2007

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W25G1U) SU TRANSPORTATION OFFICER

DDSP NEW CUMBERLAND FACILITY

2001 MISSION DRIVE DOOR 113 134

NEW CUMBERLAND

PA 17070-5001

C_O_N_T_R_A_C_T/_/_D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0248/0001

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 10

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
05	2007APR26	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X
10A. Modification Of Contract/Order No.
W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code	Facility Code
0BK64	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.

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor^X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 05

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 \$774.00 PER UNIT, FOR A TOTAL UNIT PRICE OF \$5255.13.

FOR ADMINISTRATIVE PURPOSES BILLING AGAINST CLIN 0001AB WILL BE BILLED AGAINST THAT CLIN AT THE ORIGINAL PRICE OF \$4481.13, AND AGAINST CLIN 1001AB FOR THE ADDITIONAL \$774.00 PER UNIT FOR INCORPORATION OF THE NEW GEARS.

2) THE PRICE ON DELIVERIES SCHEDULED ON OR BEFORE AUGUST 30, 2007 WILL REMAIN AT \$4481.13, 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 \$1034 PER UNIT.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0006 ***

CONTINUATION SHEET

PIIN/SHIN 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
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 179 EA \$ 4,481.13000 \$ 802,122.27

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)

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689
 LEVEL PRESERVATION: Military
 LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f F_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H095181T700 W52H1C J 1

P_R_O__ C_D B_R__ B_L_K P_T
 G19

D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	D_E_L_I_D_A_T_E_
004	10	30-APR-2007
005	10	30-MAY-2007
006	10	30-JUN-2007
007	20	30-JUL-2007
008	20	30-AUG-2007
009	20	30-SEP-2007

CONTINUATION SHEET

PIIN/SHIN W52H09-05-D-0248/0001 MOD/AMD 05

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
010	20	30-OCT-2007			
011	20	30-NOV-2007			
012	20	30-DEC-2007			
013	29	30-JAN-2008			

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W52H1C)

XU W0K8 USA ROCK ISL ARSENAL

BLDG 299 GILLESPIE AV AND BECK LANE

ROCK ISLAND

IL 61299-5000

C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0248/0001

0001AC P_R_O_D_U_C_T_I_O__Q_U_A_N_T_I_T_Y

80 EA \$ 4,481.13000 \$ 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)

P_a_c_k_a_g_i_n__a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D__ M_I_L_S_T_R_I_P__A_D_D__S_I__C_D M_A_R__F_O_R T__C_D

001 W52H0951802900 W52H1C J 1

D_E__R_E_L__C_D__ Q_U_A_N_T_I_T_Y__D_E_L__D_A_T_E__

004 10 30-MAY-2007

005 10 30-JUN-2007

006 10 30-JUL-2007

007 20 30-AUG-2007

CONTINUATION SHEET

PHN/SIN 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
---------	-------------------	----------	------	------------	--------

008 DELETED

FOB POINT: Destination

SHIP TO: P_A_R_C_E__ P_O_S_T A_D_D_R_E_S_S

(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
 TRANSPORTATION OFFICE
 BLDG 102 RODMAN AVE AND GILLESPIE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

DOC SUPPL R_E__C_D__ M_I_L_S_T_R_I_P__

A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

002 W52H095208Z901 W25G1U J 1

D_E__R_E_L__ C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E__

001 10 30-JUN-2007

002 10 30-JUL-2007

003 10 30-AUG-2007

004 DELETED

005 DELETED

006 DELETED

FOB POINT: Destination

SHIP TO: P_A_R_C_E__ P_O_S_T A_D_D_R_E_S_S

(W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 MISSION DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

1001 NSN: 1240-01-483-5324
 SECURITY CLASS: Unclassified

1001AB S_E_R_V_I_C_E L_I_N_E I_T_E_M \$ 8,4,366.00

NOUN: INC OF ECP, M187 WROM SHAFT
 PRON: W16ALC37M1 PRON AMD: 01 ACRN: AC
 AMS CD: 31303334015

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.

(End of narrative B001)

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

CONTINUATION SHEET

PHINSHIN 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
---------	-------------------	---------------	------------	--------

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_f P_e_r_f_o_r_m_a_n_c_e

DLVR SCH		PERF COMPL		
R_E_L_C_D_	Q_U_A_N_T_I_T_Y	D_A_T_E_		
001	0	30-JUN-2008		
\$	84,366.00			

1001AC	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	70	EA \$	5,255.130000 \$ 367,859.10
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NOUN: MOUNT, TELESCOPE AND

PRON: M151R095M1 PRON AMD: 06 ACRN: AB
AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D				
001 W52H0951802900 W52H1C J		1		
D_E_R_E_L_ C_D	Q_U_A_N_T_I_T_Y	D_E_L_D_A_T_E_		
001	25	30-SEP-2007		

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S
(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0248/0001

DOC	SUPPL R_E_C_D_	M_I_L_S_T_R_I_P_		
A_D_D_	S_I_ C_D M_A_R_ F_O_R T_ C_D			
002 W52H0952082901 W25G1U J		1		
D_E_R_E_L_ C_D	Q_U_A_N_T_I_T_Y	D_E_L_D_A_T_E_		
001	5	30-SEP-2007		
002	30	30-OCT-2007		
003	10	30-NOV-2007		

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S
(W25G1U) SU TRANSPORTATION OFFICER
DDSP NEW CUMBERLAND FACILITY
2001 MISSION DRIVE DOOR 113 134

CONTINUATION SHEET

PHN/SHN 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
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NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

2001 NSN: 1240-01-483-5324
FSCM: 19200
PART NR: 12984689
SECURITY CLASS: Unclassified

2001AB M_A_I_N_T_E_N_A_N_C_ A_N_D O_V_E_R_H_A_U_L: D_E_L_I_V_E_R_A_B_L_E 70 EA \$ 1,034.00 \$ 72,380.00

NOUN: MOUNT, TELESCOPE AND
PRON: W16AKC37M1 PRON AMD: 01 ACRN: AC
AMS CD: 31303334015

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.

(End of narrative B001)

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_f F_e_r_f_o_r_m_a_n_c_e DOC SUPPL
R_e_c_d_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
001 W52H097107T731 W52H1C J 3
P_R_O_ C_D B_R_ B_L_K P_T
G19
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
001 70 30-MAY-2008

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S
(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

"NEW CONFIGURATION"

CONTINUATION SHEET

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
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(End of narrative A001)

2001AC	M_A_I_N_T_E_N_A_N_C__ A_N_D O_V_E_R_H_A_U_L_: D_E_L_I_V_E_R_A_B_L_E	80	EA	\$ 1,034.00	\$ 82,720.00
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NOUN: MOUNT, TELESCOPE AND
PRON: M151R095M1 PRON AMD: 06 ACRN: AB
AMS CD: 060011

THESE ARE GOVERNMENT OWNED ASSETS THAT HAVE BEEN
PREVIOUSLY SHIPPED AGAINST CLIN 0001AC 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 80, UPON DELIVERY
BACK TO THE GOVERNMENT.

(End of narrative B001)

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_f F_e_r_f_o_r_m_a_n_c_e	DOC	SUPPL
R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D		
001 W52H0951802900 W52H1C J		1
D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E_
001	50	30-JUN-2008

FOB POINT: Destination

SHIP TO: P_A_R_C_E__P_O_S_T_A_D_D_R_E_S_S
(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
TRANSPORTATION OFFICE
BLDG 102 RODMAN AVE AND GILLESPIE
ROCK ISLAND IL 61299-5000
_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ C_O_R_D_E_R_N_U_M_B_E_R
W52H09-05-D-0248/0001

DOC	SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D	
002 W52H0952082901 W25G1U J	1	
D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E_
001	30	30-MAY-2008

FOB POINT: Destination

SHIP TO: P_A_R_C_E__P_O_S_T_A_D_D_R_E_S_S
(W25G1U) SU TRANSPORTATION OFFICER
DDSP NEW CUMBERLAND FACILITY
2001 MISSION DRIVE DOOR 113 134
NEW CUMBERLAND PA 17070-5001

CONTINUATION SHEET

PIIN/SIN 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
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C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R
W52H09-05-D-0248/0001

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 05

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I_T_E_P_</u> <u>M_I_P_R</u>	AC_R_N	OBLG STAT/ <u>JO_O_R_D_N_O_</u>	INCREASE/DECREASE <u>P_R_I_O_R_A_M_O_U_N_T</u>	A_M_O_U_N_T	CUMULATIVE <u>A_M_O_U_N_T</u>
0001AC	M151R095M1 060011	AB	2	\$ 672,169.50 \$	-313,679.10	\$ 358,490.40
1001AB	W16ALC37M1 31303334015	AC	2 676C37	\$ 0.00 \$	84,366.00	\$ 84,366.00
1001AC	M151R095M1 060011	AB	2	\$ 0.00 \$	367,859.10	\$ 367,859.10
2001AB	W16AKC37M1 31303334015 W16M3755M108	AC	2 676C37	\$ 0.00 \$	72,380.00	\$ 72,380.00
2001AC	M151R095M1 060011	AB	2	\$ 0.00 \$	82,720.00	\$ 82,720.00
				NET CHANGE \$	293,646.00	

SERVICE	NET CHANGE <u>N_A_M_E</u> <u>B_Y_A_C_R_N</u>	AC_C_O_N_T_C_I_A_S_S_I_F_I_C_A_T_I_O_N	ACCOUNTING <u>S_T_T_I_O_</u>	INCREASE/DECREASE <u>A_M_O_U_N_T</u>
Army	AB	97 X4930AC9G 6D 26KB	S11116	W52H09 \$ 136,900.00
Army	AC	21 62033000066D6D02P31303326KB	S11116	W52H09 \$ 1_5_6_7_4_6_0_0
				NET CHANGE \$ 293,646.00

NET CHANGE FOR AWARD: \$	PRIOR AMOUNT <u>O_F_A_W_A_R_D</u>	INCREASE/DECREASE <u>A_M_O_U_N_T</u>	CUMULATIVE <u>_O_B_L_I_G_A_M_T</u>
\$ 1,474,291.77	\$	293,646.00	\$ 1,767,937.77

AC_R_N	ED_A_C_C_O_U_N_T_I_N_G_C_I_A_S_S_I_F_I_C_A_T_I_O_N	
AB	97 0X0X4930AC9G S11116 56D00000600110000026KB	S11116
AC	21 060820330000 S11116 66D6D023130333401526KB	676C37S11116 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
U6	2007MAY22	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS S4402A5601APC	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

	9B. Dated (See Item 11)
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	10A. Modification Of Contract/Order No.
X	W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	---------------------------------

Code	Facility Code
0BK64	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

KIND MOD CODE: 1 It Modifies The Contract/Order No. As Described In Item 14.

X 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 ^X 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/

2007MAY22

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN W52H09-05-D-0248/0001 MOD/AMD U6

Name of Offeror or Contractor: OPTEX SYSTEMS INC SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION U6 TO W52H0905D0248 DO 0001 IS TO:

1) CHANGE THE SHIPPING DESTINATION OF EIGHT (8) EACH M187 ON CLIN 0001AB

FROM:

DODAAC - W52H1C
XU W0K8 USA ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

TO:

DODAAC - W905MY Commander

US Army Yuma Proving Ground

ATTN: CSTE-DTC-YP-YT-MW-A(Ciede O'Neal 928-328-7101)

KOFA Firing Range (KFR) Aberdeen Road Entrance Building 3490N Yuma, Arizona 85365-9498

2) PROVIDE 20 EACH OF PART NUMBER 12599229 AS GFM TO OPTEX IN ORDER TO PREVENT PRODUCTION LINES FROM SHUTTING DOWN.

REPLACEMENT PARTS WILL BE RETURNED TO THE GOVERNMENT, ONCE THE SUPPLIER DELIVERS TO OPTEX.

GFM TO BE SHIPPED TO:

DODAAC - CMAODE
ATTN: ANGUS LATHAM
XR OPTEX SYSTEMS INC
1420 PRESIDENTIAL DRIVE
RICHARDSON TX 75081-2439

GFM SHALL BE RETURNED TO:

DODAAC - W52H1C
XU W0K8 USA ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0007 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD U6

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	179	EA \$	4,481.13000	\$ 802,122.27
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NOUN: MOUNT, TELESCOPE AND
 PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA
 AMS CD: 33104540041

EIGHT (8) UNITS UNDER THIS CLIN 0001AB SHALL BE SHIPPED DIRECTLY TO:

DODAAC: W905MY
 Commander
 US Army Yuma Proving Ground
 ATTN: CSTE-DTC-YP-YT-MW-A (Clede O'Neal 928-328-7101)
 KOFA Firing Range (KFR) Aberdeen Road Entrance Building 3490N
 Yuma, Arizona 85365-9498

REMAINING ITEMS (171) SHALL BE SHIPPED AS DIRECTED ON MOD 05 TO THIS DELIVERY ORDER.

(End of narrative B002)

_a_c_k_a_g_i_n__ P_a_n_d_M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
09	2008JAN28	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS S4402A5601APC	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

	9B. Dated (See Item 11)

	X	10A. Modification Of Contract/Order No.
		W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code ⁰ BK64	Facility Code	2005AUG01
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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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2008JAN28

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIH W52H09-05-D-0248/0001 MOD/AMD 09

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 \$205,209.34. FOR ADMINISTRATIVE PURPOSES, THIS AMOUNT IS SPLIT BETWEEN SUB-CLINS 0004AA AND 0004AB AT \$102,604.67 EACH.

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 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 09

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0004 SECURITY CLASS: Unclassified

0004AA E_Q_U_I_T_A_B_L_ A_D_J_U_S_T_M_E_N_T P_A \$ 1_0_2_,_6_0_4_._6_7_

NOUN: M187 MOUNT

PRON: 2C6090461A

PRON AMD: 01

ACRN: AD

AMS CD: 32101366046

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Destination

ACCEPTANCE: Destination

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e

DLVR SCH

PERF COMPL

R_E_L_C_D_

Q_U_A_N_T_I_T_Y

D_A_T_E_

001

0

30-JAN-2008

\$

102,604.67

0004AB E_Q_U_I_T_A_B_L_ A_D_J_U_S_T_M_E_N_T S_U_S_T_A_I_N_M_E_N_T \$ 1_0_2_,_6_0_4_._6_7_

NOUN: M187A1 MOUNT

PRON: M181F694M1

PRON AMD: 01

ACRN: AB

AMS CD: 060011

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Destination

ACCEPTANCE: Destination

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e

DLVR SCH

PERF COMPL

R_E_L_C_D_

Q_U_A_N_T_I_T_Y

D_A_T_E_

001

0

30-JAN-2008

\$

102,604.67

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 09

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	PRON/ AMS CD/ <u>I_T_E_</u> <u>M_I_P_R</u>	<u>A_C_R_N_</u>	OBLG STAT/ <u>J_O_</u> <u>O_R_D_N_O_</u>	INCREASE/DECREASE		CUMULATIVE
				<u>P_R_I_O_R_A_M_O_U_N_T</u>	<u>A_M_O_U_N_T</u>	<u>A_M_O_U_N_T</u>
0004AA	2C6090461A 32101366046 A16P30462R2C	AD	2	\$ 0.00	\$ 102,604.67	102,604.67
0004AB	M181F694M1 060011	AB	2	\$ 0.00	\$ 102,604.67	102,604.67
				NET CHANGE \$	205,209.34	

SERVICE	NET CHANGE			ACCOUNTING	INCREASE/DECREASE	
<u>N_A_M_E</u>	<u>B_Y_A_C_R_N</u>	<u>A_C_C_O_N_T_C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>		<u>S_T_T_I_O_</u>		<u>A_M_O_U_N_T</u>
Army	AB	97	X4930AC9G 6D	26KB	S11116	W52H09 \$ 102,604.67
Army	AD	21	62033000065R5R13P321013255X	S28017	W52H09	\$ 1_0_2_ _6_0_4_ _6_7
				NET CHANGE \$		205,209.34

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O_F_A_W_A_R_D</u>	<u>A_M_O_U_N_T</u>	<u>O_B_L_I_G_A_M_T</u>
NET CHANGE FOR AWARD: \$	1,767,937.77	\$ 205,209.34	\$ 1,973,147.11

<u>A_C_R_N_</u>	<u>ED_A_C_C_O_U_N_T_I_N_G_C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	
AB	97 0X0X4930AC9G S11116 86D00000600110000026KB	S11116
AD	21 060820330000 S28017 65R5R1332101366046255X	6RM169S28017 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
10	2008MAY02	SEE SCHEDULE	

6. Issued By	Code W52H09	7. Administered By (If other than Item 6)	Code	S4402A
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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
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EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS S4402A5601APC	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	9B. Dated (See Item 11)

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
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Code ⁰ BK64	Facility Code	2005AUG01
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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

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2008MAY02

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHINSHIN W52H09-05-D-0248/0001 MOD/AMD¹⁰

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 \$542,539.89.
- 2) THE ABOVE AMOUNT IS ADDED TO CLIN 0004AB FOR A TOTAL CLIN PRICE OF \$645,144.56.
- 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 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 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 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0001 MOD/AMD 10

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	E_Q_U_I_T_A_B_L_ A_D_J_U_S_T_M_E_N_T S_U_S_T_A_I_N_M_E_N_T				\$ 6_4_5_ _1_4_4_ _5_6_
	NOUN: M187A1 MOUNT				
	PRON: M181F694M1	PRON AMD: 03		ACRN: AB	
	AMS CD: 060011				
	I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e				
	INSPECTION: Destination			ACCEPTANCE: Destination	
	D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e				
	DLVR SCH			PERF COMPL	
	R_E_L_C_D_	Q_U_A_N_T_I_T_Y		D_A_T_E_	
	001	0		30-JAN-2008	
	\$	102,604.67			
	DLVR SCH			PERF COMPL	
	R_E_L_C_D_	Q_U_A_N_T_I_T_Y		D_A_T_E_	
	002	0		01-MAY-2008	
	\$	542,539.89			

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001

MOD/AMD 10

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/	AC_R_N_	OBLG STAT/ JO__ O_R_D N_O_	INCREASE/DECREASE		CUMULATIVE
	AMS CD/ <u>I_T_E_P_</u> <u>M_I_P_R</u>			P_R_I_O_R_A_M_O_U_N_T	A_M_O_U_N_T	A_M_O_U_N_T
0004AB	M181F694M1 060011	AB	2 \$	102,604.67 \$	542,539.89	\$ 645,144.56
				NET CHANGE \$	542,539.89	

SERVICE	NET CHANGE	AC_C_O_N_T	C_L_A_S_S_I_F_I_C_A_T_I_O_N	ACCOUNTING	INCREASE/DECREASE
N_A_M_E	B_Y A_C_R_N			S_T_T_I_O_	A_M_O_U_N_T
Army	AB	97	X4930AC9G 6D	26KB S11116	W52H09 \$ 5,422,539.89
				NET CHANGE \$	542,539.89

PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
O_F A_W_A_R_D	A_M_O_U_N_T	_O_B_L_I_G__A_M_T
NET CHANGE FOR AWARD: \$	1,973,147.11	\$ 542,539.89 \$ 2,515,687.00

AC_R_N_	ED__A_C_C_O_U_N_T_I_N_G__C_L_A_S_S_I_F_I_C_A_T_I_O_N	
AB	97 0X0X4930AC9G	S11116 86D0000600110000026KB S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
11	2008JUN17	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	9B. Dated (See Item 11)	10A. Modification Of Contract/Order No.
		W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code ^{0B} BK64	Facility Code
	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)

ACRN: AC NET DECREASE: -\$72,380.00

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2008JUN17

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET

PHN/SHN 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 70 UNITS TO ORIGINAL CONFIGURATION (BRASS GEARS) WOULD BE SHIPPED WHILE WAITING FOR STEEL GEARS TO ARRIVE. THE INTENT WAS TO RETURN THESE 70 ASSETS TO THE CONTRACTOR AT A LATER DATE TO INCORPORATE THE NEW GEARS. THE CONTRACTOR WAS THEN TO RESHIP THE ASSETS AND BILL \$1034.00 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 \$72,380.00. THIS MOD WILL BE IMMEDIATELY FOLLOWED BY A NEW MOD CREATING A CLIN TO ALLOW FOR THE INCREASE IN PRICE OF \$774 FOR 70 EACH, FOR A TOTAL INCREASE OF \$54,180.00.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0012 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 11

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

2001AB D_E_L_E_T_E_D_

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001

MOD/AMD 11

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> <u>M I P R</u>	AC R N	OBLG STAT/ <u>JO</u> <u>O R D N O</u>	P R I O R A M O U N T	INCREASE/DECREASE	CUMULATIVE
2001AB	W16AKC37M1 31303334015 W16M3755M108	AC	1 676C37	\$ 72,380.00	\$ -72,380.00	\$ 0.00
				NET CHANGE	\$ -72,380.00	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u>	<u>A C C O N T C L A S S I F I C A T I O N</u>	<u>S T T I O A M O U N T</u>
Army	AC	21 62033000066D02F31303326KB S11116	\$ -72,380.00
			NET CHANGE \$ -72,380.00

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O F A W A R D</u>		<u>O B L I G A M T</u>
NET CHANGE FOR AWARD:	\$ 2,515,687.00	\$ -72,380.00	\$ 2,443,307.00

AC R N	ED A C C O U N T I N G C L A S S I F I C A T I O N	
AC	21 060820330000 S11116 66D023130333401526KB	676C37S11116 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 9

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
12	2008JUL17	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS S4402A5601APC	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	9B. Dated (See Item 11)
	10A. Modification Of Contract/Order No.
	W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	--------------------------

Code	Facility Code
0BK64	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.

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN W52H09-05-D-0248/0001 MOD/AMD 12

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 \$447.27, 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 (447.27) FOR A TOTAL PRICE OF \$5702.40.

LIKewise, FOR EACH MOUNT SHIPPED AGAINST CLIN 0001AC, THE CONTRACTOR SHALL BILL AGAINST CLIN 0001AC (\$4481.13), 1001AC (\$774), AND 2001AC (447.27) FOR A TOTAL PRICE OF \$5702.40.

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 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 179 EA \$ 4,481.13000 \$ 802,122.27

NOUN: MOUNT, TELESCOPE AND
 PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA
 AMS CD: 33104540041

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI P12984689
 LEVEL PRESERVATION: Military
 LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f F_e_f_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D__ M_I_L_S_T_R_I_P__ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H095181T700 W52H1C J 1
 P_R_O__ C_D B_R__ B_L_K P_T
 G19

D_E__R_E_L__ C_D	Q_U_A_N_T_I_T_Y	_D_E_L__D_A_T_E_
004	10	30-APR-2007
005	10	30-MAY-2007
006	20	30-MAY-2009
007	20	30-JUN-2009
008	20	30-JUL-2009
009	20	30-AUG-2009
010	20	30-SEP-2009
011	20	30-OCT-2009
012	20	30-NOV-2009
013	19	30-DEC-2009

FOB POINT: Destination

SHIP TO:
 (W52H1C) XU USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO SUPPLIES/SERVICES QUANTITY UNIT UNIT PRICE AMOUNT

ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

0001AC P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 150 EA \$ 4, _4_8_1_._1_3_0_0_0 \$ 6_7_2, _1_6_9_._5_0_

NOUN: MOUNT, TELESCOPE AND

PRON: M151R095M1 PRON AMD: 07

ACRN: AB

AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_f_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

001 W52H0951802900 W52H1C J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

004 3 30-JUL-2008

005 10 30-AUG-2008

006 10 30-SEP-2008

007 15 30-OCT-2008

008 15 30-NOV-2008

009 22 30-DEC-2008

FOB POINT: Destination

SHIP TO:

(W52H1C)

XU USA ROCK ISL ARSENAL

TRANSPORTATION OFFICE

BLDG 102 RODMAN AVE AND GILLESPIE

ROCK ISLAND

IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

DOC

SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

002 W52H0952082901 W25G1U J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 20 30-JAN-2009

002 20 28-FEB-2009

CONTINUATION SHEET

PIN/SHIN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
003	20	30-MAR-2009			
004	15	30-APR-2009			
	FOB POINT: Destination SHIP TO: (W25G1U) SU TRANSPORTATION OFFICER DDSP NEW CUMBERLAND FACILITY 2001 NORMANDY DRIVE DOOR 113 TO 134 NEW CUMBERLAND PA 17070-5002 C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R W52H09-05-D-0248/0001				
1001	NSN: 1240-01-483-5324 SECURITY CLASS: Unclassified				
1001AB	U_N_I_T_P_R_I_C_E_ I_N_C_R_E_A_S_E			\$	1_2_3_._0_6_6_._0_0
	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)				
	I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e INSPECTION: Origin ACCEPTANCE: Origin				
	D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DLVR SCH PERF COMPL R_E_L_C_D_ Q_U_A_N_T_I_T_Y D_A_T_E_				
	001	0	30-JUN-2009		
	\$	123,066.00			
1001AC	U_N_I_T_P_R_I_C_E_ I_N_C_R_E_A_S_E	150	EA	\$ 7_7_4_._0_0_0_0_0_0	\$ 1_1_6_._1_0_0_._0_0_
	NOUN: UNIT PRICE ADJUSTMENT PRON: M151R095M1 PRON AMD: 07 ACRN: AB				

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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AMS CD: 060011

ITEMS Shipped ON CLIN 0001AC SHALL ALSO BE BILLED
AGAINST THIS CLIN 1001AC FOR \$774 EACH UP TO 150
UNITS.

THIS CLIN IS FOR BILLING PURPOSES ONLY.
NO SEPARATE DELIVERY REQUIRED.

(End of narrative B001)

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

DOC	SUPPL	R_E__C_D__ M_I_L_S_T_R_I_P__ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D	QUANTITY	UNIT PRICE	AMOUNT
001	W52H0951802900	W52H1C	J	1	
001	DELETED				

FOB POINT: Destination

SHIP TO:

(W52H1C) XU USA ROCK ISL ARSENAL
TRANSPORTATION OFFICE
BLDG 102 RODMAN AVE AND GILLESPIE
ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

DOC	SUPPL	R_E__C_D__ M_I_L_S_T_R_I_P__ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D	QUANTITY	UNIT PRICE	AMOUNT
002	W52H0952082901	W25G1U	J	1	
001	DELETED				
002	DELETED				
003	DELETED				

FOB POINT: Destination

SHIP TO:

(W25G1U) SU TRANSPORTATION OFFICER
DDSP NEW CUMBERLAND FACILITY
2001 NORMANDY DRIVE DOOR 113 TO 134
NEW CUMBERLAND PA 17070-5002

C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

NSN: 1240-01-483-5324

2001 SECURITY CLASS: Unclassified

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
2001AB	U_N_I_T_P_R_I_C_E_I_N_C_R_E_A_S_E		\$	71,115.93

NOUN: UNIT PRICE INCREASE
 PRON: 2C8130221A PRON AMD: 01 ACRN: AE
 AMS CD: 32101366022

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 00 01AB)

THIS CLIN IS FOR BILLING PURPOSES ONLY.

NO SEPARATE DELIVERY REQUIRED.

(End of narrative B001)

I_n_s_p_e_c_t_i_o_n_a_n_d_a_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_c_h_e_d	C_o_n_f_o_r_m_a_n_c_e	PERF COMPL
DLVR SCH		
R_E_L_C_D_	Q_U_A_N_T_I_T_Y	D_A_T_E_
001	0	30-SEP-2010
	\$ 71,115.93	

"NEW CONFIGURATION"

(End of narrative A001)

2001AC	U_N_I_T_P_R_I_C_E_I_N_C_R_E_A_S_E	150	EA \$ 447.27	0.00	\$ 67,090.50
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NOUN: UNIT PRICE INCREASE
 PRON: M151R095M1 PRON AMD: 07 ACRN: AB
 AMS CD: 060011

(Deleted narrative B0001)

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.

THIS CLIN IS FOR BILLING PURPOSES ONLY.

NO SEPARATE DELIVERY REQUIRED.

(End of narrative B002)

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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P_a_c_k_a_g_i_n_g_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_n_a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D M_A_R_F_O_R T_C_D

001 W52H095180Z900 W52H1C J 1

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 DELETED

FOB POINT: Destination

SHIP TO:

(W52H1C) XU USA ROCK ISL ARSENAL
 TRANSPORTATION OFFICE
 BLDG 102 RODMAN AVE AND GILLESPIE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_S_I_C_D M_A_R_F_O_R T_C_D

002 W52H095208Z901 W25G1U J 1

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 DELETED

FOB POINT: Destination

SHIP TO:

(W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 NORMANDY DRIVE DOOR 113 TO 134
 NEW CUMBERLAND PA 17070-5002

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 12

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> <u>M I P R</u>	AC_R_N	OBLG STAT/ <u>JO</u> <u>O R D N O</u>	INCREASE/DECREASE P_R_I_O_B A_M_O_U_N_T	A_M_O_U_N_T	CUMULATIVE A_M_O_U_N_T
0001AC	M151R095M1 060011	AB	2	\$ 358,490.40 \$	313,679.10	\$ 672,169.50
1001AB	W16ALC37M1 31303334015	AC	2 676C37	\$ 84,366.00 \$	38,700.00	\$ 123,066.00
1001AC	M151R095M1 060011	AB	2	\$ 367,859.10 \$	-251,759.10	\$ 116,100.00
2001AB	2C8130221A 32101366022 A18P30222R2C	AE	2 8RM223	\$ 0.00 \$	71,115.93	\$ 71,115.93
2001AC	M151R095M1 060011	AB	2	\$ 82,720.00 \$	-15,629.50	\$ 67,090.50
				NET CHANGE \$	156,106.43	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u> <u>AC C O N T</u> <u>C L A S S I F I C A T I O N</u>	<u>S T T I O</u>	<u>A M O U N T</u>
Army	AB 97 X4930AC9G 6D	26KB S11116	W52H09 \$ 46,290.50
Army	AC 21 62033000066D6D02P31303326KB	S11116	W52H09 \$ 38,700.00
Army	AE 21 82033000085R5R13P32101331E1	S28017	W52H09 \$ 71,115.93
			NET CHANGE \$ 156,106.43

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O F A W A R D</u>	<u>A M O U N T</u>	<u>O B L I G A M T</u>
NET CHANGE FOR AWARD: \$	2,443,307.00	\$ 156,106.43	\$ 2,599,413.43

<u>AC R N</u>	<u>ED A C C O U N T I N G C L A S S I F I C A T I O N</u>
AB 97 0X0X4930AC9G	S11116 56D00000600110000026KB S11116
AC 21 060820330000	S11116 66D6D023130333401526KB 676C37S11116 W52H09
AE 21 081020330000	S28017 85R5R133210136602231E1 8RM223S28017 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
13	2008SEP04	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-IBC CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	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)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

	9B. Dated (See Item 11)

	X	10A. Modification Of Contract/Order No.
		W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code ⁰ BK64	Facility Code	2005AUG01
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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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor ^X 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/

2008SEP04

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 13

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 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 13

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	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	179	EA \$	4,481.13000 \$ 802,122.27
--------	-------------------------------------	-----	-------	---------------------------

NOUN: MOUNT, TELESCOPE AND

PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA
 AMS CD: 33104540041

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SFI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f F_e_f_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D__ M_I_L_S_T_R_I_P__ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

001 W52H095181T700 W52H1C J 1

P_R_O__ C_D B_R__ B_L_K P_T

G19

D_E__R_E_L__ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

004 10 30-APR-2007

005 10 30-MAY-2007

006 20 30-JUN-2009

007 20 30-JUL-2009

008 20 30-AUG-2009

009 20 30-SEP-2009

010 20 30-OCT-2009

011 20 30-NOV-2009

012 20 30-DEC-2009

013 19 30-JAN-2010

FOB POINT: Destination

SHIP TO:

(W52H1C) XU USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 13

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
---------	-------------------	---------------	------------	--------

ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

0001AC P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 150 EA \$ 4,481.13000 \$ 672,169.50

NOUN: MOUNT, TELESCOPE AND
PRON: M151R095M1 PRON AMD: 09
AMS CD: 060011

ACRN: AB

P_a_c_k_a_g_i_n_ a_n_d M_a_f_k_i_n_g
PACKAGING/PACKING/SPECIFICATIONS:
SPI P12984689
LEVEL PRESERVATION: Military
LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
001 W52H0951802900 W52H1C J 1
D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
004 3 30-JUL-2008
005 10 30-SEP-2008
006 10 30-OCT-2008
007 15 30-NOV-2008
008 15 30-DEC-2008
009 22 30-JAN-2009

FOB POINT: Destination

SHIP TO:
(W52H1C) XU USA ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0248/0001

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_
A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
002 W52H0952082901 W25G1U J 1
D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
001 20 28-FEB-2009
002 20 30-MAR-2009

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0001 MOD/AMD

13

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
003	30-APR-2009	20			
004	30-MAY-2009	15			

FOB POINT: Destination

SHIP TO:

(W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 NORMANDY DRIVE DOOR 113 TO 134
 NEW CUMBERLAND PA 17070-5002

C_O_N_T_R_A_C_T/_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0248/0001

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5
Firm-Fixed-Price

2. Amendment/Modification No. 3. Effective Date 4. Requisition/Purchase Req No. 5. Project No. (If applicable)
14 2009MAY18 SEE SCHEDULE

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code S4402A

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 S4402A5601APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) 9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.

1420 PRESIDENTIAL DR 9B. Dated (See Item 11)
RICHARDSON, TX 75081-2439

X 10A. Modification Of Contract/Order No.
W52H09-05-D-0248/0001

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code 0BK64 Facility Code 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

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2009MAY18

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 14

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 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0001 MOD/AMD 14

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001AB	P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y	179	EA	\$ 4,481.13000	\$ 802,122.27
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NOUN: MOUNT, TELESCOPE AND

PRON: W15AAC06M1 PRON AMD: 03 ACRN: AA

AMS CD: 33104540041

P_a_c_k_a_g_i_n_g_a_n_d_M_a_f_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI P12984689

LEVEL PRESERVATION: Military

LEVEL PACKING: A

I_n_s_p_e_c_t_i_o_n_a_n_d_A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r_P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D

001 W52H095181T700 W52H1C J 1

P_R_O_C_D B_R_B_L_K_P_T

G19

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

004	10	30-APR-2007
005	10	30-MAY-2007
006	20	30-SEP-2009
007	20	30-OCT-2009
008	20	30-NOV-2009
009	20	30-DEC-2009
010	20	30-JAN-2010
011	20	28-FEB-2010
012	20	30-MAR-2010
013	19	30-APR-2010

FOB POINT: Destination

SHIP TO:

(W52H1C) XU USA ROCK ISL ARSENAL

BLDG 299 GILLESPIE AV AND BECK LANE

ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0248/0001

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0001 MOD/AMD 14

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
---------	-------------------	---------------	------------	--------

0001AC	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	150	EA \$ 4,481.130000	672,169.50
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NOUN: MOUNT, TELESCOPE AND
 PRON: M151R095M1 PRON AMD: 10
 AMS CD: 060011

ACRN: AB

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI P12984689
 LEVEL PRESERVATION: Military
 LEVEL PACKING: A

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

Doc	Suppl	Item	Unit	Price	Amount
001	W52H0951802900	W52H1C J	1		
004		3		30-JUL-2008	
005		10		30-SEP-2008	
006		10		30-OCT-2008	
007		15		30-NOV-2008	
008		15		30-MAR-2009	
009		22		30-APR-2009	

FOB POINT: Destination

SHIP TO:
 (W52H1C) XU USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

Doc	Suppl	Item	Unit	Price	Amount
002	W52H0952082901	W52H1C J	1		
001		20		30-MAY-2009	
002		20		30-JUN-2009	
003		20		30-JUL-2009	
004		15		30-AUG-2009	

FOB POINT: Destination

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0001 MOD/AMD

14

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
---------	-------------------	---------------	------------	--------

SHIP TO:

(W52H1C) XU USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T_/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0001

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

(YYYYMMDD)

W52H09-05-D-0248 0002 2006FEB03 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843 X DESTINATION OTHER

(See Schedule if other)

SCD: A PAS: NONE ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

(YYYYMMDD)

0 OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR SEE SCHEDULE X SMALL SMALL

NAME RICHARDSON, TX 75081-2769 12. DISCOUNT TERMS 13. MAIL INVOICES TO THE ADDRESS IN BLOCK DISADVANTAGED

AND ADDRESS WOMAN-OWNED

0 TYPE BUSINESS: Other Small Business Performing in U.S. 0 See Block 15

14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

SEE SCHEDULE DFAS COLUMBUS CENTER DFAS-CO/WEST ENTITLEMENT OPERATIONS PO BOX 182381 COLUMBUS OH 43218-2381 PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.

X

TYPE

OF

ORDER Reference your Oral Written Quotation , Dated .

PURCHASE furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY ORDERED/ ACCEPTED* 21. UNIT 22. UNIT PRICE 23. AMOUNT

SEE SCHEDULE CONTRACT TYPE:

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is **24. UNITED STATES OF AMERICA** **25. TOTAL** \$245,150.00

same as quantity ordered, indicate by X. **VICKI AHLGRIM /SIGNED/** **26.**

If different, enter actual quantity accepted below **VICKI.AHLGRIMBUS.ARMY.MIL (309) 782-3220** **DIFFERENCES**
quantity ordered and encircle. **BY:** **CONTRACTING/ORDERING OFFICER**

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** **d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT**
(YYYYMMDD) REPRESENTATIVE

e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE **28. SHIP. NO.** **29. D.O. VOUCHER NO.** **30. INITIALS**

32. PAID BY **33. AMOUNT VERIFIED CORRECT FOR**
PARTIAL

f. TELEPHONE NUMBER **g. E-MAIL ADDRESS** FINAL

31. PAYMENT **34. CHECK NUMBER**

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE **b. SIGNATURE AND TITLE OF CERTIFYING OFFICER** **35. BILL OF LADING NO.**
(YYYYMMDD) PARTIAL
FINAL

37. RECEIVED AT **38. RECEIVED BY (Print)** **39. DATE RECEIVED** **40. TOTAL CON-** **41. S/R ACCOUNT NUMBER** **42. S/R VOUCHER NO.**
(YYYYMMDD) TAINERS

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0002

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SUPPLEMENTAL INFORMATION

1. This Delivery Order 0002 against basic award W52H09-05-D-0248 is for the following items:

CLIN 0001AB - 50 each, M187A1 Mount Telescope, NSN: 1240-01-483-5324, P/N: 12984689, unit price \$4,903.00, total \$245,150.00

2. See Section B for delivery schedule.

3. All terms and conditions of the Basic Contract W52H09-05-D-0248 apply.

*** END OF NARRATIVE A 001 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0002 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y	50	EA	\$ 4,903.000000	\$ 245,150.00
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NOUN: MOUNT, TELESCOPE AND
 PRON: M161F756M1 PRON AMD: 01 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D M_A_R_F_O_R T_C_D
 001 W52H0960242904 W25G1U J 1
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 30 25-SEP-2007

FOB POINT: Destination

SHIP TO: P_A_R_C_E_P_O_S_T_A_D_D_R_E_S_S
 (W25G1U) XU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 BUILDING MISSION DOOR 113 134
 NEW CUMBERLAND PA 17070-5001
 _O_N_T_R_A_C_T/_D_E_L_I_V_E_R_C_O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0248/0002

DOC SUPPL R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D M_A_R_F_O_R T_C_D
 002 W52H0960242905 W62G2T J 1
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 20 25-OCT-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S
 (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN
 25600 S CHRISMAN ROAD
 REC WHSE 10 PH 209 839 4307
 TRACY CA 95304-5000
 C _O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0248/0002

CONTINUATION SHEET

PIIN/SIIN

W52H09-05-D-0248/0002

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ IT_E	OBLG MIP	A R N ST A C O U N T I N C L A S S I F I C A T I O N				JOB ORDER	ACCOUNTING S A T O	OBLIGATED A M O U N T
0001AB	M161F756M1 060011	AA 2	97	X4930AC9G	6D	26KB	S11116	W52H09	\$ 245,150.00
								TOTAL	\$ 245,150.00

SERVICE NA_M	TOTAL BY Y	A C R N	A	N T I N	C L A S S I F I C A T I O N	ACCOUNTING S T A T I O N	OBLIGATED A M O U N T		
Army		AA	97	X4930AC9G	6D	26KB	S11116	W52H09	\$ 245,150.00
								TOTAL	\$ 245,150.00

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2006JUL26	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@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.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0002

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

10B. Dated (See Item 13)

Code	Facility Code	
0BK64		2006FEB03

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: \$11,027.00

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.

X 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 X 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/

2006JUL26

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0002

MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 01 TO W52H0905D0248 DELIVERY ORDER 0002 IS TO:

- 1) INCREASE THE UNIT PRICE OF CLINS 0001AB BY \$220.54 EACH, DUE TO THE INCORPORATION OF A COST IMPACTING ECP (H06A2048). THIS ECP INVOLVES RETROFITTING A NEW QUICK DISCONNECT TO UNITS CURRENTLY IN PRODUCTION (50).
- 2) THIS IS A TOTAL INCREASE TO THIS DELIVERY ORDER OF \$11,027.00.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 002 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0002 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	50	EA	\$ 5,123,540.00	\$ 2,561,770.00
--------	------------------------------------	----	----	-----------------	-----------------

NOUN: MOUNT, TELESCOPE AND

PRON: M161P756M1 PRON AMD: 01 ACRN: AA
AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r F_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

001 W52H0960242904 W25G1U J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 30 25-SEP-2007

FOB POINT: Destination

SHIP TO: P_A_R_C_E_ P_O_S_T_A_D_D_R_E_S_S

(W25G1U) SU TRANSPORTATION OFFICER

DDSP NEW CUMBERLAND FACILITY

2001 MISSION DRIVE DOOR 113 134

NEW CUMBERLAND PA 17070-5001

_O_N_T_R_A_C_T_/D_E_L_I_V_E_R_ C_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0248/0002

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

002 W52H0960242905 W62G2T J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 20 25-OCT-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S

(W62G2T) XU DEF DIST DEPOT SAN JOAQUIN

25600 S CHRISMAN ROAD

REC WHSE 10 PH 209 839 4307

TRACY CA 95304-5000

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R_ C_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0248/0002

PHN/SHN W52H09-05-D-0248/0002 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I</u> <u>TE</u> <u>E</u> <u>---</u> <u>M</u> <u>I</u> <u>P</u> <u>---</u> <u>R</u>	OBLG STAT/ <u>A</u> <u>C</u> <u>R</u> <u>N</u> <u>---</u> <u>O</u> <u>---</u> <u>O</u> <u>R</u> <u>D</u> <u>N</u> <u>O</u> <u>---</u>	INCREASE/DECREASE <u>P</u> <u>R</u> <u>I</u> <u>O</u> <u>R</u> <u>---</u> <u>A</u> <u>M</u> <u>O</u> <u>U</u> <u>N</u> <u>T</u> <u>---</u> <u>A</u> <u>M</u> <u>O</u> <u>U</u> <u>N</u> <u>T</u> <u>---</u>	CUMULATIVE <u>A</u> <u>M</u> <u>O</u> <u>U</u> <u>N</u> <u>T</u> <u>---</u>
0001AB	M161F756M1	AA 2	\$ 245,150.00 \$ 11,027.00 \$	256,177.00
	060011			
			NET CHANGE \$ 11,027.00	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N</u> <u>A</u> <u>M</u> <u>E</u> <u>---</u>	<u>B</u> <u>Y</u> <u>A</u> <u>C</u> <u>R</u> <u>N</u> <u>---</u> <u>A</u> <u>C</u> <u>C</u> <u>O</u> <u>---</u> <u>N</u> <u>T</u> <u>---</u> <u>C</u> <u>L</u> <u>A</u> <u>S</u> <u>S</u> <u>I</u> <u>F</u> <u>I</u> <u>C</u> <u>A</u> <u>T</u> <u>I</u> <u>O</u> <u>N</u> <u>---</u>	<u>S</u> <u>T</u> <u>T</u> <u>I</u> <u>O</u> <u>---</u>	<u>A</u> <u>M</u> <u>O</u> <u>U</u> <u>N</u> <u>T</u> <u>---</u>
Army	AA 97 X4930AC9G 6D	26KB S11116 W52H09	\$ 11,027.00
		NET CHANGE \$	11,027.00

PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
<u>O</u> <u>F</u> <u>---</u> <u>A</u> <u>W</u> <u>A</u> <u>R</u> <u>D</u> <u>---</u>	<u>A</u> <u>M</u> <u>O</u> <u>U</u> <u>N</u> <u>T</u> <u>---</u>	<u>O</u> <u>B</u> <u>L</u> <u>I</u> <u>G</u> <u>---</u> <u>A</u> <u>M</u> <u>T</u> <u>---</u>
NET CHANGE FOR AWARD: \$ 245,150.00	\$ 11,027.00 \$	256,177.00

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
02	2007APR26	SEE SCHEDULE	

6. Issued By	Code W52H09	7. Administered By (If other than Item 6)	Code	S4402A
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TACOM-ROCK ISLAND	DCMA DALLAS
AMSTA-LC-GFA-B	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 NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC	

1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0002

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

10B. Dated (See Item 13)

Code 0BK64	Facility Code	2006FEB03
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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: \$38,700.00

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0002 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC SECTION A - SUPPLEMENTAL INFORMATION

AS A RESULT OF THE INCORPORATION OF ECP H07A2006:

- 1) THE UNIT PRICE ON DELIVERY ORDER 0002 IS INCREASED BY \$774.00, FOR A TOTAL PRICE OF \$294,877.00.
- 2) ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0003 ***

CONTINUATION SHEET

PHINSHIN W52H09-05-D-0248/0002 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y	50	EA	\$ 5,897.54000	\$ 294,877.00
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NOUN: MOUNT, TELESCOPE AND
 PRON: M161F756M1 PRON AMD: 04 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D M_A_R_F_O_R_T_C_D
 001 W52H0960242904 W25G1U J 1
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 30 25-SEP-2007

FOB POINT: Destination
 SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S
 (W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 MISSION DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001
 C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0248/0002

DOC SUPPL R_E_C_D_M_I_L_S_T_R_I_P
 A_D_D_S_I_C_D M_A_R_F_O_R_T_C_D
 002 W52H0960242905 W62G2T J 1
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 20 25-OCT-2007

FOB POINT: Destination
 SHIP TO: P_A_R_C_E_P_O_S_T_A_D_D_R_E_S_S
 (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN
 TRANSPORTATION OFFICER
 PO BOX 960001
 STOCKTON CA 95296-0130
 _O_N_T_R_A_C_T/_D_E_L_I_V_E_R_C_O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0248/0002

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0002

MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/	OBLG STAT/	INCREASE/DECREASE		CUMULATIVE			
	AMS CD/		P_R_I_O_R_A_M_O_U_N_T	A_M_O_U_N_T	A_M_O_U_N_T			
<u>I_T_E_P_</u>	<u>M_I_P_R</u>	<u>AC_R_N_</u>	<u>JO_</u>	<u>O_R_D</u>	<u>N_O_</u>	<u>P_R_I_O_R_A_M_O_U_N_T</u>	<u>A_M_O_U_N_T</u>	<u>A_M_O_U_N_T</u>
0001AB	M161F756M1 060011	AA	2	\$		256,177.00 \$	38,700.00	\$ 294,877.00
							NET CHANGE \$	38,700.00

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y_A_C_R_N</u>	<u>AC_C_O_N_T</u>	<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>
<u>S_T_T_I_O_</u>	<u>A_M_O_U_N_T</u>	<u>S_T_T_I_O_</u>	<u>A_M_O_U_N_T</u>
Army	AA	97	X4930AC9G 6D
			26KB S11116
			W52H09
			\$ 3,877,000.00
			NET CHANGE \$ 38,700.00

PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
<u>O_F_A_W_A_R_D</u>	<u>A_M_O_U_N_T</u>	<u>O_B_L_I_G_A_M_T</u>
NET CHANGE FOR AWARD: \$	256,177.00	\$ 294,877.00
	\$	\$
	38,700.00	38,700.00

AC_R_N_ ED_A_C_C_O_U_N_T_I_N_G_C_L_A_S_S_I_F_I_C_A_T_I_O_N
 AA 97 0X0X4930AC9G S11116 66D0000600110000026KB S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No. 03
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 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 NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769
9B. Dated (See Item 11)

X
10A. Modification Of Contract/Order No.
W52H09-05-D-0248/0002

TYPE BUSINESS: Other Small Business Performing in U.S.
10B. Dated (See Item 13)

Code 0BK64 Facility Code 2006FEB03

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: \$97,382.50

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN W52H09-05-D-0248/0002 MOD/AMD 03

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 0002 IS TO:

1) INCREASE THE UNIT PRICE FROM \$5897.54 BY \$1947.65, TO A UNIT PRICE OF \$7845.19.

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, AND OTHER MATTERS WHICH OCCUR AFTER 4 MARCH 2008.

2) REVISE THE DELIVERY SCHEDULE, SEE SECTION B.
ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0005 ***

CONTINUATION SHEET

PHINSHIN W52H09-05-D-0248/0002 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 50 EA \$ 7,845.190000 \$ 392,259.50

NOUN: MOUNT, TELESCOPE AND
 PRON: M161F756M1 PRON AMD: 05 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 W52H0960242904 W25G1U J 1
 D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 30 30-JAN-2010

FOB POINT: Destination

SHIP TO:
 (W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 NORMANDY DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0002

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_
 A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 002 W52H0960242905 W62G2T J 1
 D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 20 28-FEB-2010

FOB POINT: Destination

SHIP TO:
 (W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN
 TRANSPORTATION OFFICER
 PO BOX 960001
 STOCKTON CA 95296-0130

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0002

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0002

MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I_T_E_P_</u> <u>M_I_P_R</u>	<u>AC_R_N_</u>	OBLG STAT/ <u>JO_</u> <u>O_R_D</u> <u>N_O_</u>	INCREASE/DECREASE		CUMULATIVE
	<u>P_R_I_O_R_</u> <u>A_M_O_U_N_T_</u>			<u>A_M_O_U_N_T_</u>	<u>A_M_O_U_N_T_</u>	
0001AB	M161F756M1 060011	AA	2 \$	294,877.00 \$	97,382.50	\$ 392,259.50
				NET CHANGE \$	97,382.50	

SERVICE	NET CHANGE			ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y</u> <u>A_C_R_N</u>	<u>AC_C_O_N_T_</u>	<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	<u>S_T_</u> <u>T_I_O_</u>	<u>A_M_O_U_N_T_</u>
Army	AA	97	X4930AC9G 6D	26KB S11116	W52H09 \$ 97,382.50
				NET CHANGE \$	97,382.50

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O_F</u> <u>A_W_A_R_D</u>	<u>A_M_O_U_N_T_</u>	<u>_O_B_L_I_G_A_M_T_</u>
NET CHANGE FOR AWARD: \$	294,877.00	\$ 97,382.50	\$ 392,259.50

AC_R_N_ ED_ A_C_C_O_U_N_T_I_N_G_ C_L_A_S_S_I_F_I_C_A_T_I_O_N
 AA 97 0X0X4930AC9G S11116 66D0000600110000026KB S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
04	2010FEB03	SEE SCHEDULE	

6. Issued By	Code W52H09	7. Administered By (If other than Item 6)	Code	S4402A
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TACOM-ROCK ISLAND CCTA-AR-FA 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 #Q0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.	

1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439	9B. Dated (See Item 11)

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0248/0002

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	--------------------------

Code ⁰ BK64	Facility Code	2006FEB03
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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).

X C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: FAR 43.103(a) (3)
--

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

By _____ /SIGNED/ _____ 2010FEB03

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0002 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC. SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION IS TO REVISE THE DELIVERY SCHEDULE FOR CLIN 0001AB.

1. FORMALLY INCORPORATE A REVISED DELIVERY SCHEDULE AS SET FORTH IN SECTION B.
2. THERE IS NO COST TO EITHER PARTY.
3. THE CONTRACTOR HEREBY WAIVES ANY AND ALL RIGHTS AND CLAIMS FOR EQUITABLE ADJUSTMENT ATTRIBUTABLE TO SUCH FACTS AND CIRCUMSTANCES

GIVING RISE TO THE ABOVE CHANGES AND DOCUMENTION, INCLUDING ANY DELAYS, PRECEDING AND INCLUDING THIS MODIFICATION.

4. EARLIER DELIVERIES ARE ACCEPTABLE, IF AT NO ADDITIONAL COST TO THE GOVERNMENT.
5. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0006 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0002 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	50	EA \$ 7, 8 4 5 . 1 9 0 0 0	\$ 3 9 2 , 2 5 9 . 5 0
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NOUN: MOUNT, TELESCOPE AND
 PRON: M161F756M1 PRON AMD: 05 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 001 W52H0960242904 W25G1U J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 18 26-FEB-2010
 002 12 31-MAR-2010

FOB POINT: Destination

SHIP TO:

(W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 NORMANDY DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5002

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0002

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
 A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 002 W52H0960242905 W62G2T J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 8 31-MAR-2010
 002 12 30-APR-2010

FOB POINT: Destination

SHIP TO:

(W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN
 TRANSPORTATION OFFICER
 PO BOX 960001
 TRACY, CA, 95304-5000

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0248/0002 MOD/AMD

04

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R
W52H09-05-D-0248/0002

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

(YYYYMMDD)

W52H09-05-D-0248 0003 2007MAY01 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND
 AMSTA-LC-GAWC-B DCMA DALLAS
 CHRISTINE CARSON (309) 782-4301 600 NORTH PEARL STREET X DESTINATION
 ROCK ISLAND IL 61299-7630 SUITE 1630
 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL DALLAS TX 75201-2843 OTHER

(See Schedule if other)

SCD: A PAS: NONE ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

(YYYYMMDD)

0 0 X SMALL
 OPTEX SYSTEMS INC
 1420 PRESIDENTIAL DR SEE SCHEDULE SMALL

NAME RICHARDSON, TX 75081-2769 12. DISCOUNT TERMS 13. MAIL INVOICES TO THE ADDRESS IN BLOCK

AND ADDRESS DISADVANTAGED WOMAN-OWNED

0 0 13. MAIL INVOICES TO THE ADDRESS IN BLOCK

TYPE BUSINESS: Other Small Business Performing in U.S. See Block 15

14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

SEE SCHEDULE DFAS COLUMBUS CENTER PACKAGES AND
 DFAS-CO/WEST ENTITLEMENT OPERATIONS PAPERS WITH
 PO BOX 182381 IDENTIFICATION
 COLUMBUS OH 43218-2381 NUMBERS IN
 BLOCKS 1 AND 2

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.

X TYPE

OF

ORDER Reference your Oral Written Quotation , Dated .
 PURCHASE furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY 21. 22. UNIT PRICE 23. AMOUNT
 ORDERED/ UNIT
 ACCEPTED*

SEE SCHEDULE
 CONTRACT TYPE:

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is **24. UNITED STATES OF AMERICA** **25. TOTAL** \$717,850.40

same as quantity ordered, indicate by X. LISA DEVLIN /SIGNED/ **26.**

If different, enter actual quantity accepted below LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 **DIFFERENCES**
quantity ordered and encircle. **BY:** **CONTRACTING/ORDERING OFFICER**

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

32. PAID BY PARTIAL 33. AMOUNT VERIFIED CORRECT FOR

f. TELEPHONE NUMBER g. E-MAIL ADDRESS FINAL

31. PAYMENT 34. CHECK NUMBER

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE (YYYYMMDD) b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 35. BILL OF LADING NO. PARTIAL FINAL

37. RECEIVED AT 38. RECEIVED BY (Print) 39. DATE RECEIVED (YYYYMMDD) 40. TOTAL CONTAINERS 41. S/R ACCOUNT NUMBER 42. S/R VOUCHER NO.

PHN/SIN W52H09-05-D-0248/0003 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC SUPPLEMENTAL INFORMATION

1. Delivery Order 0003 to contract W52H09-05-D-0248 is for 152 each, M187 Telescope Mount, NSN: 1240-01-483-5324, PN 12984689..
2. The unit price of \$4722.70 each reflects the unit price of CLIN 0001 issued during Ordering Period 02 (1 JULY 2006 thru 31 JUNE 2007), for a total delivery order price of \$717,850.40.
3. Delivery is shown in Schedule B, Supplies/Services.
4. FOB is Destination.
5. Early deliveries are authorized if at no additional cost to the Government.
6. The Maximum Quantity over the Five Ordering Periods is 1250 each. To date, the Total Quantity Ordered under this contract is 531

each.

7. This delivery order is subject to the terms and conditions of contract W52H09-05-D-0248.

*** END OF NARRATIVE A 0001 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0003 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	152	EA	\$ 4,722,700.00	\$ 717,850.40
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NOUN: MOUNT, TELESCOPE AND
 PRON: W16AMC37M1 PRON AMD: 02 ACRN: AA
 AMS CD: 31303334015

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 W52H097107T732 W52H1C J 3
 P_R_O_ C_D B_R_ B_L_K P_T
 G19
 D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001	30	28-FEB-2008
002	30	30-MAR-2008
003	30	30-APR-2008
004	30	30-MAY-2008
005	32	30-JUN-2008

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S
 (W52H1C) XU W0K8 USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0003

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0003

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

PRON/ LINE	AMS CD/ IT_P	OBLG A_R_N_S_T		JOB ORDER N_U_M_B_E_R	ACCOUNTING S_T_A_T_I_O_N	OBLIGATED A_M_O_U_N_T
0001AB	W16AMC37M1 31303334015 W16M3755M108	AA 2	21 62033000066D6D02P31303326KB S11116	676C37	W52H09	\$ 717,850.40
TOTAL						\$ 717,850.40

SERVICE NA_M	TOTAL BY A_C_R_N	A_C_C_O_U_N_T_I_N_G	C_L_A_S_S_I_F_I_C_A_T_I_O_N	ACCOUNTING S_T_A_I_O	OBLIGATED A_M_O_U_N_T
Army		AA	21 62033000066D6D02P31303326KB S11116	W52H09	\$ 717,850.40
TOTAL					\$ 717,850.40

A_C_R_N_E_D A_C_C_O_U_N_T_I_N_G C_L_A_S_S_I_F_I_C_A_T_I_O_N
AA 21 060820330000 S11116 66D6D023130333401526KB 676C37S11116 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2008JUL17	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
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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 NONE	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC	

1420 PRESIDENTIAL DR	9B. Dated (See Item 11)
RICHARDSON, TX 75081-2769	

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0248/0003

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	--------------------------

Code ⁰ BK64	Facility Code	2007MAY01
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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: \$296,042.80

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN W52H09-05-D-0248/0003 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION 01 TO W52H09-05-F-D-0248 DO 0003 IS TO:

- 1) INCREASE THE UNIT PRICE FROM \$4722.70 BY \$1947.65, FOR A NEW UNIT PRICE OF \$6670.35.
- 2) FOR ADMINISTRATIVE PURPOSES, THIS INCREASE WILL BE REPRESENTED ON CLIN 1001AB.
- 3) THEREFORE, FOR EACH MOUNT SHIPPED AGAINST CLIN 0001AB, THE CONTRACTOR SHALL BILL AGAINST CLIN 0001AB (\$4722.70), AND 1001AB

(\$1947.65) FOR A TOTAL UNIT PRICE OF \$6670.35.

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, AND OTHER MATTERS WHICH OCCUR AFTER 4 MARCH 2008.

- 2) REVISE THE DELIVERY SCHEDULE, SEE SECTION B.
- ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0003 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0248/0003 MOD/AMD 01

Name of Offser 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	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	152	EA \$	4,,7,2,2,,7,0,0,0,0 \$ 7,1,7,,8,5,0,,4,0,
--------	------------------------------------	-----	-------	---

NOUN: MOUNT, TELESCOPE AND
 PRON: W16AMC37M1 PRON AMD: 02 ACRN: AA
 AMS CD: 31303334015

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 001 W52H097107T732 W52H1C J 3
 P_R_O__ C_D B_R__ B_L_K P_T
 G19
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 30 30-MAR-2010
 002 30 30-APR-2010
 003 30 30-MAY-2010
 004 30 30-JUN-2010
 005 32 30-JUL-2010

FOB POINT: Destination

SHIP TO:
 (W52H1C) XU USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0003

SECURITY CLASS: Unclassified

1001

U_N_I_T_R_I_C_E_ P_I_N_C_R_E_A_S_E

1001AB

\$

2,9,6,,0,4,2,,8,0

CONTINUATION SHEET

PIN/SIN W52H09-05-D-0248/0003 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

NOUN: UNIT PRICE INCREASE

PRON: 2C8110221A PRON AMD: 01 ACRN: AB

AMS CD: 32101366022

ITEMS Shipped ON CLIN 0001AB SHALL ALSO BE BILLED
AGAINST THIS CLIN 1001AB FOR \$1947.65 EACH UP TO 152
UNITS.

THIS CLIN IS FOR BILLING PURPOSES ONLY.

NO SEPARATE DELIVERY REQUIRED.

(End of narrative B001)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e

DLVR SCH PERF COMPL

R_E_L_C_D_ Q_U_A_N_T_I_T_Y D_A_T_E_

001 0 30-DEC-2010

\$ 296,042.80

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0248/0003

MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> <u>M I P R</u>	OBLG STAT/ <u>A C R N</u> <u>J O O R D N O</u>	INCREASE/DECREASE <u>P R I O R A M O U N T</u> <u>A M O U N T</u>	CUMULATIVE <u>A M O U N T</u> <u>A M O U N T</u>
1001AB	2C8110221A 32101366022 A18P30222R2C	AB 2 8RM223	\$ 0.00	\$ 296,042.80
NET CHANGE			\$	296,042.80

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u> Army	<u>B Y A C R N</u> AB	<u>A C C O N T C L A S S I F I C A T I O N</u> 21 82033000085R5R13P32101331E1 S28017	<u>S T T I O</u> W52H09
NET CHANGE			\$ 296,042.80

PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
<u>O F A W A R D</u>	<u>A M O U N T</u>	<u>O B L I G A M T</u>
NET CHANGE FOR AWARD: \$ 717,850.40	\$ 296,042.80	\$ 1,013,893.20

A C R N E D A C C O U N T I N G C L A S S I F I C A T I O N
 AB 21 081020330000 S28017 85R5R133210136602231E1 8RM223S28017 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No. 02
3. Effective Date 2010FEB03
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, TEXAS
CCTA-AR-FA 600 NORTH PEARL STREET
MATTHEW KOPEL (309) 782-7888 SUITE 1630
ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843

EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS NONE ADP PT #Q0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2439
9B. Dated (See Item 11)

X
10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0003

TYPE BUSINESS: Other Small Business Performing in U.S.
10B. Dated (See Item 13)

Code 0BK64 Facility Code 2007MAY01

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).

X C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of FAR 43.103(a)(3)

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

By

/SIGNED/

2010FEB03

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0003 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC. SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION IS TO REVISE THE DELIVERY SCHEDULE FOR CLIN 0001AB.

1. FORMALLY INCORPORATE A REVISED DELIVERY SCHEDULE AS SET FORTH IN SECTION B.
2. THERE IS NO COST TO EITHER PARTY.
3. THE CONTRACTOR HEREBY WAIVES ANY AND ALL RIGHTS AND CLAIMS FOR EQUITABLE ADJUSTMENT ATTRIBUTABLE TO SUCH FACTS AND CIRCUMSTANCES

GIVING RISE TO THE ABOVE CHANGES AND DOCUMENTION, INCLUDING ANY DELAYS, PRECEDING AND INCLUDING THIS MODIFICATION.

4. EARLIER DELIVERIES ARE ACCEPTABLE, IF AT NO ADDITIONAL COST TO THE GOVERNMENT.
5. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0004 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0003 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 152 EA \$ 4,722,700.00 \$ 717,850.40

NOUN: MOUNT, TELESCOPE AND
 PRON: W16AMC37M1 PRON AMD: 02 ACRN: AA
 AMS CD: 31303334015

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_r F_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H097107T732 W52H1C J 3
 P_R_O__ C_D B_R__ B_L_K P_T
 G19

D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E_
001	8	30-APR-2010
002	20	28-MAY-2010
003	20	30-JUN-2010
004	20	30-JUL-2010
005	20	31-AUG-2010
006	20	30-SEP-2010
007	20	29-OCT-2010
008	20	30-NOV-2010
009	4	30-DEC-2010

FOB POINT: Destination

SHIP TO:

(W52H1C) XU W0K8 USA ROCK ISL ARSENAL
 BLDG 299 GILLESPIE AV AND BECK LANE
 ROCK ISLAND IL 61299-5000
 C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__ O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0248/0003

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

(YYYYMMDD)
W52H09-05-D-0248 0004 2007JUN25 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND
AMSTA-LC-GAWC-B
CHRISTINE CARSON (309)782-4301
ROCK ISLAND IL 61299-7630
EMAIL: CHRISTINE.CARSON@US.ARMY.MIL
DCMA DALLAS
600 NORTH PEARL STREET
SUITE 1630
DALLAS TX 75201-2843
X DESTINATION
OTHER
(See Schedule if other)
SCD: A PAS: NONE ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

(YYYYMMDD)
O O X SMALL
OPTEX SYSTEMS INC
1420 PRESIDENTIAL DR SEE SCHEDULE SMALL

NAME RICHARDSON, TX 75081-2769 12. DISCOUNT TERMS DISADVANTAGED

AND ADDRESS WOMAN-OWNED

O O 13. MAIL INVOICES TO THE ADDRESS IN BLOCK

TYPE BUSINESS: Other Small Business Performing in U.S. See Block 15

14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

SEE SCHEDULE DFAS COLUMBUS CENTER PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2
DFAS-CO/WEST ENTITLEMENT OPERATIONS
PO BOX 182381
COLUMBUS OH 43218-2381

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.

X
TYPE OF

ORDER Reference your Oral Written Quotation, Dated PURCHASE furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY 21. ORDERED/ UNIT 22. UNIT PRICE 23. AMOUNT
ACCEPTED*

SEE SCHEDULE
CONTRACT TYPE:
Firm-Fixed-Price

KIND OF CONTRACT:
Supply Contracts and Priced Orders

* If quantity accepted by the Government is **24. UNITED STATES OF AMERICA** **25. TOTAL** \$708,405.00

same as quantity ordered, indicate by X. **LISA DEVLIN** **26.**

LISA.DEVLIN@US.ARMY.MIL (309) 782-5541

If different, enter actual quantity accepted below quantity ordered and encircle. **BY:** **CONTRACTING/ORDERING OFFICER** **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**

32. PAID BY **33. AMOUNT VERIFIED CORRECT FOR**

PARTIAL

f. TELEPHONE NUMBER **g. E-MAIL ADDRESS** **FINAL**

FINAL

31. PAYMENT

34. CHECK NUMBER

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT.

COMPLETE

a. DATE (YYYYMMDD) **b. SIGNATURE AND TITLE OF CERTIFYING OFFICER** **35. BILL OF LADING NO.**

PARTIAL

FINAL

37. RECEIVED AT **38. RECEIVED BY (Print)** **39. DATE RECEIVED (YYYYMMDD)** **40. TOTAL CONTAINERS** **41. S/R ACCOUNT NUMBER** **42. S/R VOUCHER NO.**

DD FORM 1155, DEC 2001

PREVIOUS EDITION IS OBSOLETE.

PHN/SIN W52H09-05-D-0248/0004 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC SUPPLEMENTAL INFORMATION

1. Delivery Order 0004 to contract W52H09-05-D-0248 is for 150 each, M187 Telescope Mount, NSN: 1240-01-483-5324, PN 12984689.
2. The unit price of \$4722.70 each reflects the unit price of CLIN 0001 issued during Ordering Period 02 (1 JULY 2006 thru 30 JUNE 2007), for a total delivery order price of \$708,405.00.
3. Delivery is shown in Schedule B, Supplies/Services.
4. FOB is Destination.
5. Early deliveries are authorized if at no additional cost to the Government.
6. The Maximum Quantity over the Five Ordering Periods is 1250 each. To date, the Total Quantity Ordered under this contract is 681

each.

7. This delivery order is subject to the terms and conditions of contract W52H09-05-D-0248.

*** END OF NARRATIVE A0001 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0004 MOD/AMD

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: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 150 EA \$ 4,722.700000 \$ 708,405.00

NOUN: M187 MOUNT, TELESCOPE AND
 PRON: M171R580M1 PRON AMD: 01 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC	SUPPL
R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D	
001 W52H0971502900 W25G1U J	1
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_	
001 10 30-AUG-2008	
002 10 30-SEP-2008	
003 10 30-OCT-2008	
004 10 30-NOV-2008	
005 10 30-DEC-2008	

FOB POINT: Destination

SHIP TO:
 (W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 MISSION DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

DOC	SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
002 W52H0971502901 W31G1Z J	1
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_	
001 10 30-AUG-2008	
002 10 30-SEP-2008	
003 10 30-OCT-2008	

CONTINUATION SHEET

PHIN/SHIN W52H09-05-D-0248/0004 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
004	10	30-NOV-2008			
005	10	30-DEC-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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

003 W52H097150Z902 W62G2T J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 10 30-AUG-2008

002 10 30-SEP-2008

003 10 30-OCT-2008

004 10 30-NOV-2008

005 10 30-DEC-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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0004

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

PRON/ LINE	AMS CD/ IT_P	OBLG MI_P	A R N S T - A C O U N T I N C L A S S I F I C A T I O N		JOB ORDER	ACCOUNTING S T A T I O N	OBLIGATED A M O U N T
0001AB	M171R580M1	AA 2	97	X4930AC9G 6D	26KB S11116	W52H09	\$ 708,405.00
	060011						
TOTAL							\$ 708,405.00

SERVICE NA_M	T O T A L B Y A C R N	A C C O U N T I N C L A S S I F I C A T I O N	ACCOUNTING S T A I O	OBLIGATED A M O U N T
Army	AA	97 X4930AC9G 6D	26KB S11116 W52H09	\$ 708,405.00
TOTAL				\$ 708,405.00

A C R N E D A C C O U N T I N G C L A S S I F I C A T I O N
 AA 97 0X0X4930AC9G S11116 76D00000600110000026KB S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2008JUL17	SEE SCHEDULE	

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 NONE	ADP PT HQ0339
-------------------------------------	-------	----------	---------------

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	9B. Dated (See Item 11)
	10A. Modification Of Contract/Order No.
	W52H09-05-D-0248/0004

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	--------------------------

Code ⁰ BK64	Facility Code	2007JUN25
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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: \$292,147.50

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor ^X 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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN W52H09-05-D-0248/0004 MOD/AMD 01

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 0002 IS TO:

1) INCREASE THE UNIT PRICE FROM \$4722.70 BY \$1947.65, TO A NEW UNIT PRICE OF \$6670.35.

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, AND OTHER MATTERS WHICH OCCUR AFTER 4 MARCH 2008.

2) REVISE THE DELIVERY SCHEDULE, SEE SECTION B.
ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0002 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0004 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 150 EA \$ 6,670.35000 \$ 1,000,552.50

NOUN: M187 MOUNT, TELESCOPE AND
 PRON: M171R580M1 PRON AMD: 01 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e	DOC	SUPPL
R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D		
001 W52H0971502900 W25G1U J		1
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_		
001 10 30-JUL-2010		
002 10 30-AUG-2010		
003 10 30-SEP-2010		
004 10 30-OCT-2010		
005 10 30-NOV-2010		

FOB POINT: Destination

SHIP TO:
 (W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 NORMANDY DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

DOC	SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D	
002 W52H0971502901 W31G12 J		1
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_		
001 10 30-JUL-2010		
002 10 30-AUG-2010		
003 10 30-SEP-2010		

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0004 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
004	10	30-OCT-2010			
005	10	30-NOV-2010			

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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

003 W52H097150Z902 W62G2T J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 10 30-JUL-2010

002 10 30-AUG-2010

003 10 30-SEP-2010

004 10 30-OCT-2010

005 10 30-NOV-2010

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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0004

MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I_T_E_P_</u> <u>M_I_P_R</u>	<u>AC_R_N_</u>	OBLG STAT/ <u>JO_</u> <u>O_R_D</u> <u>N_O_</u>	INCREASE/DECREASE		CUMULATIVE
	<u>P_R_I_O_R</u> <u>A_M_O_U_N_T</u>			<u>A_M_O_U_N_T</u>	<u>A_M_O_U_N_T</u>	
0001AB	M171R580M1 060011	AA	2 \$	708,405.00 \$	292,147.50	\$ 1,000,552.50
				NET CHANGE \$	292,147.50	

SERVICE	NET CHANGE	<u>AC_C_O_N_T</u>	<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y</u> <u>A_C_R_N</u>			<u>S_T_</u> <u>T_I_O_</u>	<u>A_M_O_U_N_T</u>
Army	AA	97	X4930AC9G 6D	26KB S11116 W52H09	\$ 2_9_2_,_1_4_7_._5_0
				NET CHANGE \$	292,147.50

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O_F</u> <u>A_W_A_R_D</u>	<u>A_M_O_U_N_T</u>	<u>_O_B_L_I_G_A_M_T</u>
NET CHANGE FOR AWARD: \$	708,405.00	\$ 292,147.50	\$ 1,000,552.50

AC_R_N_ ED_ A_C_C_O_U_N_T_I_N_G_ C_L_A_S_S_I_F_I_C_A_T_I_O_N
 AA 97 0X0X4930AC9G S11116 76D00000600110000026KB S11116 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No. 02
3. Effective Date 2010FEB03
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, TEXAS
CCTA-AR-FA 600 NORTH PEARL STREET
MATTHEW KOPEL (309) 782-7888 SUITE 1630
ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843

EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS NONE ADP PT #Q0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2439
9B. Dated (See Item 11)

X
10A. Modification Of Contract/Order No.

W52H09-05-D-0248/0004

TYPE BUSINESS: Other Small Business Performing in U.S.
10B. Dated (See Item 13)

Code 0BK64 Facility Code 2007JUN25

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).

X C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of FAR 43.103(a)(3)

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

By _____ /SIGNED/ _____ 2010FEB03

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0248/0004 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC. SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS MODIFICATION IS TO REVISE THE DELIVERY SCHEDULE FOR CLIN 0001AB.

1. FORMALLY INCORPORATE A REVISED DELIVERY SCHEDULE AS SET FORTH IN SECTION B.
2. THERE IS NO COST TO EITHER PARTY.
3. THE CONTRACTOR HEREBY WAIVES ANY AND ALL RIGHTS AND CLAIMS FOR EQUITABLE ADJUSTMENT ATTRIBUTABLE TO SUCH FACTS AND CIRCUMSTANCES

GIVING RISE TO THE ABOVE CHANGES AND DOCUMENTION, INCLUDING ANY DELAYS, PRECEDING AND INCLUDING THIS MODIFICATION.

4. EARLIER DELIVERIES ARE ACCEPTABLE, IF AT NO ADDITIONAL COST TO THE GOVERNMENT.
5. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0003 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0248/0004 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-5324
 FSCM: 19200
 PART NR: 12984689
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y 150 EA \$ 6,670.35000 \$ 1,000,552.50

NOUN: M187 MOUNT, TELESCOPE AND
 PRON: M171R580M1 PRON AMD: 01 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

DELIVERIE OR PERFORMANC DOC	SUPPL
R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D	
001 W52H0971502900 W25G1U J	1
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_	
001 16	31-DEC-2010
002 20	28-JAN-2011
003 14	28-FEB-2011
004	DELETED
005	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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

DOC	SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
002 W52H0971502901 W31G1Z J	1
D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_	
001 6	28-FEB-2011
002 20	31-MAR-2011
003 20	29-APR-2011
004 4	31-MAY-2011

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0248/0004 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

005	DELETED				
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FOB POINT: Destination

SHIP TO:

(W31G1Z) XR W0L7 ANNISTON MUNITIONS CTR
 TRANS OFFICER 256 235 6837 CL V
 7 FRANKFORD AVE BLDG #380
 ANNISTON AL 36201-4199

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

003	W52H0971502902 W62G2T	J		1	
-----	-----------------------	---	--	---	--

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001	16			31-MAY-2011	
-----	----	--	--	-------------	--

002	20			30-JUN-2011	
-----	----	--	--	-------------	--

003	14			29-JUL-2011	
-----	----	--	--	-------------	--

004	DELETED				
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005	DELETED				
-----	---------	--	--	--	--

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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0248/0004

APPENDIX B

SOLICITATION

RESPONSE

CONTRACT ATTACHED

SOLICITATION, OFFER AND AWARD **1. This Contract Is A Rated Order Under** **Rating** **Page** **of** **Pages**
 DPAS (15 CFR 700) DOA5 1 43

Contract Number **3. Solicitation Number** **4. Type of Solicitation** **5. Date Issued** **6. Requisition/Purchase Number**
 W52H09-08-R-0274 **Sealed Bid (IFB)** 2008SEP05 SEE SCHEDULE
 Negotiated (RFP)

Issued By **Code** W52H09 **8. Address Offer To (If Other Than Item 7)**

TACOM-ROCK ISLAND
 AMSTA-IC-GLK-A
 ROCK ISLAND IL 61299-7630

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

SOLICITATION

9. Sealed offers in original and 1 signed copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if handcarried, in the depository located in _____ until _____

04:00pm (hour) local time 2008OCT06 (Date).

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

10. For Information **A. Name** **B. Telephone (No Collect Calls)** **C. E-mail Address**
 Call: KEVIN GILMORE **Area Code Number** **Ext.** KEVIN.GILMORE@US.ARMY.MIL
 (309) 782-3558

11. 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	23
X	B	Supplies or Services and Prices/Costs	9			Part III - List Of Documents, Exhibits, And Other Attach.	
X	C	Description/Specs./Work Statement	15	X	J	List of Attachments	34
X	D	Packaging and Marking	16			Part IV - Representations And Instructions	
X	E	Inspection and Acceptance	18		K	Representations, Certifications, and	
X	F	Deliveries or Performance	21	X		Other Statements of Offerors	35
	G	Contract Administration Data		X	L	Instr., Conds., and Notices to Offerors	38
X	H	Special Contract Requirements	22	X	M	Evaluation Factors for Award	42

OFFER (Must be fully completed by offeror)

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

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is

inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. Discount For Prompt Payment 10 Calendar Days (%) 20 Calendar Days (%) 30 Calendar Days (%) Calendar Days (%)
 (See Section I, Clause No. 52.232-8)

14. Acknowledgment of Amendments (The offeror acknowledges _____ Amendment No. _____ Date _____ Amendment No. _____ Date _____
 receipt of amendments to the SOLICITATION for offerors and _____
 related documents numbered and dated): _____

15A. Name and Code Facility 16. Name and Title of Person Authorized to Sign Offer
 Address of _____ (Type or Print)

Offeror

15B. Telephone Number 15C. Check if Remittance Address is 17. Signature 18. Offer Date

Area Code Number Ext. Different From Above - Enter such
Address In Schedule

AWARD (To be completed by Government)

19. Accepted As To Items Numbered 20. Amount 21. Accounting And Appropriation

22. Authority For Using Other Than Full And Open Competition: 23. Submit Invoices To Address Shown In Item
10 U.S.C. 2304(c)() 41 U.S.C. 253(c)() (4 copies unless otherwise specified)

24. Administered By (If other than Item 7) Code 25. Payment Will Be Made By Code

SCD PAS ADP PT

26. Name of Contracting Officer (Type or Print) 27. United States Of America 28. Award Date

2008OCT06

(Signature of Contracting Officer) IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

AUTHORIZED FOR LOCAL REPRODUCTION Standard Form 33 (Rev. 9-97)

Previous edition is unusable Prescribed By GSA-FAR (48 CFR) 53.214(c)

CONTINUATION SHEET

PIIN/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

SECTION A - SUPPLEMENTAL INFORMATION

1. This solicitation is being issued as a restricted procurement, limited only to Optex Inc and Miller-Holzwarth in accordance with FAR 6.302 -1, for the following periscopes:

NOUN	NSN	PN
M17	6650-01-317-9138	12357918
M27	1240-01-319-8995	12357792
15 Degree	6650-01-317-9139	12357908
20 Degree	1240-01-319-8994	12357909
M45	6650-01-418-6658	12370033
Short COM	1240-01-319-5339	12357840
Tall COM	1240-01-319-5340	12357841
Long Driver	6650-01-320-5628	12357848

2. This solicitation W52H09-08-R-0274 will result in two contract awards of 3-year long-term firm-fixed price indefinite delivery indefinite quantity type contracts (see FAR 16.504) for the above referenced items. The initial contract awards for the guaranteed minimum quantities will be made subject to price reasonableness. However, all future delivery orders will be evaluated on price, past performance and delivery schedule. Offerors are advised to carefully read Sections L and M before submitting their proposals.

3. The instant award under this solicitation will be a guaranteed minimum quantity of 250 each, M27 periscopes to each offeror. The required delivery rate and delivery schedule for guaranteed minimum quantity of 250 each will be as shown below.

150 ea, 150 days ARO
100 ea, 180 days ARO

If future delivery orders are issued on a unilateral basis, the required deliveries will begin 150 days ARO and the Government may require the delivery of each model of periscope to begin at a rate of 250 each per month accelerating to 500 periscopes in the second month; then 750 periscopes in the third month and will continue at that rate until the order is completed. If multiple periscopes are ordered on a single delivery order or successive delivery orders, the aggregate monthly delivery amounts for all periscopes will be not exceed 2000 per month. The specific models to be delivered each month will be at the discretion of the Government, based on Army requirements.

4. The contract will include three ordering periods as follows:

Ordering Period (OP) 1 Award date through 31 December 2009
Ordering Period (OP) 2 1 January 2010 through 31 December 2010
Ordering Period (OP) 3 1 January 2011 through 31 December 2011

The Government is not obligated to award any additional quantities other than the initial guaranteed minimum quantity. An award under this solicitation in no way obligates the Government to place any future orders.

The ordering periods and ranges quantities shown on Attachment 001 are provided for the purpose of establishing reasonable quantities against which to provide prices.

The offeror will enter unit prices for each ordering period for each Periscope listed on the Price Evaluation Spreadsheet (Attachment 001). In order to be acceptable, an offer must include prices for all quantity ranges and ordering periods on the items that they wish to provide an offer for. If an offeror fails to submit unit prices for all quantity ranges and ordering periods, the Government may reject the proposal as unacceptable.

5. The quantities reflected below, other than the stated guaranteed minimum quantities, are not guaranteed buy quantities but are for planning purposes only. An award under this solicitation in no way obligates the Government to order the stated estimated or maximum quantities.

For each ordering period, the Governments estimated buy quantities by ordering period are as follows:

CLIN	Ordering Period	Estimated
0001/M17	1	9,948
	2	3,828
	3	3,500

CLIN	Ordering Period	Estimated
0002/M27		

CONTINUATION SHEET

PIIN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

	1	3,409
	2	1,400
	3	1,200
CLIN 0003/ 15 Degree	Ordering Period	Estimated
	1	0
	2	0
	3	134
CLIN 0004/ 20 Degree	Ordering Period	Estimated
	1	0
	2	0
	3	100
CLIN 0005/M45	Ordering Period	Estimated
	1	600
	2	600
	3	600
CLIN 0006/ Short COM	Ordering Period	Estimated
	1	900
	2	400
	3	350
CLIN 0007/ Tall COM	Ordering Period	Estimated
	1	350
	2	150
	3	150
CLIN 0008/ Long Driver	Ordering Period	Estimated
	1	900
	2	400
	3	350

6. First article testing is not required at this time for Optex Inc and Miller-Holzwarth.
7. All deliveries shall be FOB Destination.
8. Contractors interested in submitting a proposal must be fully compliant with the ISO 9001:2000 requirement at time of proposal submittal. See Section E, Page 20.
9. Request your proposal remain valid for 90 days.
10. Placement of future orders shall be in accordance with the evaluation guidelines in Section M of the solicitation.
11. FAIR OPPORTUNITY PROCEDURES: The Government intends to place competitive delivery orders with the offeror(s) that represents the

best value to the Government using a trade-off analysis of price, past performance and delivery schedule. Written quotes will be requested from the successful offeror(s) prior to issuance of subsequent delivery orders.

Exceptions to the Fair Opportunity procedures described below are:

- A. The Government reserves the right to issue unilateral delivery orders at the prices and terms stated in the contract in the event the agencies need for the supplies is so urgent that providing a fair opportunity would result in unacceptable delays.
- B. Each delivery order stands on its own insofar as it obligates the Government.
- C. Only one awardee is capable of providing the required supplies at the level of quality required because they

supplies ordered are

unique or highly specialized.

CONTINUATION SHEET

PIIN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

D. The order must be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order already issued under the contract.

E. No Protest Rule and Ombudsman. In accordance with FAR 16.505(a) (6), no protest under FAR Subpart 33.1 is authorized in connection with the issuance of an order except for a protest on the grounds that the order increases the scope, period, or maximum value of the contract. The designated ombudsman is MAJ Kyle McFarland, U.S. Army TACOM LCMC (Rock Island), office symbol: AMSTA-AQ-AR, phone number: (309) 782-3223, e-mail: ROCK-OMBUDSMAN@conus.army.mil. The ombudsman will review complaints from the contractors and ensure all contractors are afforded a fair opportunity consistent with the procedures in this solicitation/contract.

*** END OF NARRATIVE A0001 ***

Re_g_u_l_a_t_o_r__C_i_t_e__T_i_t_l_e__D_a_t_e__

<u>Re_g_u_l_a_t_o_r__C_i_t_e__T_i_t_l_e__</u>	<u>D_a_t_e__</u>
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 Submission 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

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;

CONTINUATION SHEET

PII/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

(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 be 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 at

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://triext.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 allows bidders/quoters/offerors to propose Management Council approved Single Process Initiatives (SPIs) in their bids/quotes/offers, in lieu of military or Federal specifications and standards cited in this solicitation.

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

SPI PROCESS:	FACILITY:	MILITARY OR	AFFECTED CONTRACT
		FEDERAL SPEC	LINE ITEM #, SUBLINE
		OR STANDARD:	ITEM #, COMPONENT
			OR ELEMENT:

CONTINUATION SHEET

PIIN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

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

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

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

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

proposed SPI.

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

(f) Bidders/quoters/offerors are cautioned that there is always the possibility that the Government could make a determination at the Head of the Contracting (HCA)/Program Executive Officer (PEO) level that the proposed SPI is not acceptable for this procurement. If such a determination is made, and the bid/quote/offer only identifies a price predicated on use of proposed SPI, the bid/quote/offer will be determined nonresponsive.

Bidders/quoters/offerors who propose SPI processes are encouraged to provide a price below to reflect their price for the item manufactured in accordance with the requirements as stated in this solicitation to preclude possibly being determined nonresponsive:

CLIN	_____	PRICE	\$
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 <http://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 Web site above. Hard copy and facsimile (datafax) bids/offers/quotes WILL NOT BE ACCEPTED.

NOTE: TACOM LCMC (RI) IS NOT CURRENTLY USING THE ASFI 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 (ASFI) 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)
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

CONTINUATION SHEET

PIIN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

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
Ft. 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.

(AS7010) (End of Clause)

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)

This solicitation and any resulting contract are subject to the "Demilitarization and Trade Security Controls Requirements and Procedures" clause, HS7144, contained in Section H of this document.

(AS7500)
(End of Clause)

CONTINUATION SHEET

PII/SIN ^{W52H09-08-R-0274}

MOD/AMD

Name of Offeror or Contractor:

CONTINUATION SHEET

PIIN/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001	P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y			\$	\$
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NOUN: M17-NSN 6650-01-317-9138
 FSCM: 6650
 PART NR: 12357918
 SECURITY CLASS: Unclassified

N_O_T_E__T_H_I_S__S_E_C_T_I_O_N__F_O_R__I_T_E_M__I_D_E_N_T_I_F_I_C_A_T_I_O_N__O_N_L_Y__.
 F_I_L__I_N__P_R_I_C_E_S__O_N__A_T_T_A_C_H_M_E_N_T__0_0_1__, "__P_R_I_C_E__
 E_V_A_L_U_A_T_I_O__S_P_R_E_A_D_S_H_E_E_T__"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t TOP DRAWING NR: 12357918 DATE: 31-OCT-2007

P_a_c_k_a_g_i_n__a_n_d__M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI -P12357918, REV E, DATED 19 FEB 02
 LEVEL PRESERVATION: Military
 LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_n__a_n_d__A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

0002	P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y			\$	\$
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NOUN: M27-NSN 1240-01-319-8995
 FSCM: 1240
 PART NR: 12357792
 SECURITY CLASS: Unclassified

_O_T_E__N__H_I_S__T_S_E_C_T_I_O_N__F_O_R__I_T_E_M__I_D_E_N_T_I_F_I_C_A_T_I_O_N__O_N_L_Y__.
 F_I_L__I_N__P_R_I_C_E_S__O_N__A_T_T_A_C_H_M_E_N_T__0_0_1__, "__P_R_I_C_E__
 E_V_A_L_U_A_T_I_O__S_P_R_E_A_D_S_H_E_E_T__"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t TOP DRAWING NR: 12357792 DATE: 01-NOV-2007

CONTINUATION SHEET

PIIN/SHIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357792, REV C, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

0003	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y			\$	\$	
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NOUN: 15 DEG - 6650-01-317-9139

FSCM: 6650

PART NR: 12357908

SECURITY CLASS: Unclassified

N_O_T_E__ T_H_I_S_ S_E_C_T_I_O_N_ F_O_R_ I_T_E_M_ I_D_E_N_T_I_F_I_C_A_T_I_O_N_ O_N_L_Y_.

F_I_L__I_N__P_R_I_C_E_S_ O_N_ A_T_T_A_C_H_M_E_N_T_ 0_0_1_, "P_R_I_C_E

E_V_A_L_U_A_T_I_O__ S_P_R_E_A_D_S_H_E_E_T_"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357908

DATE: 31-OCT-2007

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357908, REV B, DATED 19 FEB02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

0004	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y			\$	\$	
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NOUN: 20 DEG NSN 1240-01-319-8994

FSCM: 1240

PART NR: 12357909

SECURITY CLASS: Unclassified

N_O_T_E__ T_H_I_S_ S_E_C_T_I_O_N_ F_O_R_ I_T_E_M_ I_D_E_N_T_I_F_I_C_A_T_I_O_N_ O_N_L_Y_.

F_I_L__I_N__P_R_I_C_E_S_ O_N_ A_T_T_A_C_H_M_E_N_T_ 0_0_1_, "P_R_I_C_E

E_V_A_L_U_A_T_I_O__ S_P_R_E_A_D_S_H_E_E_T_"

CONTINUATION SHEET

PII/SHIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357909

DATE: 31-OCT-2007

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357909, REV B, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

0005	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y			\$	\$	_____
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NOUN: M45 - NSN 6650-01-418-6658

FSCM: 6650

PART NR: 12370033

SECURITY CLASS: Unclassified

N_O_T_E_ T_H_I_S_ S_E_C_T_I_O_N_ F_O_R_ I_T_E_M_ I_D_E_N_T_I_F_I_C_A_T_I_O_N_ O_N_L_Y_.

F_I_L_L_ I_N_ P_R_I_C_E_S_ O_N_ A_T_T_A_C_H_M_E_N_T_ 0_0_1_, "P_R_I_C_E

E_V_A_L_U_A_T_I_O_ S_P_R_E_A_D_S_H_E_E_T_"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12370033

DATE: 29-OCT-2007

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P1237003, REV B, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

0006	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y			\$	\$	_____
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NOUN: SHOR COM NSN 1240-01-319-5339

CONTINUATION SHEET

PHN/SHN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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FSCM: 1240
 PART NR: 12357840
 SECURITY CLASS: Unclassified

N_O_T_E__ T_H_I_S__ S_E_C_T_I_O_N__ F_O_R__ I_T_E_M__ I_D_E_N_T_I_F_I_C_A_T_I_O_N__ O_N_L_Y_.
 F_I_L__ I_N__ P_R_I_C_E_S__ O_N__ A_T_T_A_C_H_M_E_N_T__ 0_0_1_, "P_R_I_C_E
 E_V_A_L_U_A_T_I_O__ S_P_R_E_A_D_S_H_E_E_T"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t
 TOP DRAWING NR: 12357840
 DATE: 07-NOV-2007

P_a_c_k_a_g_i_n__ a_n_d__ M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI-P12357840, REV E, NOT DATED
 LEVEL PRESERVATION: Military
 LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d__ A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

0007	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y		\$	\$	
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NOUN: TALL COM NSN 1240-01-319-5340
 FSCM: 1240
 PART NR: 12357841
 SECURITY CLASS: Unclassified

_O_T_E__ N__ H_I_S__ T_S_E_C_T_I_O_N__ F_O_R__ I_T_E_M__ I_D_E_N_T_I_F_I_C_A_T_I_O_N__ O_N_L_Y_.
 _I_L__ I_N__ P_R_I_C_E_S__ F_O_N__ A_T_T_A_C_H_M_E_N_T__ 0_0_1_, "P_R_I_C_E
 E_V_A_L_U_A_T_I_O__ S_P_R_E_A_D_S_H_E_E_T"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t TOP DRAWING NR: 12357841 DATE: 07-NOV-2007

_a_c_k_a_g_i_n__ P_a_n_d__ M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI-P12357841, REV D, NOT DATED
 LEVEL PRESERVATION: Military
 LEVEL PACKING: B

CONTINUATION SHEET

PII/SHIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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I_n_s_p_e_c_t_i_o_n_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

0008	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y			\$	\$
------	------------------------------------	--	--	----	----

NOUN: LON DRIV NSN 6650-01-320-5628

FSCM: 6650

PART NR: 12357848

SECURITY CLASS: Unclassified

N_O_T_E_ T_H_I_S_ S_E_C_T_I_O_N_ F_O_R_ I_T_E_M_ I_D_E_N_T_I_F_I_C_A_T_I_O_N_ O_N_L_Y_.

F_I_L___I_N___P_R_I_C_E_S_ O_N_ A_T_T_A_C_H_M_E_N_T_ 0_0_1_, "_P_R_I_C_E_

E_V_A_L_U_A_T_I_O_ S_P_R_E_A_D_S_H_E_E_T_"

(End of narrative B001)

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s_/_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357848

DATE: 01-NOV-2007

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SFI-P12357848, REV D, DATED 10 APR 03

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_n_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

0009	C_O_N_T_R_A_C_D_A_T_A_ R_E_Q_U_I_R_E_M_E_N_T_S_ L_I_S_T_ (C_D_R_L_)			\$	*_N_S_P_* \$ *_N_S_P_*_*_*
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NOUN: CDRL

SECURITY CLASS: Unclassified

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.

A DD250 IS NOT REQUIRED

(End of narrative B001)

CONTINUATION SHEET

PHN/SHN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

I_n_s_p_e_c_t_i_o_n_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Destination

CONTINUATION SHEET

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MOD/AMD

Name of Offeror or Contractor:

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

Re_g_u_l_a_t_o_r__ C_i_t_e T_i_t_l_e_

D_a_t_e_

C-1	52.210-4501	DRAWINGS/SPECIFICATIONS	MAR/1988
	TACOM LCMC		
	(RI)		

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, M3GE503A19B37C12F19, FABRICATE IN ACCORDANCE WITH ASTM-D2000."

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/Comdr 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.

QS12357909:

-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.

CONTINUATION SHEET

PII/SHIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

SECTION D - PACKAGING AND MARKING

	<u>Regulator</u>	<u>Cite</u>	<u>Title</u>	<u>Date</u>
D-1	52.211-4501		PACKAGING REQUIREMENTS (SPECIAL PACKAGING INSTRUCTIONS)	DEC/2007
	TACOM LCMC			
	(RI)			

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, dated 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; P12370033, REV B, DATED 19 FEB 02; P12357840, REV E, NOT DATED; P12357909, REV B, DATED 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 or 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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Name of Offeror or Contractor:

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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Name of Offeror or Contractor:

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/VFFARA.HTM> or <http://farsite.hill.af.mil/VDFDARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	Re_g_u_l_a_t_o_r__ C_i_t_e	T_i_t_l_e	D_a_t_e
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	ISO 9001:2000	13 Dec 00
Tailored by excluding paragraphs 7.3, 7.4, 7.5.1, and 7.5.2		

(End of Clause)

E-4	52.209-4512	FIRST ARTICLE TEST (CONTRACTOR TESTING)	MAR/2008
	TACOM LCMC		
	(RI)		

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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Name of Offeror or Contractor:

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.

(ES6016)

(End of Clause)

E-5	52.246-4533	SURFACE QUALITY STANDARDS	MAR/2001
	TACOM LCMC		
	(RI)		

a. Surface quality standards for optical elements (Scratch and Dig) per MIL-PRF-13830B, 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: AMSRD-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.

(ES6018)

(End of Clause)

E-6	52.246-4532	DESTRUCTIVE TESTING	MAY/1994
	TACOM LCMC RI		

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

CONTINUATION SHEET

PII/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

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)

CONTINUATION SHEET

PHN/SIN W52H09-08-R-0274

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Name of Offeror or Contractor:

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/VDFARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	Re_g_u_l_a_t_o_r__ C_i_t_e	T_i_t_l_e_	D_a_t_e_
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)

CONTINUATION SHEET

PHN/SHN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

SECTION H - SPECIAL CONTRACT REQUIREMENTS

Regulator Cite Title

Date

H-1 52.247-4545

PLACE OF CONTRACT SHIPPING POINT, RAIL INFORMATION

MAY/1993

TACOM LCMC

(RI)

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)

CONTINUATION SHEET

PHN/SHN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

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/VDFDARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	<u>Re_g_u_l_a_t_o_r_ C_i_t_e</u>	<u>T_i_t_l_e_</u>	<u>D_a_t_e_</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 2008-00004)	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
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I-37	52.230-2	COST ACCOUNTING STANDARDS	APR/1998
I-38	52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES	APR/1998
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I-50 52.242-13	BANKRUPTCY	JUL/1995
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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
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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 days 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 -5-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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(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/or 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

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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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Name of Offeror or Contractor:

(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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Name of Offeror or Contractor:

(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 or progress payments, the terms of the subcontract or interdivisional order concerning progress payments --

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

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

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

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

(v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Governments 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

Governments 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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(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 any action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is definitized. Costs incurred which are subject to this limitation shall be segregated on Contractor progress payment requests and invoices from those costs eligible for higher progress payment rates. For purposes of progress payment liquidation, as described in paragraph (b) of this clause, progress payments for 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 indefinitedelivery 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 Contractors 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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(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/sizestandardstocpics/> .

(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:

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;

CONTINUATION SHEET

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Name of Offeror or Contractor:

(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)

CONTINUATION SHEET

PIIN/SHIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

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.dema.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)

CONTINUATION SHEET

PII/SIN W52H09-08-R-0274

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Name of Offeror or Contractor:

SECTION J - LIST OF ATTACHMENTS

List of		Number		
<u>A_d_d_e_n_d_a</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f_P_a_g_e_s</u>	<u>T_r_a_n_s_m_i_t_t_e_d_B_y</u>
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://aais.ria.army.mil/aais/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.

<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>Number</u>
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 (SF-LLL)	JUL 1997	3 Pgs
Guidance on Documentation of Contract Data		2 Pgs
Requirements List (CDRL)		
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

CONTINUATION SHEET

PHN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses:

<http://farsite.hill.af.mil/VFFARA.HTM> or <http://farsite.hill.af.mil/VDFDARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	<u>Re_q_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
K-1	252.209-7001	DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY	OCT/2006
K-2	252.227-7017	IDENTIFICATION AND ASSERTION OF USE, RELEASE, OR DISCLOSURE RESTRICTIONS	JUN/1995
K-3	252.227-7028	TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT	JUN/1995
K-4	52.204-8	ANNUAL REPRESENTATIONS AND CERTIFICATIONS	JAN/2006

(a) (1) The North American Industry classification System (NAICS) code for this acquisition is -1-

(2) The small business size standard is 500.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service

contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) (1) If the clause at 52.204 -7, Central Contractor Registration, is included in this solicitation, paragraph (c) of this provision applies.

(2) If the clause at 52.204 -7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (c) of this provision instead of completing the corresponding individual representations and certification in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

(i) Paragraph (c) applies.

(ii) Paragraph (c) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(c) The offeror has completed the annual representations and certifications electronically via the Online Representations and

Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [offeror to insert changes, identifying change by clause number, title, date]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR Clause

Title

Date

Change

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of Provision)

CONTINUATION SHEET

PIIN/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

K-5 52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING AUG/2003

(a) Executive Order 13148, of April 21, 2000, Greening the Government through Leadership in Environmental Management, requires submission of this certification as a prerequisite for contract award.

(b) By signing this offer, the offeror certifies that --

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and

reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: [Check each block that is applicable.]

(i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed in 40 CFR 372.65;

(ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C.

11023(b)(1)(A);

(iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C.

11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

(iv) The facility does not fall within the following Standard Industrial Classification (SIC) codes or their corresponding North American Industry Classification System sectors:

(A) Major group code 10 (except 1011, 1081, and 1094).

(B) Major group code 12 (except 1241).

(C) Major group codes 20 through 39.

(D) Industry code 4911, 4931, 4939 (limited to facilities that combust coal and/or oil for the purpose of generating power for

distribution in commerce).

(E) Industry code 4953 (limited to facilities regulated under the Resource Conservation and Recovery Act, Subtitle C (42 U.S.C. 6921, et seq.)), or 5169, 5171, 7389 (limited to facilities primarily engaged in solvent recovery services on a contract or fee basis); or

(v) The facility is not located within any State of the United States or its outlying areas.

(End of Provision)

K-6 252.204 -7007 ALTERNATE A, ANNUAL REPRESENTATIONS AND CERTIFICATIONS (52.204 -8) JAN/2008

Substitute the following paragraph (c) for paragraph (c) of the provision at FAR 52.204 -8.

(c) The offeror has completed the annual representations and certifications electronically via the Online Representations and

Certifications Application (ORCA) website at <https://orca.bpn.gov/>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer, and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [offeror to insert changes, identifying change by clause number, title, date]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR/DFARS Clause #

Title

Date

Change

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and

CONTINUATION SHEET

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MOD/AMD

Name of Offeror or Contractor:

certifications posted on ORCA.

(End of Clause)

CONTINUATION SHEET

PIN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

Price:

a. The offeror shall enter firm-fixed prices on the Price Evaluation Sheet, indicating the proposed price within each Ordering Period and Quantity Range for each model of periscope. All unit prices proposed will be binding for the guaranteed minimum quantity and for all future delivery orders.

b. The unit prices listed on the price evaluation sheet will be considered as the ceiling price(s) for any subsequent delivery orders beyond the instant award of the guaranteed minimum quantity.

c. Each offeror will have the fair opportunity to submit lower prices to compete for future delivery orders.

d. The Government reserves the right to require the submission of any data (i.e. cost or pricing data) accordance with fair opportunity

procedures to validate the reasonableness of an offer.

*** END OF NARRATIVE L001 ***

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses:

<http://farsite.hill.af.mil/VFFARA.HTM> or <http://farsite.hill.af.mil/VPDFARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
L-1	52.215-16	FACILITIES CAPITAL COST OF MONEY	JUN/2003
L-2	52.211-14	NOTICE OF PRIORITY RATING FOR NATIONAL DEFENSE, EMERGENCY PREPAREDNESS, AND ENERGY PROGRAM USE	APR/2008

Any contract awarded as a result of this solicitation will be DX rated order; DO-A5 rated order certified for national defense, emergency preparedness, and energy program use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation.

(End of Provision)

L-3	52.215-20	REQUIREMENTS OF COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - ALTERNATE IV	OCT/1997
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(a) Submission of cost or pricing data is not required.

(b) Provide information described below:

-Data to support price reasonableness, ONLY if requested prior to contract award.

(End of clause)

CONTINUATION SHEET

PIIN/SIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

L-4 52.233-2 SERVICE OF PROTEST SEP/2006

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from Brian W. Schmidt, TACOM-LCMC, AMSTA-LC-GLK-B, Rock Island, IL 61299-7630.

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of Provision)

L-5 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE FEB/1998

This solicitation incorporates one or more solicitation provisions 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. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

<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>

L-6 52.252-5 AUTHORIZED DEVIATIONS IN PROVISIONS APR/1984

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of (DEVIATION) after the date of the provision.

(b) The use in this solicitation of any DoD FAR SUPPLEMENT (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of (DEVIATION) after the name of the regulation.

(End of clause)

L-7 52.211-4547 NOTICE TO OFFERORS INTENDING TO OFFER OTHER THAN NEW MATERIAL JUN/2005
TACOM LCMC
(RI)

(a) We intend to acquire only new material. Unless this contract otherwise requires virgin material or supplies composed of, or manufactured from, virgin material, the contractor shall provide supplies that are new, as defined in this clause.

(b) Definitions:

1. "New" means composed of previously unused components, whether manufactured from virgin material, recovered material in the form of

raw material, or materials and by-products generated from, and reused within, an original manufacturing process; provided that the supplies meet contract requirements, including but not limited to, performance, reliability, and life expectancy.

2. "Reconditioned" means restored to the original normal operating condition by readjustments and material replacement.

3. "Recovered material" means waste materials and by-products that have been recovered or diverted from solid waste including post-

consumer material, but such term does not include those materials and by-products generated from, and commonly reused within, an original manufacturing process.

4. "Remanufactured" means factory rebuilt to original specifications.

5. "Virgin material" means previously unused raw material, including previously unused copper, aluminum, lead, zinc, iron, other metal

or metal ore, or any undeveloped resource that is, or with new technology will become, a source of raw materials

6. "Residual Inventory" means inventory from a transferred or terminated Government or commercial contract.

CONTINUATION SHEET

PIIN/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

(c) Used, reconditioned, remanufactured supplies, unused former Government surplus property, or residual inventory shall not be used unless the contractor has proposed the use of such supplies, and the Contracting Officer has authorized their use.

(d) Offers to provide other than new material shall be submitted to the Contracting Officer for approval:

Offerors of other than new material must provide sufficient information from which a determination of acceptability can be made. Contractors who intend to offer other than new material are to fill out the Other Than New Material Worksheet at: [_t_t_p_s:_/_c_o_n_t_r_a_c_t_i_n_g_.t_a_c_o_m_.a_r_m_y_.m_i_l/_a_c_q_i_n_f_o/_O_h_T_E_W_T_E_R_I_A_L_h_t_m_](#). A Form must be completely filled out and is to accompany your offer. (e) If the use of used, reconditioned, remanufactured items, unused former Government surplus property, or residual inventory are approved by the Contracting Officer, we may require you to meet specific marking, inspection, and testing requirements beyond those found in this solicitation. We will negotiate these additional requirements with you before award and put them in any resulting contract.

(LS7500) (End of Provision)

L-8	52.215-4510	ELECTRONIC BIDS/OFFERS	JUL/2008
	TACOM LCMC		
	(RI)		

1. Quotes/bids/proposals to the Government shall be signed by a MEMBER OF THE FIRM AUTHORIZED TO BIND THE COMPANY. This requirement is in accordance with (IAW) Federal Acquisition Regulation (FAR) 4.102.

2. Quoters/Bidders/Offerors are required to submit their quotes/bids/proposals for this solicitation via electronic response on TACOM

LCMC RI Business Opportunities' open Solicitations web page.

NOTE THE FOLLOWING:

a. ELECTRONIC RESPONSES: You may submit multiple files against a solicitation. However, all the files must only pertain to the one solicitation. Each complete quote/bid/proposal in response to a solicitation must be submitted individually/separately and must be properly identified.

b. TACOM LCMC (RI) will not be responsible for electronic responses that are not submitted correctly and/or are improperly identified.

c. 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

d. TACOM LCMC (RI) IS NOT CURRENTLY USING THE ASFI 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 (ASFI) BID RESPONSE SYSTEM (BRS) WILL NOT BE ACCEPTED.

3. Prior to submission of your quote, bid, or proposal, read the latest electronic bid/proposal instructions at web page,

["h_t_t_p_s:_/_a_a_i_s_b_i_d_s_.r_i_a_.a_r_m_y_.m_i_l"](#), and click on the icon for additional information.

4. Assuming that your quote/bid/proposal was electronically transmitted successfully, you will receive the following message:

"A directory for your Cage Code, XXXX, was created under Solicitation W52H09-X-XX-XXXX, and your file was moved to it." If you have any other files to send, use the "Back" arrow on your browser. IF YOU EXPERIENCE ANY PROBLEMS WITH THIS PROCESS, CONTACT THE CONTRACT SPECIALIST LISTED ON THE OPEN SOLICITATION PAGE,
[_h_t_t_p_s:_/_a_a_i_s_.r_i_a_.a_r_m_y_.m_i_l/_a_a_i_s/_P_a_d_d_s_w_e_b/_i_n_d_e_x_.h_t_m_l_](#).

5. If you receive an error message of any type, your quote/bid/proposal was not transmitted and must be resubmitted if you wish it to be considered for award. You may resubmit by repeating the steps for electronic submittal.

6. Quotes/bids/proposals must arrive in their entirety by the time specified in the solicitation. Quoters/Bidders/Offerors bear the responsibility of timely transmission of their quotes/bids/proposals to ensure the availability of an open transmission line and to take into consideration the length of time required to

complete the required upload transaction prior to the time established in the solicitation.

(LS7011)

(End of Provision)

CONTINUATION SHEET

PIIN/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

L-9 52.215-4511 ELECTRONIC AWARD NOTICE DEC/2005
 TACOM LCMC
 (RI)

a. Any contract awarded as a result of this solicitation will be posted to the Internet for downloading and paper copies will not be distributed. This is a material condition of the solicitation and by submission of a bid or proposal, the vendor agrees to accept an electronic award transmitted in the manner described above.

NOTE: TACOM LCMC (RI) IS NOT CURRENTLY USING THE ASFI 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 (ASFI) BID RESPONSE SYSTEM (BRS) WILL NOT BE ACCEPTED.

b. Notice of award to the awardee will be issued only via electronic mail. Venders who wish to be notified if they receive an award as

a result of this solicitation must provide their electronic mail address in the space provided below. If the vendor fails to provide an

electronic mail address, then a separate notice of award will not be provided, and it shall be the sole responsibility of the vendor to periodically check the Internet to determine if he/she has received an award. In this event, the vendor's failure to check the Internet and download a copy of the award in a timely manner shall not be an excuse for failure to perform or grounds for a delivery schedule extension.

c. Notice of award to unsuccessful offerors shall be issued only via the Federal Business Opportunities (FedBizOpps) or electronic mail. Vendors who wish to receive an electronic mail notice, if they are unsuccessful, must provide an electronic mail address in the space provided below. If the vendor fails to provide an electronic mail address, then a separate notice will not be provided; and it shall be the sole responsibility of the vendor to periodically check the FedBizOpps to determine if an award has been made. In this event, the vendor's failure to check the FedBizOpps to determine if an award has been made shall not constitute grounds for an extension of the ten (10) day protest period allowed in regulations.

Vendor's Electronic Mail Address:

(LS7013)

(End of Provision)

CONTINUATION SHEET

PIIN/SIIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

SECTION M - EVALUATION FACTORS FOR AWARD

1. Initial Award (Guaranteed Minimum Quantity Only)

Price: The Government will evaluate offerors proposals for the guaranteed minimum quantity based on a total evaluated price as proposed for all range quantities and all Ordering Periods and any other price related factors required by the solicitation. For each proposal, the Government will calculate a weighted evaluation price by multiplying the proposed unit prices for each range and Ordering Period by their respective weight and maximum quantity, and summing their totals. The weight associated with each range represents the likelihood that an order, if placed, would be placed within that range. The total evaluated price is the sum of the weighted evaluation price for all ordering periods. To receive an award, the total evaluated price must be determined fair and reasonable. If an offeror fails to submit unit prices for all quantity ranges and ordering periods and for all CLINS, its proposal may be considered unacceptable and the Government may reject the proposal.

2. Future Delivery Orders

The Government intends to make future awards using a best value basis which may result in an award to other than the low offer or the highest rated (best past performance); this process will involve a trade off analysis between price, past performance and delivery schedule.

A) Price: When a requirement arises, awardees will be asked to confirm or revise their prices as submitted on the Price Evaluation Sheet in response to W52H09-08-R-0274. The prices offered for this new requirement cannot be higher than those offered in response to W52H09- 08-R-0274 but maybe be lowered to gain a competitive advantage. Prices must be confirmed or revised in writing within five calendar days of the request.

B) Performance Risk: For the evaluation of performance risk, the Government will obtain information from the Past Performance

Information Retrieval System-Statistical Report (PPIRS-SR), and/or the awardees past performance on the contract(s) resulting from the award of W52H09-08-R-0274. The Government reserves the right to order from one contractor if doing so would be in the best interest of the Government. The Government does not intend to discuss performance risk information with Offerors as information collected in PPIRS-SR affords opportunities to Offerors to review their performance information. Where an Offeror without a record of relevant past performance or for whom information on past performance is not available, other data may be used. To include personal knowledge of the Contracting Officer, as to how either offeror has previously performed, under the minimum quantity award or any other future delivery order awards.

C) Delivery Schedule will be evaluated based on each companys ability to meet or exceed the required delivery schedule as stated in each delivery order.

*** END OF NARRATIVE M0001 ***

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses:

<http://farsite.hill.af.mil/VFFARA.HTM> or <http://farsite.hill.af.mil/VDFARA.HTM> or

<http://farsite.hill.af.mil/VFAPARA.HTM>

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

Re_g_u_l_a_t_o_r__C_i_t_e__T_i_t_l_e_

D_a_t_e_

M-1	52.215-4513	PPIRS-SR STATISTICAL REPORTING TEST	OCT/2006
	TACOM LCMC		
	(RI)		

(1) The offerors past performance shall be evaluated in accordance with FAR 13.106 -2 or 15.305(a)(2), as applicable. This procurement is subject to Past Performance Information Retrieval System - Statistical Reporting (PPIRS-SR), authorized by the Department of Defense for use by participating activities during the acquisition of supplies and services. The quality and delivery classifications

CONTINUATION SHEET

PII/SHIN W52H09-08-R-0274

MOD/AMD

Name of Offeror or Contractor:

identified for an offeror in PPIRS-SR will be used in conjunction with other provisions of this solicitation in performing the past performance evaluation.

(2) The purpose of the PPIRS-SR is to provide contracting personnel with quantifiable past performance information regarding delivery and quality, as collected from existing DoD reporting systems, during the source selection process. PPIRS-SR uses the past performance data collected to classify each suppliers performance by Federal Supply Class(es) or Service Code(s).

(3) Quality: The method used in PPIRS-SR to classify the quality of a suppliers past performance is a comparison of quality records among all suppliers who have provided goods or services to the Federal Government which are categorized in the same Federal Supply Class or Service Class (FSC). Based on the comparison among suppliers in a specific FSC group, suppliers are classified by PPIRS-SR into a color rating that represents the suppliers overall quality performance for that specific Federal Supply Class or Service Class. The following is a summarization of the PPIRS-SR classification colors:

Dark Blue:	Top 5% of suppliers in FSC group*
Purple:	Next 10% of suppliers in FSC group*
Green:	Next 70% of suppliers in FSC group*
Yellow:	Next 10% of suppliers in FSC group*
Red:	Bottom 5% of suppliers in FSC group*

* If all supplier performance ratings for an entire FSC group are equal, all suppliers in that group will be classified Green.

(4) Delivery: Supplier delivery past performance is classified in PPIRS-SR by the suppliers Weighted Delivery Score. Delivery scores are calculated using the number of line items delivered and a weighting factor, which reflects the length of time a delivery was overdue.

(5) PPIRS-SR classifications are established monthly for each supplier and can be reviewed at [_w_w_w._p_p_i_r_s._g_o_v._](#) Suppliers are granted access to PPIRS-SR for their own classifications. Offerors are encouraged to review their own classifications as well as the PPIRS-SR reporting procedures and methodology detailed in the PPIRS-SR Procedures Manual and the PPIRS-SR User Guide available at [_w_w_w._p_p_i_r_s._g_o_v._](#). The method to challenge a rating is also found on the identified website.

(MS7042)

(End of Provision)

OPTEX SYSTEMS, INC.

October 14, 2008

In response to Solicitation No. W52H09-08-R-0274, Optex Systems Inc. (Optex) is pleased to provide the following firm fixed price (FFP) quotation.

Cage Code:

0BK64

Price Build-up: The unit price for each part includes Material and ODC, Labor, G&A and Fee. Actual pricing is in Attachment 1.

Lead Time: The delivery/lead time for these parts is as follows:

Nomenclature	NSN	Part Number	Lead Time
M17	6650-01-317-9138	12357918	6-8weeksARO
M27	1240-01-319-8995	12357792	6- 8 weeks ARO
15 Degree	6650-01-317-9139	12357908	8 - 10 weeks ARO
20 Degree	1240-01-319-8994	12357909	8 - 10 weeks ARO
M45	6650-01-418-6658	12370033	8 - 10 weeks ARO
Short COM	1240-01-319-5339	12357840	8 - 12 weeks ARO
Tall COM	1240-01-319-5340	12357841	8 - 12 weeks ARO
Long Driver	6650-01-320-5628	12357848	8 - 12 weeks ARO

Validity: This quote is valid for 90 days from date of receipt.

Certifications:

K-4 52.204 -8 Annual Representations & Certifications

Optex Systems Inc. certifies that it has completed the annual representations and certifications electronically via ORCA and the representations and certifications currently posted have been entered or updated within the last 12 months.

K-5 52.223 -13 Certification of Toxic Chemical Release Reporting

Optex Systems Inc. certifies its facility does not manufacture, process, or otherwise use any toxic chemicals listed in 40 CFR 372.65.

Additional Information: This response also includes a formal executed letter from our supplier Qioptiq Coatings LTD explaining the strategic supply agreement between them and Optex and the benefits this agreement have on this effort.

This submittal includes data that shall not be disclosed outside the Government/Prime Contractor and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this submittal. If, however, a contract is awarded to this offeror or quoter as a result of - or in

connection with - the submission of this data, the Government/Prime Contractor shall have the right to duplicate, use or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's/Prime Contractor's right to use the information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets marked "Proprietary" or that contain the legend prescribed by FAR 52.215 -12. The data subject to this restriction are contained in all sheets of this submittal.

An Equal Opportunity Employer

Optex POC: Renita Rutherford-Drake Contract Administrator
(Individual authorized to contractually bind Optex Systems)

Email address: rdrake@optexsys.com

Attachments: Solicitation
Cover Page Solicitation
Amendment 0001
Attachment 1
Qioptiq Coatings letter

1. Contract Number: 3. Solicitation Number: 4. type 01- Solicitation 5. Date Issued: 6. Requisition/Purchase Number:
 W52H09-08-R-0274 SEE SCHEDULE
 Sealed Bid (IFB)
 Elected Offer

7. Issued By: TACOM-ROCK ISLAND
 AMSTA-LC-GLK-A
 ROCK ISLAND IL 61299-7630
 Code: W52H09 8. Address Offer To (If Other Than Item 7)

NOTE: In sealed bid solicitations "offer" and "offer" or mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and 1 signed copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if handcarried, in the depository located in until

04:00pm (hour) local time 2008 OCT 06 (Date).

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

10. For Information A. Name: KEVIN GILMORE
 B. Telephone (No Collect Calls): (309)782-3558
 C. E-mail Address: KEVIN.GILMORE@US.ARMY.MIL

11. Table Of Contents

Sec.	Description	Pages	Sec.	Description	Pages
Part I - The Schedule			Part II - Contract Clauses		
X	A Solicitation/Contract Form	1	X	I Contract Clauses	23
x	B Supplies or Services and Prices/Costs	9	Part III - List Of Documents, Exhibits, And Other Attach.		
X	C Description/Specs./Work Statement	15	X	J List of Attachments	34
X	D Packing and Marking	16	Part W - Representations And Instructions		
X	E Inspection and Acceptance	18	K	Representations, Certifications, and	
X	F Deliveries or Performance	21	X	Other Statements of Offerors	35
	G Contract Administration Data		X	L Instrs., Conds., and Notices to Offerors	38
X	H Special Contract Requirements	22	X	M Evaluation Factors for Award	42

OFFER (Must be fully completed by offeror)

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

12. In compliance with the above, the undersigned agrees, if this offer is accepted within calendar days (60 calendar days unless a different period is

13. Discount For Prompt Payment: 10 Calendar Days (%) 20 Calendar Days (%) - 30 Calendar Days (%) Calendar Days (%)

See Section I, Clause No. 52.232-8

14. Acknowledgment of Amendments (The offeror acknowledges Amendment No. Date Amendment No. Date receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:

15A. Name and Code Facility: 1420 Presidential Drive Richardson Texas 75081
 16. Name and Title of Person Authorized to Sign Offer: Renita Rutherford-Drake Contract Administrator

15B. Telephone Number 15C. Check if Remittance Address is 15D. Signature 18. Offer Date

Area Code Number Ext. Different From Above - Enter such

972 44-0722 Address In Schedule

2

AWARD (To be completed by Government)

19. Accepted As To Items Numbered 20. Amount 21. Accounting And Appropriation

22. Authority For Using Other Than Full And Open Competition: 10 U.S.C. 2304(c)() 41 U.S.C. 253(c)() 23. Submit Invoices To Address Shown In Item (4 copies unless otherwise specified)

24. Administered By (If other than Item 7) Code 25. Payment Will Be Made By Code

SCD PAS ADP PT

26. Name of Contracting Officer (Type or Print) 27. United States Of America 28. Award Date 20080CT06

Signature of Contracting Officer

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

AUTHORIZED FOR LOCAL REPRODUCTION
Previous edition is unusable

Standard Form 33 (Rev. 9-97)
Prescribed By GSA-FAR (48 CFR) 53.214(c)

AMENDMENT OF SOLICITATION/ MODIFICATION OF CONTRACT

1:
firm-fixed-price

2. Amendment/Modification No. 0001	3. Effective Date 2008SEP05	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	Code W52H09	7. Administered By (If other than Item 6)	Code
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EMAIL: KEVIN.GILMORE@US.ARMY.MIL	SCD	PAS	ADPPT
----------------------------------	-----	-----	-------

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) Optex Systems Inc. 1420 Presidential Drive Richardson, Texas 75081	9A. Amendment Of Solicitation No. W52H09-08-R-0274
	9B. Dated (See Item 11) 2008SEP05

LI bA. Modification Of Contract/Order No.

Code OBK6 4	Facility Code	IOB. Dated (See Item 13)
-------------	---------------	--------------------------

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

E1 The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers

E: 1 extended, LI not extended. 2008OCT16 04 :00pm

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 2 signed 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)

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
LI- The Contract/Order No. In Item bA.

B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.)
LI- 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, [1] 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 bA, 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)
Renita Rutherford-Drake Contract Administrator

15B. Issued By/Officer 15C. Date Signed 16B. United States Of America 16C. Date Signed

_____	By	_____/SIGNED/_____ _____	_____
_____	ature of erso authorized to si n	_____	_____
_____	_____	Si nature of Contractin	Officer
NSN 7540-01-152-8070	30-105-02	_____	STANDARD FORM 30 (REV. 10-83)
PREVIOUS EDITIONS UNUSABLE	_____	_____	Prescribed by GSA FAR (48 CFR) 53.243

PuN/SUN W52H09-08-R-0274 MOD/AMD 0001

Name of Offeror or Contractor:

SECTION A - SUPPLEMENTAL INFORMATION

THE PURPOSE OF THIS AMENDMENT IS TO EXTEND THE CLOSING DATE TO 16 OCT 2008.

ALL ORTHER TERMS AND CONDITIONS REMAIN THE SAME.

*** END OF NARRATIVE A0002

Offeror: OPTEX SYSTEMS INC.
POC: Renita Rutherford-Drake
Phone: 972.644.0722 ext. 148
E-Mail: rdrake@optexsys.com
Cage Code: 0BK64

PRICE EVALUATION SHEET
W52H09-08-R-0274

CLIN0001: M17 Perisco e

NSN: 6650-01-317-9138 PIN: 12357918

Ordering Period 1 QTY Ranges	Ordering Period 2		Ordering Period 3		Weight
	Unit Price	Weight	Unit Price	Weight	
50 - 150	\$450.00	80%	\$472.43	80%	80%A
151 - 250	\$446.00	10%	\$468.43	10%	\$491.85 10%/i
251 - 350	\$439.00	10%	\$460.82	iQ	\$483.86 iQc
		100%		100%	100%
Evaluation Price					
TOTAL EVALUATED CLIN PRICE					

CLIN0002: M27 Perisco e

NSN: 1240-01-319-8995 P/N: 12357792

Ordering Period 1 QTY Ranges	Ordering Period 2		Ordering Period 3		Weight
	Unit Price	Weight	Unit Price	Weight	
50-250	\$473.00	10%	\$496.65	10%	\$521.48 10%
251 - 500	\$473.00	20%	\$496.65	20%	\$521.48 20%
501 - 1,000	\$465.00	7Q4	\$488.25		\$512.66 70%
		100%		100%	100%
Evaluation Price					
TOTAL EVALUATED CLIN PRICE					

CLIN0003: 15 De rec Perisco e

NSN: 1240-01-254-63446650-01-317-9139 P/N: 12357908

Ordering Period 1 QTY Ranges	Ordering Period 2		Ordering Period 3		Weight
	Unit Price	Weight	Unit Price	Weight	
75-250	\$500.00	80%	\$525.00	80%	\$551.25 80%
251 - 500	\$500.00	10%	\$525.00	10%	\$551.25 10%
501 - 1,000	\$500.00		\$525.00	10%	\$551.25 iQ.%
		100%		100%	100%
Evaluation Price					
TOTAL EVALUATED CLIN PRICE					

CLIN0004: 20 Dc rec Perisco es

NSN: 1240-01-319-8994 P/N: 12357909

QTY Ranges	Ordering Period 1		Ordering Period 2		Ordering Period 3	
	Unit Price	Weight	Unit Price	Weight	Unit Price	Weight
50 - 100	\$420.00	80%	\$441.00	80%	\$463.05	80%A
-						
101 - 250	\$420.00	10%	\$441.00	10%	\$463.05	104
251 - 500	\$420.00	10%	\$441.00	10%	\$463.05	10
		100%		100%		10014

Evaluation Price

TOTAL EVALUATED CLIN PRICE

CLIN0005: M45 Perisco e

NSN: 6650-01-418-6658, P/N: 12370033

QTY Ranges	Ordering Period 1		Ordering Period 2		Ordering Period 3	
	Unit Price	Weight	Unit Price	Weight	Unit Price	Weight
10-250	\$522.00	15%	\$548.10	15%	\$575.51	15%
251-400	\$517.00	40%	\$542.85	40%	\$569.99	40%
401 - 600	\$509.00	45%	\$534.45	45%	\$561.17	45Y
		100%		100%		100%

Evaluation Price

TOTAL EVALUATED CLIN PRICE

CLIN0006: Short Corn Perisco e

NSN: 1240-01-319-5339, P/N: 12357840

QTY Ranges	Ordering Period 1		Ordering Period 2		Ordering Period 3	
	Unit Price	Weight	Unit Price	Weight	Unit Price	Weight
300-400	\$581.00	15%	\$610.05	40%	\$640.55	40%
401 - 700	\$576.00	30%	\$604.80	40%	\$635.04	40%
701-900	\$566.00		\$594.30	Q4	\$624.02	20%
		100%		100%		100%

Evaluation Price

TOTAL EVALUATED CLIN PRICE

CLIN0007: Tall COM Perisco e

NSN: 1240-01-319-5340, P/N: 12357841

QTY Ranges	Ordering Period 1		Ordering Period 2		Ordering Period 3	
	Unit Price	Weight	Unit Price	Weight	Unit Price	Weight
150-500	\$948.00	60%	\$995.40	75%	\$1,045.17	75%
501 - 1,000	\$940.00	20%	\$987.00	15%	\$1,036.35	15%
1,001 - 1,300	\$925.00	20%	\$971.25	10%	\$1,019.81	10%

100%

100%

100%

Evaluation Price

TOTAL EVALUATED CLIN PRICE

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 Code W52H09
 6. Administered By (If Other Than Item 5) Code S4402A
 TACOM-ROCK ISLAND DCM, TEXAS
 AMSTA-LC-GLK-A 600 NORTH PEARL STREET
 KEVIN GILMORE (309) 782-3558 SUITE 1630
 ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843

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 FOB Origin X Other (See Below)
 9. Discount For Prompt Payment

10. Submit Invoices Item (4 Copies Unless Otherwise Specified)
 TYPE BUSINESS: Other Small Business Performing in U.S. 12

Code 0BK64 Facility Code To The Address Shown In:

11. Ship To/Mark For Code
 SEE SCHEDULE
 12. Payment Will Be Made By Code HQ0339
 DFAS-COLUMBUS CENTER
 DFAS 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: 10 U.S.C. 2304(c)() 41 U.S.C. 253(c)()
 14. Accounting And Appropriation Data

15A. Item No.	15B. Supplies/Services	15C. Quantity	15D. Unit	15E. Unit Price	15F. Amount
SEE SCHEDULE	CONTRACT TYPE: Firm-Fixed-Price	KIND OF CONTRACT: Supply Contracts and Priced Orders			

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	
X	F	Deliveries or Performance	17	Other Statements of Offerors		
	G	Contract Administration Data		L	Instrs., Conds., and Notices to Offerors	
X	H	Special Contract Requirements	18	M	Evaluation Factors for Award	

17. Contractor's Negotiated Agreement (Contractor is required to sign this document and return copies to issuing

18. ^X Award (Contractor is not required to sign this document.) Your offer on Solicitation Number W52H0908R0274 , including the additions or changes

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.)

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

19c. Date Signed

20B. United States Of America

20C. Date Signed

By

By /SIGNED/

2009MAR24

(Signature of person authorized to sign)

(Signature of Contracting Officer)

AUTHORIZED FOR LOCAL REPRODUCTION

Standard Form 26 (Rev. 12/2002)

Previous edition is usable

Prescribed By GSA - FAR (48 CFR) 53.214(a)

CONTINUATION SHEET

PIN/SIN W52H09-09-D-0128

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 BELOW ITEM:

CLIN	NOUN	NSN	P/N
0001AA	PERICSOPE, 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. ALL OTHER TERMS AND CONDITIONS FROM SOLICITATION W52H0908R0274 AND OFFER DATED JANUARY 28, 2009 ARE INCORPORATED HEREIN.

*** END OF NARRATIVE A0004 ***

Re_g_u_l_a_t_o_r_ C_i_t_e T_i_t_l_e_

D_a_t_e_

A-1	52.246-4500 TACOM LCMC (RI)	WIDE AREA WORKFLOW-RECEIPT ACCEPTANCE (WAWF-RA)	OCT/2007
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(a) To comply with the clauses at 252.246 -7000, "Material Inspection and Receiving Report", and at 252.232 -7003, Electronic Submission 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

CONTINUATION SHEET

PHN/SIN W52H09-09-D-0128

MOD/AMD

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 be 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 at

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://triext.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 allows bidders/quoters/offerors to propose Management Council approved Single Process Initiatives (SPIs) in their bids/quotes/offers, in lieu of military or Federal specifications and standards cited in this solicitation.

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

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

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

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

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

proposed SPI.

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

(f) Bidders/quoters/offerors are cautioned that there is always the possibility that the Government could make a determination at the Head of the Contracting (HCA)/Program Executive Officer (PEO) level that the proposed SPI is not acceptable for this procurement. If such a determination is made, and the bid/quote/offer only identifies a price predicated on use of proposed SPI, the bid/quote/offer will be determined nonresponsive.

Bidders/quoters/offerors who propose SPI processes are encouraged to provide a price below to reflect their price for the item manufactured in accordance with the requirements as stated in this solicitation to preclude possibly being determined nonresponsive:

CLIN	_____	PRICE	\$
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 <http://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 Web site above. Hard copy and facsimile (datafax) bids/offers/quotes WILL NOT BE ACCEPTED.

NOTE: TACOM LCMC (RI) IS NOT CURRENTLY USING THE ASFI 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 (ASFI) 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)

SPI PROCESS: FACILITY: MILITARY OR AFFECTED CONTRACT

FEDERAL SPEC
OR STANDARD:

LINE ITEM #, SUBLINE
ITEM #, COMPONENT
OR ELEMENT:

CONTINUATION SHEET

PHN/SIN W52H09-09-D-0128

MOD/AMD

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

Ft. 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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MOD/AMD

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 H of this document.

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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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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y

NOUN: M17-NSN 6650-01-317-9138

FSCM: 6650

PART NR: 12357918

SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_S_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357918

DATE: 31-OCT-2007

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI -P12357918, REV E, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0002 P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y

NOUN: M27-NSN 1240-01-319-8995

FSCM: 1240

PART NR: 12357792

SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_S_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357792

DATE: 01-NOV-2007

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357792, REV C, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0003 P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y

NOUN: 15 DEG - 6650-01-317-9139

FSCM: 6650

PART NR: 12357908

CONTINUATION SHEET

PIIN/SIIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357908

DATE: 31-OCT-2007

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357908, REV B, DATED 19 FEB02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0004 P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y

NOUN: 20 DEG NSN 1240-01-319-8994

FSCM: 1240

PART NR: 12357909

SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357909

DATE: 31-OCT-2007

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357909, REV B, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0005 P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y

NOUN: M45 - NSN 6650-01-418-6658

FSCM: 6650

PART NR: 12370033

SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12370033

DATE: 29-OCT-2007

CONTINUATION SHEET

PIIN/SIIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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P_a_c_k_a_g_i_n_g_a_n_d_M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P1237003, REV B, DATED 19 FEB 02

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_n_a_n_d_A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0006 P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y

NOUN: SHOR COM NSN 1240-01-319-5339

FSCM: 1240

PART NR: 12357840

SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357840

DATE: 07-NOV-2007

P_a_c_k_a_g_i_n_g_a_n_d_M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357840, REV E, NOT DATED

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_n_a_n_d_A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0007 P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y

NOUN: TALL COM NSN 1240-01-319-5340

FSCM: 1240

PART NR: 12357841

SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12357841

DATE: 07-NOV-2007

P_a_c_k_a_g_i_n_g_a_n_d_M_a_r_k_i_n_g

PACKAGING/PACKING/SPECIFICATIONS:

SPI-P12357841, REV D, NOT DATED

LEVEL PRESERVATION: Military

LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_n_a_n_d_A_c_c_e_p_t_a_n_c_e

CONTINUATION SHEET

PIIN/SIIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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INSPECTION: Origin ACCEPTANCE: Origin

0008 P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y

NOUN: LON DRIV NSN 6650-01-320-5628
 FSCM: 6650
 PART NR: 12357848
 SECURITY CLASS: Unclassified

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_S_t_a_t_e_m_e_n_t
 TOP DRAWING NR: 12357848
 DATE: 01-NOV-2007

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g
 PACKAGING/PACKING/SPECIFICATIONS:
 SPI-P12357848, REV D, DATED 10 APR 03
 LEVEL PRESERVATION: Military
 LEVEL PACKING: B

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

0009 C_O_N_T_R_A_C_D_A_T_A R_E_Q_U_I_R_E_M_E_N_T_S L_I_S_T (C_D_R_L_) \$ *_ N_S_P *_ \$ *_ N_S_P *_

NOUN: CDRL
 SECURITY CLASS: Unclassified

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.

A DD250 IS NOT REQUIRED

(End of narrative B001)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination

CONTINUATION SHEET

PHN/SHN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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, M3GE503A19B37C12F19, FABRICATE IN ACCORDANCE WITH ASTM-D2000."

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/Comdr 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.

QS12357909:

-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.

	<u>Re_q_u_l_a_t_o_r_ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
C-1	52.210-4501 TACOM LCMC (RI)	DRAWINGS/SPECIFICATIONS	MAR/1988

CONTINUATION SHEET

PHN/SIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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, dated 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; P12370033, REV B, DATED 19 FEB 02; P12357840, REV E, NOT DATED; P12357909, REV B, DATED 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 F, 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 or 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

SECTION D - PACKAGING AND MARKING

	<u>Re_g_u_l_a_t_o_r__</u>	<u>C_i_t_e</u>	<u>T_i_t_l_e_</u>	<u>D_a_t_e_</u>
D-1	52.211-4501		PACKAGING REQUIREMENTS (SPECIAL PACKAGING INSTRUCTIONS)	DEC/2007
	TACOM LCMC			
	(RI)			

CONTINUATION SHEET

PIN/SIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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/VFFARA.HTM> or <http://farsite.hill.af.mil/VDFDARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	Re_q_u_l_a_t_o_r__ C_i_t_e	T_i_t_l_e	D_a_t_e
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	ISO 9001:2000	13 Dec 00
Tailored by excluding paragraphs 7.3, 7.4, 7.5.1, and 7.5.2		

(End of Clause)

E-4	52.209-4512	FIRST ARTICLE TEST (CONTRACTOR TESTING)	MAR/2008
	TACOM LCMC		
	(RI)		

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.

(ES6016) (End of Clause)

E-5	52.246-4533	SURFACE QUALITY STANDARDS	MAR/2001
	TACOM LCMC		
	(RI)		

a. Surface quality standards for optical elements (Scratch and Dig) per MIL-PRF-13830B, 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: AMSRD-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.

(ES6018) (End of Clause)

E-6	52.246-4532	DESTRUCTIVE TESTING	MAY/1994
	TACOM LCMC RI		

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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MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

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/VDFARA.HTM> or
<http://farsite.hill.af.mil/VFAFARA.HTM>

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

	Re_g_u_l_a_t_o_r__ C_i_t_e	T_i_t_l_e_	D_a_t_e_
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	COGNIZANT TRANSPORTATION OFFICER	MAY/1993
	TACOM LCMC		
	(RI)		

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

- (1) Submit, as necessary, DD Form 1659, Application for U.S. Government Bill(s) of Lading/Export Traffic Release, in triplicate at least ten days prior to date supplies will be available for shipment;
- (2) Obtain shipping instructions as necessary for F.O.B. Destination delivery; and
- (3) Furnish necessary information for MILSTRIP/MILSTAMP or other shipment documentation and movement control, including air and water

terminal clearances.

(4) For FMS, at least 10 days in advance of actual shipping date, the contractor should request verification of "Ship to" and "Notification" address from the appropriate 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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Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

Regulator Cite TitleDate

H-1	52.247-4545	PLACE OF CONTRACT SHIPPING POINT, RAIL INFORMATION	MAY/1993
	TACOM LCMC		
	(RI)		

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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MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION I - CONTRACT CLAUSES

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<http://farsite.hill.af.mil/VFFARA.HTM> or <http://farsite.hill.af.mil/VDFARA.HTM> or
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If the clause requires additional or unique information, then that information is provided immediately after the clause title.

	<u>Re_g_u_l_a_t_o_r_ C_i_t_e</u>	<u>T_i_t_l_e_</u>	<u>D_a_t_e_</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 2008-00004)	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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Regulator	Cite	Title	Date
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 days 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 -5-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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(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/or 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

Contractors 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 Contractors 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 Contractors 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 Contractors 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.

CONTINUATION SHEET

PIN/SIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

- (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 --

CONTINUATION SHEET

PHN/SIN W52H09-09-D-0128

MOD/AMD

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 or progress payments, the terms of the subcontract or interdivisional order concerning progress payments --

- (i) Are substantially similar to the terms of the clause for any subcontractor that is a large business concern, or that clause with its Alternate I for any subcontractor that is a small business concern;
- (ii) Are at least as favorable to the Government as the terms of this clause;
- (iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;
- (iv) Are in conformance with the requirements of FAR 32.504(e); and
- (v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Governments 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

Governments 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.

CONTINUATION SHEET

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MOD/AMD

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 any action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is definitized. Costs incurred which are subject to this limitation shall be segregated on Contractor progress payment requests and invoices from those costs eligible for higher progress payment rates. For purposes of progress payment liquidation, as described in paragraph (b) of this clause, progress payments for 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 -l- 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 indefinitedelivery 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 Contractors ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

CONTINUATION SHEET

PHN/SIN W52H09-09-D-0128

MOD/AMD

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/sizestandardstotics/> .

(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)

CONTINUATION SHEET

PIIN/SHIN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX 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;

CONTINUATION SHEET

PHN/SIN W52H09-09-D-0128

MOD/AMD

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.

CONTINUATION SHEET

PIIN/SHIN W52H09-09-D-0128

MOD/AMD

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.dema.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)

CONTINUATION SHEET

PIIN/SHN W52H09-09-D-0128

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION J - LIST OF ATTACHMENTS

List of		Number		
<u>A_d_d_e_n_d_a</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f_P_a_g_e_s</u>	<u>T_r_a_n_s_m_i_t_t_e_d_B_y</u>
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://aais.ria.army.mil/aais/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.

<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>Number</u>
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 (SF-LLL)	JUL 1997	3 Pgs
Guidance on Documentation of Contract Data		2 Pgs
Requirements List (CDRL)		
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.	2. DELIVERY ORDER/CALL NO.	3. DATE OF ORDER/CALL	4. REQUISITION/PURCH REQUEST NO.	5. PRIORITY
W52H09-09-D-0128	0001	2009MAR24	SEE SCHEDULE	DOA5
			(YYYYMMDD)	

6. ISSUED BY	CODE	7. ADMINISTERED BY (If other than 6)	CODE	8. DELIVERY FOB
TACOM-ROCK ISLAND AMSTA-LC-GLK-A KEVIN GILMORE (309)782-3558 ROCK ISLAND IL 61299-7630 WEAPON SYSTEM: IFV XM2 /CFV XM3 EMAIL: KEVIN.GILMORE@US.ARMY.MIL	W52H09	DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A	
				X DESTINATION
				OTHER (See Schedule if other)
		SCD: B	PAS: NONE	ADP PT: HQ0339

9. CONTRACTOR	CODE	FACILITY	10. DELIVER TO FOB POINT BY (Date)	11. X IF BUSINESS IS
0 OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR NAME RICHARDSON, TX 75081-2439 AND ADDRESS	0BK64		(YYYYMMDD) SEE SCHEDULE	X SMALL SMALL
				DISADVANTAGED
				WOMAN-OWNED
		0	0	13. MAIL INVOICES TO THE ADDRESS IN BLOCK
		TYPE BUSINESS: Other Small Business Performing in U.S.		See Block 15

14. SHIP TO	CODE	15. PAYMENT WILL BE MADE BY	CODE	MARK ALL
SEE SCHEDULE		DFAS-COLUMBUS CENTER DFAS CO-WEST ENTITLEMENT OPERATIONS P.O. BOX 182381 COLUMBUS, OH 43218-2381 PHONE: 1-800-756-4571	HQ0339	PACKAGES AND PAPERS WITH IDENTIFICATION NUMBERS IN BLOCKS 1 AND 2

16. DELIVERY/ CALL TYPE

THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.

Payment will be made by Electronic Funds Transfer

OF ORDER PURCHASE

Reference your Oral Written Quotation, Dated _____, furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR	SIGNATURE	TYPED NAME AND TITLE	DATE SIGNED (YYYYMMDD)
--------------------	-----------	----------------------	---------------------------

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE	20. QUANTITY	21. UNIT	22. UNIT PRICE	23. AMOUNT
	ORDERED/ ACCEPTED*			

SEE SCHEDULE

CONTRACT TYPE:

Firm-Fixed-Price

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is **24. UNITED STATES OF AMERICA** **25. TOTAL** \$118,250.00

same as quantity ordered, indicate by X. **BRIAN W. SCHMIDT /SIGNED/ 2009MAR24** **26.**

BRIAN.W.SCHMIDT@US.ARMY.MIL (309) 782-0988

If different, enter actual quantity accepted below **DIFFERENCES**
quantity ordered and encircle. **BY: CONTRACTING/ORDERING OFFICER**

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

32. PAID BY 33. AMOUNT VERIFIED CORRECT FOR
PARTIAL

f. TELEPHONE NUMBER g. E-MAIL ADDRESS
FINAL

31. PAYMENT 34. CHECK NUMBER

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE (YYYYMMDD) b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 35. BILL OF LADING NO.
PARTIAL

FINAL

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

PIIN/SIIN W52H09-09-D-0128/0001

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	250

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 \$473.00

5. TOTAL AMOUNT FOR THIS AWARD IS \$118,250.00

*** END OF NARRATIVE A0001 ***

CONTINUATION SHEET

PHIN/SHIN W52H09-09-D-0128/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SUPPLIES OR SERVICES AND PRICES/COSTS

0002 NSN: 1240-01-319-8995
 FSCM: 19200
 PART NR: 12357792
 SECURITY CLASS: Unclassified

0002AA P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 250 EA \$ 4_7_3_._0_0_0_0_0 \$ 1_1_8_._2_5_0_._0_0_

NOUN: PERISCOPE, ARMORED V
 PRON: M191A478M1 PRON AMD: 01 ACRN: AA
 AMS CD: 070011MMTUR

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_r P_e_r_f_o_r_m_a_n_c_e DOC		SUPPL
R_E__C_D__	M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D	
001 W52H099026H951 W25G1U		J 1
D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E_
001	100	14-AUG-2009
002	75	14-SEP-2009

FOB POINT: Destination

SHIP TO:
 (W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 NORMANDY DRIVE DOOR 113 TO 134
 NEW CUMBERLAND, PA, 17070-5002

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-09-D-0128/0001

DOC		SUPPL R_E__C_D__	M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
002 W52H099026H952 W62G2T		J 1	
D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E_	
001	75	06-OCT-2009	

FOB POINT: Destination

SHIP TO:
 (W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN
 TRANSPORTATION OFFICER
 PO BOX 960001
 TRACY CA 95304-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R

CONTINUATION SHEET

PHN/SHN ^{W52H09-09-D-0128/0001} MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
	W52H09-09-D-0128/0001			

CONTINUATION SHEET

PHN/SHIN W52H09-09-D-0128/0001

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

CONTRACT ADMINISTRATION DATA

LINE	AMS CD/	OBLG	PRON/	JOB	ACCOUNTING	OBLIGATED	
IT_E	MT_P	A_R_N ST	A_C_O_U_N_T_I_N	C_L_A_S_S_I_F_I_C_A_T_I_O_N	N_U_M_B_E_R	S_T_A_T_I_O_N	
						A_M_O_U_N_T	
0002AA	M191A478M1	AA 2	97	X4930AC6G 6D	26FB S11116	W52H09	\$ 118,250.00
	070011MMTUR						
						TOTAL	\$ 118,250.00

NAME	TOTAL	BY	A_C_R_N	A_C_C_O_U_N_T_I_N	C_L_A_S_S_I_F_I_C_A_T_I_O_N	ACCOUNTING	OBLIGATED
						S_T_A_I_O	A_M_O_U_N_T
Army			AA	97	X4930AC6G 6D	26FB S11116 W52H09	\$ 118,250.00
						TOTAL	\$ 118,250.00

A_C_R_N ED A_C_C_O_U_N_T_I_N G_C_L_A_S_S_I_F_I_C_A_T_I_O_N

AA 97 0X0X4930AC6G S11116 96D0000070011MMTUR26FB S11116

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2009APR01	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GLK-A KEVIN GILMORE (309) 782-3558 ROCK ISLAND IL 61299-7630	W52H09	DCMA, TEXAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

WEAPON SYSTEM: IFV XM2 /CFV XM3
 EMAIL: KEVIN.GILMORE@US.ARMY.MIL SCD B PAS NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439	

X	10A. Modification Of Contract/Order No.
	W52H09-09-D-0128/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)

Code ⁰ BK64	Facility Code	2009MAR24

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor ^X 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/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By /SIGNED/ 2009APR01

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET

PIIN/SIN W52H09-09-D-0128/0001

MOD/AMD 01

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	100	21-AUG-2009	175
W62G2T	06-OCT-2009	75	21-SEP-2009	

TOTAL CONTRACT QUANTITY ON CLIN 0002AA OF 250 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 ***

CONTINUATION SHEET

PHN/SHN W52H09-09-D-0128/0001 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0002 NSN: 1240-01-319-8995
 FSCM: 19200
 PART NR: 12357792
 SECURITY CLASS: Unclassified

0002AA	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	250		EA \$ 4_7_3_._0_0_0_0_0_0	\$ 1_1_8_._2_5_0_._0_0_0_
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NOUN: PERISCOPE, ARMORED V
 PRON: M191A478M1 PRON AMD: 01 ACRN: AA
 AMS CD: 070011MMTUR

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 W52H099026H951 W25G1U J 1
 D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 175 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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-09-D-0128/0001

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_
 A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 002 W52H099026H952 W62G2T J 1
 D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 75 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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-09-D-0128/0001

APPENDIX C
SOLICITATION
RESPONSE

The response to this bid proposal is not available to Optex Systems, Inc. It was prepared by the original owners of Optex (two companies ago) and was not filed with the other contract information. It is assumed that since the critical information of the response was captured in the contract, that the previous owners discarded these documents.

CONTRACT ATTACHED

SOLICITATION, OFFER AND AWARD

1. This Contract Is A Rated Order Under DPAS (15 CFR 700) **Rating** **Page 1 of 46**
 DOA5

2. Contract No. **3. Solicitation No.** **4. Type of Solicitation** **5. Date Issued** **6. Requisition/Purchase No.**
 W52H09-05-R-0051 Negotiated (RFP) 2005APR18 SEE SCHEDULE

7. Issued By **Code** W52H09 **8. Address Offer To (If Other Than Item 7)**
 TACOM-ROCK ISLAND
 AMSTA-IC-CFA-C
 ROCK ISLAND IL 61299-7630

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

9. Sealed offers in original and 1 signed **copies for furnishing the supplies or services in the Schedule will be received at the**
place specified in item 8, or if handcarried, in the depository located in **until**
 04:00pm (hour) local time 2005JUN02 (Date).

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

10. For Information **Name** LINDA M MAES **Telephone No. (Include Area Code) (NO Collect Calls)**
Call: **E-mail address:** MAESL@RIA.ARMY.MIL (309) 782-3657

11. 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	X	I	Contract Clauses	24
X	B	Supplies or Services and Prices/Costs	9			Part III - List Of Documents, Exhibits, And Other Attachments	
X	C	Description/Specs./Work Statement	11	X	J	List of Attachments	36
X	D	Packaging and Marking	13			Part IV - Representations And Instructions	
X	E	Inspection and Acceptance	15		K	Representations, Certifications, and	
				X		Other Statements of Offerors	37
X	F	Deliveries or Performance	19				
	G	Contract Administration Data		X	L	Instrs., Conds., and Notices to Offerors	42
X	H	Special Contract Requirements	22	X	M	Evaluation Factors for Award	46

OFFER (Must be fully completed by offeror)

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

12. In compliance with the above, the undersigned agrees, if this offer is accepted within calendar days (60 calendar day s unless a different period is

inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

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

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

documents numbered and dated:

15A. Contractor/Offeror/Quoter **Code** **Facility** **16. Name and Title of Person Authorized to Sign Offer (Type or Print)**

15B. Telephone Number (Include Area Code) 15C. Check if Remittance Address is Different From Blk 15A- Furnish Such Address In Offer 17. Signature 18. Offer Date

AWARD (To be completed by Government)

19. Accepted As To Items Numbered 20. Amount 21. Accounting And Appropriation

22. Authority For Using Other Than Full And Open Competition: 23. Submit Invoices To Address Shown In Item
 10 U.S.C. 2304(c) () 41 U.S.C. 253(c) () (4 copies unless otherwise specified)

24. Administered By (If other than Item 7) Code 25. Payment Will Be Made By Code

SCD PAS ADP PT

26. Name of Contracting Officer (Type or Print) 27. United States Of America 28. Award Date

/SIGNED/

(Signature of Contracting Officer) IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

NSN 7540-01-152-8064 33-132 Standard Form 33 (Rev. 4-85)
 PREVIOUS EDITIONS NOT USABLE Prescribed By GSA-FAR (48 CFR) 53.214(c)

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

SECTION A - SUPPLEMENTAL INFORMATION EXECUTIVE SUMMARY:

1. THIS SOLICITATION W52H09-05-R-0051, ISSUED ON A FULL AND OPEN COMPETITIVE BASIS, FOR THE M137A2, AND THE M137A3 PANORAMIC TELESCOPE, WILL RESULT IN THE AWARD OF A 5-YEAR FIRM-FIXED PRICE, INDEFINITE QUANTITY (IDIQ) CONTRACT. THIS CONTRACT INCLUDES FIVE ORDERING PERIODS AS SET FORTH IN THE PARAGRAPH BELOW.

2. EVALUATION OF OFFERS WILL BE IN ACCORDANCE WITH SECTION M OF THIS SOLICITATION. ONE AWARD WILL BE MADE FOR THIS ITEM. THE

GOVERNMENT STRONGLY ADVISES REVIEWING SECTIONS L & M PRIOR TO SUBMITTING A PROPOSAL.

IT SHOULD BE NOTED THAT, IN ACCORDANCE WITH FAR PART 19.704, A SUBCONTRACTING PLAN IS REQUIRED AT TIME OF PROPOSAL SUBMISSION FROM ALL OFFERORS OTHER THAN SMALL BUSINESS CONCERNS.

3. PLEASE NOTE THAT THIS SOLICITATION CONTAINS A SECTION B, "SUPPLIES OR SERVICES AND PRICES/COSTS" SECTION, WHICH IS FOR ITEM

IDENTIFICATION ONLY. THE CONTRACTOR SHALL FILL IN PRICES ON THE PRICING EVALUATION SHEET IDENTIFIED AS ATTACHMENT 001. AFTER CONTRACT AWARD, EACH DELIVERY ORDER ISSUED AGAINST THE RESULTANT CONTRACT SHALL CONTAIN A SECTION B BASED ON THE PRICING EVALUATION SHEET IN ATTACHMENT 001.

4. FIRST ARTICLE TESTING (FAT) IS REQUIRED FOR THE M137A2 PANORAMIC TELESCOPE. SEE CLAUSES ES6016 & IF7116. ALL COSTS FOR THESE TESTS

ARE TO BE BORNE BY THE CONTRACTOR. INSPECTION /ACCEPTANCE FOR ALL FIRST ARTICLE REPORTS WILL BE ORIGIN/DESTINATION; FOB IS DESTINATION.

5. PRIOR TO FIRST ARTICLE APPROVAL, THE ACQUISITION OF MATERIAL OR COMPONENTS FOR, OR THE COMMENCEMENT OF PRODUCTION OF, THE BALANCE OF

THE CONTRACT QUANTITY IS AT THE SOLE RISK OF THE CONTRACTOR. ONLY THE CONTRACTING OFFICER, BY WRITTEN AUTHORIZATION, MAY ALLOW THE CONTRACTOR TO ACQUIRE SPECIFIC MATERIAL OR COMPONENTS BEYOND THOSE REQUIRED FOR FIRST ARTICLE TEST. PLEASE SEE CLAUSE ES6016.

AS CALLED OUT IN CLAUSE ES6030, CONFIRMATORY TESTING WILL BE REQUIRED FOR THE M137A2 PANORAMIC TELESCOPE. SHIPMENT OF THE CONFIRMATORY TEST SAMPLES SHALL BE IMMEDIATELY AFTER COMPLETION OF THE FIRST ARTICLE TEST AND UPON AUTHORIZATION FROM THE CONTRACTING OFFICER. DISPOSITION OF THE FIRST ARTICLE TEST REPORT WILL BE IN ACCORDANCE WITH ES6016 REGARDLESS OF COMPLETION STATUS OF CONFIRMATORY TEST.

6. AT THE GOVERNMENT'S DISCRETION, PHYSICAL CONFIGURATION AUDIT OF ALL ITEMS DEEMED APPROPRIATE, MAY BE CONDUCTED AT THE CONTRACTOR'S

FACILITY.

7. THE FOLLOWING ITEMS ARE BEING SOLICITED:

CLIN 0001: M137A2 PANORAMIC TELESCOPE - GUARANTEED MINIMUM QUANTITY IS 138 EACH
NSN: 1240-01-483-6103
P/N: 12984713

CLIN 0002; M137A3 PANORAMIC TELESCOPE
NSN: 1240-01-483-6100
P/N: 12984775

8. DURING THE LIFE OF THIS CONTRACT (FROM AWARD DATE UNTIL 30 JUNE 2010), THE GOVERNMENT IS ENTITLED TO ORDER A MAXIMUM TOTAL QUANTITY

OF 1100 EACH M137A2 AND 1000 EACH M137A3 PANORAMIC TELESCOPE.

9. AN AWARD UNDER THIS SOLICITATION IN NO WAY OBLIGATES THE GOVERNMENT TO PURCHASE ANY QUANTITY UNDER THE RESULTANT CONTRACT, EXCEPT

FOR THE GUARANTEED MINIMUM QUANTITY LISTED PARAGRAPH 7. EACH DELIVERY ORDER STANDS ON ITS OWN ISOPAR AS IT OBLIGATES THE GOVERNMENT.

10. THE PRICING RANGES SHOWN ON ATTACHMENT 001 ARE PROVIDED FOR THE PURPOSE OF ESTABLISHING REASONABLE QUANTITIES AGAINST WHICH TO PROVIDE PRICES. OFFERORS ARE REQUIRED TO COMPLETE AND SUBMIT THE "PRICING EVALUATION SHEET" AT ATTACHMENT 001. PLEASE PROVIDE PRICES FOR ALL YEARS, AND ALL RANGES, INCLUDING THE BREAKOUT OF FIRST ARTICLE TEST. PROPOSALS OFFERING PRICES FOR QUANTITIES OR RANGES OTHER THAN THOSE SOLICITED WILL NOT BE CONSIDERED.

11. FOLLOWING ARE THE DATES OF THE FIVE ORDERING PERIODS COVERED BY THIS SOLICITATION;

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

12. FOR EACH ORDERING PERIOD, THE GOVERNMENT'S ESTIMATED BUY QUANTITIES, BY ORDERING PERIOD ARE AS FOLLOWS:

CLIN 0001, NSN: 1240-01-483-6103, P/N: 12984713, M137A2 PANORAMIC TELESCOPE
OP ESTIMATED BUY

CONTINUATION SHEET

PHN/SHN W52H09-05-R-0051

MOD/AMD

Name of Offeror or Contractor:

01 218
 02 105
 03 72
 04 25
 05 25

CLIN 0002. NSN: 1240-01-483-6100, P/N: 12984775, M137A3 PANORAMIC TELESCOPE
 OP ESTIMATED BUY
 01 40
 02 40
 03 40
 04 40
 05 40

13. SHIPMENTS WILL BE FOB DESTINATION TO ONE OR MORE OF THE FOLLOWING LOCATIONS:

DODAAC: W52H1C
 ADDRESS: XR W0K8 USA MAC
 ROCK ISLAND ARSENAL, BLDG 299
 GILLESPIE AVE AND BECK LANE
 ROCK ISLAND, IL 61299-5000
 ATTN: DAVE HERRERA (309) 782-6869
 POC: ROD KEENEY/AMSTA-LC-CPTL/ (309) 782-6649

DODAAC: W31G1Z
 XR W0L7 ANNISTON MUNITIONS CENTER
 TRANS OFFICER 256 235 6837 CL V
 7 FRANKFORD AVE BLDG 380
 ANNISTON AL 36201-4199

DODAAC: W62G2T
 XU DEF DIST DEPOT SAN JOAQUIN
 25600 S CHRISMAN ROAD
 REC WHSE 10 PH 209 839 4307
 TRACY CA 95304-5000

DODAAC: W25GIU
 XU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 BUILDING MISSION DOOR 113 134
 NEW CUMBERLAND PA 17070-5001

14. DELIVERIES TO DDSP NEW CUMBERLAND FACILITY MUST BE SCHEDULED IN ADVANCE; APPOINTMENTS MAY BE SCHEDULED AS EARLY AS TEN DAYS IN

ADVANCE OF THE ANTICIPATED DELIVERY DATE AND MAY BE MADE BY CALLING (800) 307-8496. THE FOLLOWING ADDITIONAL INFORMATION WILL BE REQUIRED AT TIME OF APPOINTMENT SCHEDULING:

- A. CONTRACT NUMBER
- B. COMMODITY/NOUN NAME
- C. NSN, IF SOLID LOAD
- D. TOTAL WEIGHT AND CUBE
- E. VENDOR

15. ALL DELIVERY ORDERS WILL BE ISSUED UNILATERALLY BY TACOM-RI, AMSTA-LC-CFA, WITH FIRM DELIVERY DATES.

16. DELIVERY PRODUCTION RATES SHALL BE AS FOLLOWS: (ADA = AFTER DATE OF AWARD)

CLIN 0001AA - FIRST ARTICLE TEST REPORT/ 300 ADA 5 EACH
 CLIN 0001AB - PRODUCTION QUANT WITH FAT/ 450 ADA QUANTITIES WILL BE INITIAL PRODUCTION OF 10, WITH 10 PER MONTH HEREAFTER.

CLIN 0002AA - PRODUCTION QUANT WITHOUT FAT/ 390 ADA QUANTITIES WILL BE AN INITIAL PRODUCTION OF 10, WITH 10 PER MONTH THEREAFTER.

17. EARLIER DELIVERY IS ACCEPTABLE IF ACCOMPLISHED AT NO ADDITIONAL COST TO THE GOVERNMENT.

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18. THE TDPS FOR THESE ITEMS CONTAIN SOURCE CONTROLLED DRAWINGS: 10549273, 12984722, 12984724, 12984801, 12984810, 12984815, 12984836,

13005051, 13005077, 13005078, AND 8215837. SOURCE CONTROLLED PARTS MUST BE OBTAINED ONLY FROM THE APPROVED SOURCES ON THE DRAWINGS, AND NO ALTERNATE SOURCES WILL BE ALLOWED FOR THESE SPECIFIED SOURCE CONTROLLED PARTS.

19. MANUFACTURE OF THESE ITEMS REQUIRES LIGHT PHOSPHATE TT-C-490 (FINISH SERIES 5.1 OF MIL-STD-171). SEE CLAUSE AS7002 AND CDRL/EXHIBIT ITEM NUMBER A004.

20. IN ORDER TO ACCOMPLISH COORDINATION BETWEEN THE CONTRACTOR AND THE GOVERNMENT IN PERFORMANCE OF THIS EFFORT, THE STATEMENT OF WORK AT ATTACHMENT 008 IS A REQUIREMENT OF ANY CONTRACT RESULTING FROM THIS SOLICITATION.

21. A POST-AWARD CONFERENCE WILL BE CONDUCTED AT THE CONTRACTOR'S FACILITY 30 DAYS AFTER AWARD OF CONTRACT.

22. POINT OF CONTACT FOR THIS SOLICITATION IS LINDA MAES, PHONE 309-782-3657, FAX 309-782-1616, EMAIL MAESL@RIA.ARMY.MIL.

*** END OF NARRATIVE A 001 ***

<u>Re_g_u_l_a_t_o_r_ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
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A-1	52.204-4504	ONLINE REPRESENTATIONS AND CERTIFICATIONS APPLICATION (ORCA) INSTRUCTIONS	JAN/2005
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Effective 1 Jan 2005, contractors are required to use the On-line Representations and Certifications Application (ORCA). Contractors will complete and update the on-line provisions in ORCA ([h_t_t_p://_w_w_w._b_p_n._g_o_v/_o_r_c_a](#)) on at least a yearly basis. When submitting a quote/offer/bid in response to this solicitation, contractors will attest that, at the time of their submission, their ORCA records are current, accurate, and complete, and applicable to the solicitation (including the business size standard applicable to the NAICS code for this solicitation). This is accomplished by completing the provision at FAR 52.204 -8, Annual Representations and Certifications, or FAR 52.212 -3, Offeror Representations and Certifications -- Commercial Items (& Alternates I & II), whichever is included in this solicitation. If this solicitation also includes the provision at FAR 52.204 -7, Central Contractor Registration, paragraph (b) of clause 52.204 -8 applies. Representations and certifications that are to be completed through ORCA are not repeated in this solicitation. However, this solicitation may include other representation and certification requirements not covered by ORCA, which must be completed and returned with your quote/offer/bid.

The NAICS code for this solicitation is 333314 and the small business size standard is 500 employees.

(End of Provision) (AS6100)

A-2	52.246-4311 TACOM-RI	AS6002 WAS DELETED 30 MAR 2005 AND REPLACED BY AS7001, HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT	JUL/2004
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This contract requires the offeror to be in compliance with the higher level quality requirement listed in Section E on date of award. Compliance is defined as meeting the intent of the higher level quality requirement. The contractor shall have documentation attesting to the compliance available to the Government upon request.

Note: It is not mandatory that a contractor be registered by the Registration Accreditation Board.

(End of Clause) (AS6002)

A-3 HQ, DA NOTICE TO OFFERORS - USE OF CLASS I OZONE-DEPLETING SUBSTANCES JUL/1993

(a) In accordance with Section 326 of P.L. 102-484, the Government is prohibited from awarding any contract which includes a specification or standard that requires the use of a Class I ozone-depleting substance (ODS) identified in Section 602(a) of the Clean Air Act, 42 U.S.C. 7671a(a), or that can be met only through the use of such a substance unless such use has been approved, on an

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individual basis, by a senior acquisition official who determines that there is no suitable substitute available.

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

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

(End of Clause)

(AA7020)

A-4 52.201-4501 NOTICE ABOUT TACOM-RI OMBUDSMAN AUG/2004
TACOM-RI

a. We have an Ombudsman Office here at TACOM-RI. Its purpose is to open another channel of communication with TACOM-RI contractors.

b. If you think that this solicitation:

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

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

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

d. If the buyer or PCO doesn't respond to the problem to your satisfaction, or if you want to make comments anonymously, you can

contact the Ombudsman Office. The address and phone number are:

U.S. Army, TACOM-Rock Island

1 Rock Island Arsenal

ATTN: AMSTA-AQ-AR (OMBUDSMAN)

Rock Island IL 61299-7630

Phone: (309) 782-3223/3224

Electronic Mail Address: ombudsman@ria.army.mil

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

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

(End of clause)

(AS7006)

A-5 52.204-4505 DISCLOSURE OF UNIT PRICE INFORMATION FEB/2003
TACOM-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 USC 552. Unit price is defined as the contract price per unit or item purchased. We consider any objection to be waived unless the contracting officer is notified of your objection to such release prior to submission of initial proposals.

CONTINUATION SHEET

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(End of clause)

AS7909

A-6 52.204-4506 PUBLIC ACTIVITY INVOLVEMENT FEB/2003
TACOM-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 at 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 w_w_g_s_i_e_a_r_m_y_m_i_l
(End of Clause)

AS7005

A-7 52.210-4500 NOTICE OF PHOSPHATE COATING REQUIREMENT MAR/1988
TACOM-RI

This solicitation and any resulting purchase order are subject to Federal Specification TT-C-490, Type I, Cleaning Methods for Ferrous Surfaces and Pretreatments for Organic Coatings.

(End of Clause)

(AS7002)

A-8 52.210-4516 COMMERCIAL EQUIVALENT ITEM(S) JUN/1998
TACOM-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.

(End of Clause)

(AS7003)

A-9 52.211-4506 INSTRUCTIONS REGARDING SUBSTITUTIONS FOR MILITARY AND FEDERAL DEC/1997
TACOM-RI SPECIFICATIONS AND STANDARDS

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

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

SPI MILITARY/FEDERAL LOCATION OF FACILITY ACO SPEC/STANDARD REQUIREMENT

(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:

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

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

(f) Bidders/quoters/offers 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/offers 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	\$

(End of clause)

(AS7008)

A-10 52.215-4503 NOTICE TO OFFERORS - ELECTRONIC BID/OFFER RESPONSE REQUIRED FEB/2002
TACOM-RI

1. In accordance with Management Reform Memorandum (MRM) #2 from the Department of Defense (DoD), all Services are required to

eliminate paper from their acquisition process by January 1, 2000 (see information at <http://www.acq.osd.mil/ide/documents/mrm2.pdf>).

2. In response to this mandate, TACOM-RI has established the capability to receive bids, proposals, and quotes electronically. A hotlink from the TACOM-RI Solicitation Page has been activated to fully automate the response process (see <http://aais.ria.army.mil/aais/SOLINF/index.htm>).

3. I_M_P_O_R_T_A_N_T_: Bids/proposals/quotes in response to this solicitation are REQUIRED to be submitted in electronic format. Hard copy bids/proposals/quotes WILL NOT BE ACCEPTED. Bids/proposals/quotes submitted by electronic fax to 309-782-2047 will be accepted as these bids/proposals/quotes are considered to be electronic communication.

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-RI (TACOM-RI 52.215 -4510)

LS7013, Electronic Award Notice - TACOM-RI (TACOM-RI 52.215 -4511)

(End of clause)

(AS7004)

A-11 52.233-4503 AMC-LEVEL PROTEST PROGRAM JUN/1998
TACOM-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

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Name of Offeror or Contractor:

ATTN: AMCCC-PL

9301 Chapek Rd

2-1SE3401

Fort Belvoir VA

22060-5527

Facsimile number (703) 806-8866/8875

Voice Number (703) 806-8762

The AMC-level protest procedures are found at:

http://www.amc.army.mil/amc/command_counsel/protest/bidprotest.html

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

(End of Clause)

(AS7010)

A-12 52.243-4510 DIRECT VENDOR DELIVERY
TACOM-RI

JAN/1999

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:

(End of clause)

(AS7012)

CONTINUATION SHEET

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Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 SECURITY CLASS: Unclassified

0001AA	D_A_T_A_I_T_E_M_	1	LO	\$ *_*_N_S_P_ *_*	\$ *_*_N_S_P_ *_*_
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination

Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I__ C_D M_A_R_ F_O_R T__ C_D

001	Z55555	3			
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D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y D_A_Y_S_A_F_T_E_R_ A_W_A_R_D

001	1	0300			
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FOB POINT: Destination

SHIP TO:

(Z55555) TACOM-ROCK ISLAND
ATTN AMSTA-LC-CFA
ROCK ISLAND IL 61299-7630

P_R_O_D_U_C_T_I_O_ Q_T_Y W/_F_A_T

0001AB			EA	\$ \$	
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NOUN: M137A2 PANORAMIC TELESCOPE

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12984713

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S

(W52H1C) SR WOK8 USA MAC ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE

CONTINUATION SHEET

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Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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ROCK ISLAND IL 61299-5000
 MARK FOR: ATTN: DAVE HERRERA

0002 NSN: 1240-01-483-6100
 FSCM: 1240
 PART NR: 12984775
 SECURITY CLASS: Unclassified

0002AA P_R_O_D_Q_T_Y_ W/_O F_A_T EA \$ \$

NOUN: M137A3 PANORAMIC TELESCOPE

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/_W_o_r_s_t_a_t_e_m_e_n_t
 TOP DRAWING NR: 12984775
 DATE: 04-NOV-2004

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin
 FOB POINT: Destination

0003 D_A_T_A_I_T_E_M_ \$ *_N_S_P_* \$ *_N_S_P_*

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)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Destination

CONTINUATION SHEET

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SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

Regulation or Code TitleDateC-1 52.210-4501
TACOM-RI

DRAWINGS/SPECIFICATION

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.

CLIN 0001

Drawings and Specifications in accordance with enclosed Technical Data Package Listing - TDPL 12984713 with revisions in effect as of 02/08/2005 (except as follows): FOR ENGINEERING EXCEPTIONS SEE ATTACHMENT 002,

CLIN 0002

Drawings and Specifications in accordance with enclosed Technical Data Package Listing - TDPL 12984775 with revisions in effect as of 11/04/2004 (except as follows): FOR ENGINEERING EXCEPTIONS SEE ATTACHMENT 003.

(CS6100)

C-2 52.211-4505
TACOM RI

AVAILABLE TECHNICAL DATA PACKAGE (TDP)

APR/2000

The Technical Data Package(s) (TDP) for this solicitation is currently accessible on the Internet in the National Stock Number/TDP column of the Open Solicitations Web Page listing associated with this solicitation (address: https://aais.fia.army.mil/aais/Padds_h_b/index.html).e Contractors who are interested in bidding, offering, or quoting on the item(s) being solicited must download a copy of the TDP so that they will have access to the TDP in accordance with the solicitation. Hard

copies of the TDP will NOT be provided during the solicitation process. At time of award, the TDP will continue to be accessible on the Internet on the Award Web Page for an additional 30 days.

(End of Clause)

(CS7102)

C-3 52.248-4502
TACOM RI

CONFIGURATION MANAGEMENT DOCUMENTATION

JUL/2001

The contractor may submit Engineering Change Proposals (ECPs), Value Engineering change Proposals (VECPs), (Code V shall be assigned to an engineering change that will effect a net life cycle cost), including Notice of Revisions (NORs), and Request for Deviations (RFDs), for the documents in the Technical Data Package (TDP). The contractor shall prepare these documents in accordance with the Data Item Descriptions cited in block 04 on the enclosed DD Form 1423, Contract Data Requirements List.

Contractor ECPs/VECPs shall describe and justify all proposed changes and shall included NORs completely defining the change to be made. Contractors may also submit RFD, which define a temporary departure from the Technical Data package or other baseline documentation under Government control. The contractor shall not deliver any units incorporating any change/deviation to Government documentation until notified by the Government that the change/deviation has been approved and the change/deviation has been incorporated in the contract.

If the Government receives the same or substantially the same VECs from two or more contractors, the contracts whose VEC is received first will be entitled to share with the Government in all instant, concurrent, future, and collateral savings under the terms of the VE clause in the contract.

Duplicate VECs, which are received subsequently, will be returned to the contractor(s) without formal evaluation, regardless of whether or not the first VEC has been approved and accepted by the Government.

(End of Clause)

(CS7110)

C-4 THE M137A2 AND M137A3 PANORAMIC TELESCOPES SHALL BE MANUFACTURED IN ACCORDANCE WITH THE REQUIREMENTS OF CLAUSE C-1, DRAWINGS AND

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SPECIFICATIONS AND THE STATEMENT OF WORK AT ATTACHMENT 008.

*** END OF NARRATIVE C 001 ***

CONTINUATION SHEET

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SECTION D - PACKAGING AND MARKING

	<u>Re_q_u_i_r_e_m_e_n_t_s</u>	<u>C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
D-1	52.211-4501		PACKAGING REQUIREMENTS (SPECIAL PACKAGING INSTRUCTIONS)	FEB/2004

A. Military preservation, packing, and marking 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, dated 10 May 02 and the Special Packaging Instruction contained in the TDP.

Preservation: MILITARY Level of Packing: B

Quantity Per Unit Package: 001

SPI Number: AM12984713 , 30 MAR 05 (CLIN 0001), AND P12984775, 11 JUL 03 (CLIN 0002)

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 preferred commercial expendable pallet is 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 2, Date 10 Feb 04, including bar coding. The contractor is responsible for application of special markings as discussed in the Military Standard regardless of whether specified in the contract or 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.

C.2. Contractors and vendors shall apply identification and address markings with bar codes in accordance with this standard. For shipments moving to overseas locations and for mobile deployable units, the in-the-clear address must also include the host country geographic address and the APO/FPO address. The MSL will include both linear and 2D bar codes per the standard. The DD Form 250 or the commercial packing list shall have bar coding applied as per Direct Vendor Delivery Shipments in the standard (except for deliveries to DLA Distribution Depots; e.g. New Cumberland, San Joaquin, Red River, Anniston). Packing lists are required in accordance with the standard, see paragraph 5.3.

C.3. Contractor to contractor shipments shall have the address markings applied to the identification marked side of the exterior shipping container or to the unitized load markings. The following shall be marked "FROM: name and address of consignor and TO: name and address of consignee".

C.4. Military Shipping Label. The following website (Computer Automated Transportation Tool, CAAT) provides detailed instructions for downloading and installing the Military Shipment Label/Issue Receipt Document (CATT MSL/IRRD) software that will generate a Military Shipping Label to include the required Code 39 and 2D(PDF417) bar codes on the label: http://www.asset-trak.com/catt/msl_irrd/mslirrdmain.htm. This program was developed by the Army and is free to those with government contracts. Two contractors have introduced a version of the MSL software that can be purchased by contractors. Both programs produce labels that appear to be in compliance with the requirements of MIL-STD-129P. Contractors are MILPAC ([h_t_t_p://_/_/m_i_l_p_a_c_.c_o_m](http://m_i_l_p_a_c_.c_o_m)) and Easysoft Corporation ([h_t_t_p://_/_/e_a_s_y_s_o_f_t_c_o_r_p_.c_o_m](http://e_a_s_y_s_o_f_t_c_o_r_p_.c_o_m)). Insure that the "ship to" and "mark for" in-the-clear delivery address is complete including: consignee's name, organization, department name, office, building, room, street address, city, state, country code, & DODAAC.

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.

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 SPI is required to validate the sizes and fit requirements of the SPI. Minor dimensional and size changes are acceptable provided the contractor provides the PCO and ACO with notification 60 days

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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 the PCO and ACO. The Government reserves the right to require testing to validate alternate industrial preservation methods, materials, alternate blocking, bracing, cushioning, and packing.

F. Hazardous Materials:

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 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. A Product Material Safety Data Sheet (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:

CLIN 0001: SPI provided at Attachment 006.

Cleaning shall be as follows: CLEANING OF OPTICAL SURFACES SHALL BE AS FOLLOWS: LOOSE PARTICLES OF DUST SHALL BE REMOVED FROM THE SURFACE OF THE OPTICAL ELEMENTS WITH A CAMEL HAIR BRUSH. THE SURFACES SHALL BE WIPED WITH A CIRCULAR MOTION USING COTTON, LENS TISSUE PAPER OR FRESHLY LAUNDERED CHEESE CLOTH WHICH IS SATURATED WITH ALCOHOL. CAUTION: ONLY LENS TISSUE PAPER OR BATISTE CLOTH SHALL BE USED TO CLEAN PLASTIC ELEMENTS. THE SURFACES SHALL BE DRIED BY WIPING WITH CLEAN COTTON, LENS PAPER OR FRESHLY LAUNDERED CHEESE CLOTH. A SWAB SHALL BE MADE BY WRAPPING ONE PIECE OF LENSE TISSUE PAPER AROUND THE END OF AN ORANGE STICK OR EQUAL. ONE OR TWO DROPS OF ALCOHOL SHALL BE ADDED ON THE TIP OF THE SWAB. EXERT LIGHT DOWNWARD PRESSURE ON THE SWAB END WHILE MOVING IN A CIRCULAR MOTION BEGINNING AT THE CENTER OF THE POLISHED SURFACE. INCREASE RADIUS OF SWABBING AREA UNTIL THERE IS NO TRACE OF DIRT, LINT, OR SMEARS ON THE SWABBED SURFACE. A RUBBER SYRINGE SHALL BE USED AS BELLOWES TO REMOVE ANY PARTICLES REMAINING ON THE CLEANED SURFACE.

(End of clause) (DS6419)

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Name of Offeror or Contractor:

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

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

(EA7001)

	<u>Re_g_u_l_a_t_o_r_ C_i_t_e</u>	<u>T_i_t_l_e_</u>	<u>D_a_t_e_</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 below. The Contractor shall be fully compliant prior to award of this contract.

Title	Number	Date	Tailoring
Quality Management Systems Requirements	ISO 9001:2000	13 Dec 2000	EXCLUDE PARA. 7.3

(End of clause)

(EF6002)

E-4	52.209-4512 TACOM-RI	FIRST ARTICLE TEST (CONTRACTOR TESTING)	MAR/2001
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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. The first article shall consist of: 5 EACH M137A2 PANORAMIC TELESCOPES, P/N 12984713, SUBASSEMBLIES & COMPONENTS. VISUAL & DIMENSIONAL MEASUREMENTS REQUIRED. THE FIRST ARTICLE TEST REPORT SHALL BE BASED ON 3 EACH M137A2 PANORAMIC TELESCOPE, AND THE REMAINING TWO SHALL BE SENT OUT FOR CONFIRMATORY TESTING. PLEASE SEE CLAUSE ES6030 BELOW..

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.

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Name of Offeror or Contractor:

d. The Contractor shall provide to the Contracting Officer at least 20 calendar days advance notice of the scheduled date for final inspection and test of the first article. 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.

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 submitted through the Administrative Contracting Officer to the Contracting Officer with a copy furnished to AMSRD-AAR-QEP-A.

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.

(End of Clause)

(ES6016)

E-5 52.209-4513 FIRST ARTICLE CONFIRMATORY TEST MAY/1994
TACOM-RI

a. When notified by the Contracting Officer that First Article Confirmatory Testing will be imposed, the contractor shall submit upon completion of First Article contractor testing, the following items identified below for confirmatory testing:

QUANTITY	ITEM NOMENCLATURE	DRAWING
2 EACH	M137A2 PANORAMIC TELESCOPE	12984713

b. Shipment of the confirmatory test sample shall be accomplished on or before the submission date of the contractor's First Article Test Report.

c. The confirmatory test sample shall be packaged and packed by the contractor in accordance with contractual requirements and marked "For Confirmatory Test". The sample shall be shipped to the location identified below at Contractor's expense:

XR WOK8 USA MAC

ROCK ISLAND ARSENAL, BLDG 299 GILLESPIE AVE AND BECK LANE ROCK ISLAND, IL 61299-5000 ATTN: DAVE HERRERA

POC: ROD KEENEY AMSTA-LC-CFTL/(309)782-6649

The accompanying Material Inspection and Receiving Report (DD Form 250) shall be marked "For Confirmatory Test, No Charge". Two copies of the DD Form 250 shall be forwarded to: THE CONTRACTING OFFICE BY ELECTRONIC MAIL: MAESLERIA.ARMY.MIL, OR FAX: 309-782-1616, ATTN: LINDA MAES.

d. Failure of the confirmatory test sample to meet contractual requirements shall NOT be cause for disapproval of the first article. Notification of approval, conditional approval, or disapproval of the first article shall be in accordance with the First Article Approval - Contractor Testing Clause.

e. At the Contracting Officer's discretion, the confirmatory test units with unused repair parts may be returned to contractor for refurbishing and may subsequently be shipped as deliverable contract items. Inspection and acceptance of the refurbished test units shall be in accordance with contractual requirements. The costs of refurbishing will be negotiated between the parties.

(End of Clause)

(ES6030)

E-6

52.246-4533

SURFACE QUALITY STANDARDS

MAR/2001

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

TACOM-RI a. Surface quality standards for optical elements (Scratch and Dig) per MIL-PRF-13830B, are required to perform acceptance inspection under this contract and are available as listed in APPENDIX I (Attachment 007) 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: AMSRD-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.

(End of Clause)

(ES6018)

E-7 52.246-4528 REWORK AND REPAIR OF NONCONFORMING MATERIAL MAY/1994
TACOM-RI

a. Rework and Repair are defined as follows:

(1) Rework - The reprocessing of nonconforming material to make it conform completely to the drawings, specifications or

contract requirements.

(2) Repair - The reprocessing of nonconforming material in accordance with approved written procedures and operations to reduce, but not completely eliminate, the nonconformance. The purpose of repair is to bring nonconforming material into a usable condition. Repair is distinguished from rework in that the item after repair still does not completely conform to all of the applicable drawings, specifications or contract requirements.

b. Rework procedures along with the associated inspection procedures shall be documented by the Contractor and submitted to the Government Quality Assurance Representative (QAR) for review prior to implementation. Rework procedures are subject to the QAR's disapproval.

c. Repair procedures shall be documented by the Contractor and submitted on a Request for Deviation/Waiver, to the Contracting Officer for review and written approval prior to implementation.

d. Whenever the Contractor submits a repair or rework procedure for Government review, the submission shall also include a description of the cause for the nonconformances and a description of the action taken or to be taken to prevent recurrence.

e. The rework or repair procedure shall also contain a provision for reinspection which will take precedence over the Technical Data Package requirements and shall, in addition, provide the Government assurance that the reworked or repaired items have met reprocessing requirements.

PHN/SIN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

(End of Clause) (ES7012)

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

SECTION F - DELIVERIES OR PERFORMANCE

This document incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(FA7001)

	<u>Re_g_u_l_a_t_o_r__ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</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 CONSIGNEE'S PREMISES	APR/1984
F-4	52.247-48	F.O.B. DESTINATION - EVIDENCE OF SHIPMENT	FEB/1999
F-5	252.211-7003	ITEM IDENTIFICATION AND VALUATION	JAN/2004

[NOTE: The following clause requires unique item identification marking, or a DoD recognized unique identification equivalent, for all items delivered under the contract for which the Government's acquisition cost (as defined under 'Definitions' below) is \$5,000 or more. Unique item identification marking is also required for items listed in paragraphs (c) (1) (ii) of the clause. Unique item identification marking is required for embedded subassemblies, components, and parts if listed in paragraph (c) (1) (ii), or if listed elsewhere in the solicitation or resulting contract. In the event that the Government has not yet identified these items or embedded parts, paragraph (c) (1) (ii) will read "TBD" for "to be determined". If these items are identified by the Government before the time proposals are due, an amendment to the solicitation will be issued which identifies them. If not, award will be made on the basis of them not being identified; however, the contract may be later modified to include such identification marking. This clause also requires the contractor to report the Government's acquisition cost for each item delivered under the contract. Information concerning these requirements is available at <http://www.acq.osd.mil/uid/>]

(a) Definitions. As used in this clause--Automatic identification device means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

Commonly accepted commercial marks means any system of marking products for identification that is in use generally throughout commercial industry or within commercial industry sectors. Some examples of commonly accepted commercial marks are: EAN.UCC Global Trade Item Number; Automotive Industry Action Group B-4 Parts Identification and Tracking Application Standard, and B-2 Vehicle Identification Number Bar Code Label Standard; American Trucking Association Vehicle Maintenance Reporting Standards; Electronic Industries Alliance EIA 802 Product Marking Standard; and Telecommunications Manufacturers Common Language Equipment Identification Code.

Concatenated unique item identifier means--

(1) For items that are serialized within the enterprise identifier, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, and unique serial number within the enterprise identifier; or (2) For items that are serialized within the original part number, the linking together of the unique identifier data elements in order of the issuing agency code, enterprise identifier, original part number, and serial number within the part number.

Data qualifier means a specified character (or string of characters) that immediately precedes a data field that defines the general category or intended use of the data that follows.

DoD recognized unique identification equivalent means a unique identification method that is in commercial use and has been recognized by DoD. All DoD recognized unique identification equivalents are listed at [_h_t_t_p://_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d._](http://www.acq.osd.mil/uid/)

DoD unique item identification means marking an item with a unique item identifier that has machine-readable data elements to distinguish it from all other like and unlike items. In addition-- (1) For items that are serialized within the enterprise identifier, the unique identifier shall include the data elements of issuing agency code, enterprise identifier, and a unique serial number.

(2) For items that are serialized within the part number within the enterprise identifier, the unique identifier shall include the data elements of issuing agency code, enterprise identifier, the original part number, and the serial number.

Enterprise means the entity (i.e., a manufacturer or vendor) responsible for assigning unique item identifiers to items. Enterprise identifier means a code that is uniquely assigned to an enterprise by a registration (or controlling) authority. Government's unit acquisition cost means--

(1) For fixed-price type line, subline, or exhibit line items, the unit price identified in the contract at the time of delivery; and (2) For cost-type line, subline, or exhibit line items, the Contractor's estimated fully burdened unit cost to the Government

for each item at the time of delivery.

Issuing agency code means a code that designates the registration (or controlling) authority.

Item means a single hardware article or unit formed by a grouping of subassemblies, components, or constituent parts required to be

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delivered in accordance with the terms and conditions of this contract.

Machine-readable means an automatic information technology media, such as bar codes, contact memory buttons, radio frequency identification, or optical memory cards.

Original part number means a combination of numbers or letters assigned by the enterprise at asset creation to a class of items with the same form, fit, function, and interface.

Registration (or controlling) authority means an organization responsible for assigning a non-repeatable identifier to an enterprise (i.e., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, Uniform Code Council (UCC)/EAN International (EAN) Company Prefix, or Defense Logistics Information System (DLIS) Commercial and Government Entity (CAGE) Code).

Serial number within the enterprise identifier or unique serial number means a combination of numbers, letters, or symbols assigned by the enterprise to an item that provides for the differentiation of that item from any other like and unlike item and is never used again within the enterprise.

Serial number within the part number or serial number means a combination of numbers or letters assigned by the enterprise to an item that provides for the differentiation of that item from any other like item within a part number assignment.

Serialization within the enterprise identifier means each item produced is assigned a serial number that is unique among all the tangible items produced by the enterprise and is never used again.

The enterprise is responsible for ensuring unique serialization within the enterprise identifier.

Serialization within the part number means each item of a particular part number is assigned a unique serial number within that part number assignment. The enterprise is responsible for ensuring unique serialization within the part number within the enterprise identifier.

Unique item identification means marking an item with machine-readable data elements to distinguish it from all other like and unlike items.

Unique item identifier means a set of data marked on items that is globally unique, unambiguous, and robust enough to ensure data information quality throughout life and to support multi-faceted business applications and users.

Unique item identifier type means a designator to indicate which method of uniquely identifying a part has been used. The current list of accepted unique item identifier types is maintained at
_h_t_t_p://_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d_.

(b) The Contractor shall deliver all items under a contract line, subline, or exhibit line item.

(c) Unique item identification.

(1) The Contractor shall provide DoD unique item identification, or a DoD recognized unique identification equivalent, for--

- (i) All items for which the Government's unit acquisition cost is \$5,000 or more; and
(ii) The following items for which the Government's unit acquisition cost is less than \$5,000:

T_B_

(iii) Subassemblies, components, and parts embedded within items as specified in Exhibit Number T_B_D or Contract Data Requirements

List Item Number T_B_D_.

(2) The unique item identifier and the component data elements of the unique item identifier shall not change over the life of the item.

(3) Data syntax and semantics. The Contractor shall--

(i) Mark the encoded data elements (except issuing agency code) on the item using any of the following three types of data qualifiers, as specified elsewhere in the contract:

(A) Data Identifiers (DIs) (Format 06).

(B) Application Identifiers (AIs) (Format 05), in accordance with ISO/IEC International Standard 15418, Information Technology--

EAN/UCC Application Identifiers and ASC MH 10 Data Identifiers and ASC MH 10 Data Identifiers and Maintenance.

(C) Text Element Identifiers (TEIs), in accordance with the DoD collaborative solution ``DD'' format for use until the final solution is approved by ISO JTC1/SC 31. The DoD collaborative solution is described in Appendix D of the DoD Guide to Uniquely Identifying Items, available at
_h_t_t_p://_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d_.

(ii) Use high capacity automatic identification devices in unique identification that conform to ISO/IEC

International Standard 15434, Information Technology--Syntax for High Capacity Automatic Data Capture Media.

(4) Marking items.

(i) Unless otherwise specified in the contract, data elements for unique identification (enterprise identifier, serial number, and, for serialization within the part number only, original part number) shall be placed on items requiring marking by paragraph (c)(1) of this clause in accordance with the version of MIL-STD-130, Identification Marking of U.S. Military Property, cited in the contract Schedule.

(ii) The issuing agency code--

(A) Shall not be placed on the item; and

(B) Shall be derived from the data qualifier for the enterprise identifier.

(d) Commonly accepted commercial marks. The Contractor shall provide commonly accepted commercial marks for items that are not required to have unique identification under paragraph (c) of this clause.

(e) Material Inspection and Receiving Report. The Contractor shall report at the time of delivery, as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the following information:

(1) Description.*

(2) Unique identifier**, consisting of--

(i) Concatenated DoD unique item identifier; or

(ii) DoD recognized unique identification equivalent.

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- (3) Unique item identifier type.**
- (4) Issuing agency code (if DoD unique item identifier is used).**
- (5) Enterprise identifier (if DoD unique item identifier is used).**
- (6) Original part number.**
- (7) Serial number.**
- (8) Quantity shipped.*
- (9) Unit of measure.*
- (10) Government's unit acquisition cost.*
- (11) Ship-to code.
- (12) Shipment date.
- (13) Contractor's CAGE code or DUNS number.
- (14) Contract number.
- (15) Contract line, subline, or exhibit line item number.*
- (16) Acceptance code.

* Once per contract line, subline, or exhibit line item.

** Once per item.

(f) Material Inspection and Receiving Report for embedded subassemblies, components, and parts requiring unique item identification. The Contractor shall report at the time of delivery, as part of the Material Inspection and Receiving Report specified elsewhere in this contract, the following information: (1) Unique item identifier of the item delivered under a contract line, subline, or exhibit line item that contains the embedded subassembly, component, or part.

(2) Unique item identifier of the embedded subassembly, component, or part, consisting of--

- (i) Concatenated DoD unique item identifier; or
- (ii) DoD recognized unique identification equivalent.
- (3) Unique item identifier type.**
- (4) Issuing agency code (if DoD unique item identifier is used).**
- (5) Enterprise identifier (if DoD unique item identifier is used).**
- (6) Original part number.**
- (7) Serial number.**
- (8) Unit of measure.
- (9) Description.

** Once per item.

(g) The Contractor shall submit the information required by paragraphs (e) and (f) of this clause in accordance with the procedures at h_t_t_p:/_/_w_w_w._a_c_q._o_s_d._m_i_l/_u_i_d._. (h) Subcontracts. If paragraph (c) (1) (iii) of this clause applies, the Contractor shall include this clause, including this paragraph (h), in all subcontracts issued under this contract.

(End of clause)

(FA6002)

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

SECTION H - SPECIAL CONTRACT REQUIREMENTS

This document incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(HA7001)

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
H-1	252.247-7023	TRANSPORTATION OF SUPPLIES BY SEA	MAY/2002
	DFARS		
H-2	252.247-7024	NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA	MAR/2000
	DFARS		
H-3	52.232-4506	PROGRESS PAYMENT LIMITATION	MAR/1988
	TACOM-RI		

Prior to first article approval, only costs incurred for the first article are allowable for progress payments; however, such payments shall not exceed 10 percent (10%) of the initial award value of the contract.

(End of Clause)

(HS6002)

H-4	52.246-4500	MATERIAL INSPECTION & RECEIVING REPORTS (DD FORM 250)	NOV/2001
	TACOM-RI		

(a) Material Inspection and Receiving Report(s) (DD Form 250), are required to be prepared and furnished to the Government under the clause of this contract entitled 'Material Inspection and Receiving Report'. Distribution of reports to the Purchasing Office (in accordance with DoD FAR Supplement Appendix F) shall be accomplished electronically.

(b) Two copies of the DD Form 250 are required to be submitted to the Purchasing Office. To satisfy this submission requirement electronically, the completed documents may be transmitted via electronic mail, or data fax. The electronic mail address for submission is CARSONCERIA.ARMY.MIL or MAESL@RIA.ARMY.MIL. The data fax number for submission is 309-782-1616, ATTN: LINDA MAES or CHRIS CARSON.

(c) Any additional copies required in accordance with Appendix F may be submitted to the addresses identified below via the U. S. Postal Service:

(1) The FMS/MAP copies may be submitted to: N/A

(End of Clause)

(HS6510)

H-5	52.247-4545	PLACE OF CONTRACT SHIPPING POINT, RAIL INFORMATION	MAY/1993
	TACOM-RI		

The bidder/offeror is to fill in the 'Shipped From' address, if different from 'Place of Performance' indicated elsewhere in this section.

Shipped From:

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Name of Offeror or Contractor:

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:

(End of Clause) (HS7600)

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

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://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(IA7001)

	<u>Re_g_u_l_a_t_o_r__ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</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	52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN/1997
I-5	52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN/1997
I-6	52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN/2003
I-7	52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG/2000
I-8	52.204-7	CENTRAL CONTRACTOR REGISTRATION	OCT/2003
I-9	52.209-6	PROTECTING THE GOVERNMENTS INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	JAN/2005
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I-66 252.242-7000 DFARS	POSTAWARD CONFERENCE	DEC/1991
I-67 252.242-7004 DFARS	MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM	DEC/2000
I-68 252.243-7001 DFARS	PRICING OF CONTRACT MODIFICATIONS	DEC/1991
I-69 252.243-7002 DFARS	REQUESTS FOR EQUITABLE ADJUSTMENT	MAR/1998
I-70 252.244-7000 DFARS	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DOD CONTRACTS)	MAR/2000
I-71 252.246-7000 DFARS	MATERIAL INSPECTION AND RECEIVING REPORT	MAR/2003
I-72 52.216-18	ORDERING	OCT/1995

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders

by the individuals or activities designated in the Schedule. Such orders may be issued from DATE OF AWARD through 30 JUN 2010 .

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

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

(End of Clause) (IF6155)

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52.216-19

ORDER LIMITATIONS

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Name of Offeror or Contractor:

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than 15 EACH, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

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

(1) Any order for a single item in excess of 220 EACH;

(2) Any order for a combination of items in excess of N/A; or

(3) A series of orders from the same ordering office within N/A days that together call for quantities exceeding the limitation in

subparagraph (1) or (2) above.

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

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 10 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of Clause)

(IF6029)

I-74 52.216 -22 INDEFINITE QUANTITY OCT/1995

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

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The

Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum".

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

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract FOR ORDERS PLACE AFTER 30 JUN 2010.

(End of clause)

(IF6036)

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52.232-16

PROGRESS PAYMENTS - ALTERNATE III

APR/2003

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

(a) Computation of amounts.

(1) Unless the Contractor requests a smaller amount, the Government will compute each progress payment as 80 percent of the

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

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

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- (i) In accordance with the terms and conditions of a subcontract of invoice; and
 - (ii) Ordinarily within 30 days of the submission of the Contractor's next payment request to the Government.
- (3) The Government will exclude accrued costs of Contractor contributions under employee pension plans until actually paid unless -
- (i) The Contractor's practice is to make contributions to the retirement fund quarterly or more frequently; and
 - (ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any

contribution remaining unpaid shall be excluded from the Contractor's total costs for progress payments until paid).

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

- (i) Costs that are not reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices.
- (ii) Costs incurred by subcontractors or suppliers.
- (iii) Costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.
- (iv) Payments made or amounts payable to subcontractors or suppliers, except for--
 - (A) Completed work, including partial deliveries, to which the Contractor has acquired title; and
 - (B) Work under cost-reimbursement or time-and-material subcontracts to which the Contractor has acquired title.

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

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

(7) If a progress payment or the unliquidated progress payment exceed the amounts permitted by subparagraphs (a) (4) or (a) (5)

above, the Contractor shall repay the amount of such excess to the Government on demand.

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

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

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

- (1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (f) and (g) below).
- (2) Performance of this contract is endangered by the Contractor's (i) failure to make progress or (ii) unsatisfactory financial

condition.

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

- (4) The Contractor is delinquent in payment of the costs of performing this contract in the ordinary course of business.
- (5) The unliquidated progress payments exceed the fair value of the work accomplished on the undelivered portion of this contract.
- (6) The Contractor is realizing less profit than that reflected in the establishment of any alternate liquidation rate in

paragraph (b) above, and that rate is less than the progress payment rate stated in subparagraph (a) (1) above.

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(d) Title.

(1) Title to the property described in this paragraph (d) shall vest in the Government. Vestiture shall be immediately upon the

date of this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

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

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

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

(iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other

similar manufacturing aids, title to which would not be obtained as special tooling under subparagraph (ii) above; and

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

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

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

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

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

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

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

in the Government under this clause.

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

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

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

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

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

(i) Reservations of rights.

(1) No payment or vesting of title under this clause shall (i) excuse the Contractor from performance of obligations under this

contract or (ii) constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause (1) shall not be exclusive but rather shall be in addition to any other

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rights and remedies provided by law or this contract and (ii) shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

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

(1) The amounts included are limited to -

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

(ii) any unpaid subcontractor requests for financing payments.

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

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

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

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

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

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

(v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Government's right to require delivery of the property to the Government if (A) the Contractor defaults or (B) the subcontractor becomes bankrupt or insolvent.

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

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

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

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Government's right to require delivery of the property to the Government if - (A) The Contractor defaults; or (B) The subcontractor becomes bankrupt or insolvent.

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

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

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

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the

Government's right to require delivery of the property to the Government if - (A) The Contractor defaults; or (B) The subcontractor becomes bankrupt or insolvent.

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

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

(8) If no unliquidated financing payments to the Contractor remain, but there are unliquidated financing payments that the Contractor's has made to any subcontractor, the Contractor shall be subrogated to all the rights the Government obtained through the

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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 Unfinalized Contract Actions. Notwithstanding any other progress payment provision in this contract, progress payments may not exceed eighty percent (80%) of costs incurred on work accomplished under unfinalized contract actions. A "contract action" is any action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is finalized. 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 unfinalized contract actions shall be liquidated at eighty percent (80%) of the amount invoiced for work performed under the unfinalized contract action as long as the contract action remains unfinalized. The amount of unliquidated progress payments for unfinalized contract actions shall not exceed eighty percent (80%) of the maximum liability of the Government under the unfinalized contract action or such lower limit specified elsewhere in the contract. Separate limits may be specified for separate actions.

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

(m) Progress payments 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.

(n) The provisions of this clause will not be applicable to individual orders at or below the simplified acquisition threshold.

(End of Clause)

(IF6193)

I-76 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT JUL/1995

(a) Except as provided in (b) below, the Contractor shall not enter into any agreement with an actual or prospective subcontractor, nor otherwise act in any manner, which has or may have the effect of restricting sales by such subcontractors directly to the Government of any item or process (including computer software) made or furnished by the subcontractor under this contract or under any follow-on production contract.

(b) The prohibition in (a) above does not preclude the Contractor from asserting rights that are otherwise authorized by law or regulation.

(c) The Contractor agrees to incorporate the substance of this clause, including this paragraph (c), in all subcontracts under this contract which exceed \$100,000.

(End of Clause)

(IF7210)

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52.203-7

ANTI-KICKBACK PROCEDURES

JUL/1995

(a) Definitions.

Kickback, as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

Person, as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

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Prime contract, as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

Prime Contractor, as used in this clause, means a person who has entered into a prime contract with the United States.

Prime Contractor employee, as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

Subcontract, as used in this clause, means a contract or contractual action entered into by a prime Contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.

Subcontractor, as used in this clause (1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and (2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.

Subcontractor employee, as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

(b) The Anti-Kickback of 1986 (41 U.S.C. 51.58) (the Act), prohibits any person from--

- (1) Providing or attempting to provide or offering to provide any kickback;
- (2) Soliciting, accepting, or attempting to accept any kickback; or
- (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the

United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c) (1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.

(3) The Contractor shall cooperate fully with any Federal agency investigating a possible violation described in paragraph (b) of this clause.

(4) The Contracting Officer may (i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or (ii) direct that Prime Contractor withhold from sums owed a subcontractor under the prime contract the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c) (4) (ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c) (4) (i) of this clause. In either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.

(5) The Contractor agrees to incorporate the substance of this clause, including subparagraph (c) (5) but excepting subparagraph (c) (1), in all subcontracts under this contract which exceed \$100,000.

(End of Clause)

(IF7211)

I-78 52.209-3 FIRST ARTICLE APPROVAL-CONTRACTOR TESTING, ALTERNATE I AND ALTERNATE JAN/1997
II

(a) The Contractor shall test * unit(s) of Lot/Item * as specified in this contract. At least twenty (20) calendar days 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 ** calendar days from the date of this contract to * marked 'FIRST ARTICLE TEST REPORT: Contract No., Lot/Item No. .' Within thirty (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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(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/or 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.

* (See instructions regarding submission of First Article clause)

** (See Schedule B)

End of Clause)

(IF7116)

I-79

52.215-8

ORDER OF PRECEDENCE - UNIFORM CONTRACT FORMAT

OCT/1997

Any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order: (a) the Schedule (excluding the specifications); (b) representations and other instructions; (c) contract clauses; (d) other documents, exhibits, and attachments; and (e) the specifications.

NOTE: The Order of Precedence within the specifications (paragraph (e) above) is: (1) Detailed specifications (including gage designs) for item(s) being procured; (2) Detailed specifications for material or operations; (3) General Specifications for class or items, and (4) General Specifications for class of materials.

(End of Clause)

(IF7003)

I-80 52.219-4

NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS.

OCT/2004

(a) Definition. HUBZone small business concern, as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business concerns maintained by the Small Business Administration.

(b) Evaluation preference.

(1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers except--

(i) Offers from HUBZone small business concerns that have not waived the evaluation preference.

(ii) Otherwise successful offers from small business concerns.

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Name of Offeror or Contractor:

(iii) Otherwise successful offers of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is exceeded (see 25.402 of the Federal Acquisition Regulation (FAR); and

(iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219 -23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer. These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) Waiver of evaluation preference. A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference.

Offeror elects to waive the evaluation preference.

(d) Agreement. A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for

(1) Services (except construction), at least 50 percent of the cost of personnel for contract performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern nonmanufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

(End of clause)

NOTE: The small disadvantaged business price evaluation adjustment described in Paragraph (b) (3) of this clause is currently suspended and will not be incorporated in this solicitation.

(IF7004)

I-81 52.222-20 WALSH-HEALEY PUBLIC CONTRACTS ACT DEC/1996

(a) All stipulations required by the Act and regulations issued by the Secretary of Labor (41 CFR Chapter 50) are incorporated by reference. These stipulations are subject to all applicable rulings and interpretations of the Secretary of Labor that are now, or may hereafter, be in effect.

(b) All employees whose work relates to this contract shall be paid not less than the minimum wage prescribed by regulations issued by the Secretary of Labor (41 CFR 50-202.2) . Learners, student learners, apprentices, and handicapped workers may be employed at less than the prescribed minimum wage (see 41 CFR 50-202.3) to the same extent that such employment is permitted under Section 14 of the Fair Labor Standards Act (41 U.S.C. 40) .

(End of clause)

(IF7114)

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

I-82 52.227 -1 AUTHORIZATION AND CONSENT JUL/1995

(a) The Government authorizes and consents to all use and manufacture, in performing this contract or any subcontract at any tier, of any invention described in and covered by a United States patent (1) embodied in the structure or composition of any article the delivery of which is accepted by the Government under this contract or (2) used in machinery, tools, or methods whose use necessarily results from compliance by the Contractor or a subcontractor with (i) specifications or written provisions forming a part of this contract or (ii) specific written instructions given by the Contracting Officer directing the manner of performance. The entire liability to the Government for infringement of a patent of the United States shall be determined solely by the provisions of the indemnity clause, if any, included in this contract or any subcontract hereunder (including any lower-tier subcontract), and the Government assumes liability for all other infringement to the extent of the authorization and consent hereinabove granted.

(b) The Contractor agrees to include, and require inclusion of, this clause, suitably modified to identify the parties, in all subcontracts at any tier for supplies or services (including construction, architect-engineer services, and materials, supplies, models, samples, and design or testing services expected to exceed the simplified acquisition threshold); however, omission of this clause from any subcontract, including those at or below the simplified acquisition threshold, does not affect this authorization and consent.

(End of Clause)

(IF7220)

I-83

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 Chapter 2) clause with an authorized deviation is indicated by the addition of '(DEVIATION)' after the name of the regulation.

(End of clause)

(IF7016)

I-84 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS FEB/2003
DFARS

(a) D_e_f_i_n_i_t_i_o_n. '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 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 from the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI process in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI process accepted at specific facilities is available via the Internet in Excel format at <http://www.dcm.mil/onebook/7.0/7.2/7.2.6/reports/modified.xls>

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standard 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 proposed 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)

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Name of Offeror or Contractor:

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)

(IA7009)

CONTINUATION SHEET

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Name of Offeror or Contractor:

SECTION J - LIST OF ATTACHMENTS

List of		Number
<u>A_d_d_e_n_d_a_</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e_ o_f_P_a_g_e_s_ T_r_a_n_s_m_i_t_t_e_d_B_y_</u>
Exhibit A	CONTRACT DATA REQ LIST	31-MAR-2005 003
Exhibit B	CONTRACT DATA REQ LIST	13-JAN-2005 002
Attachment 001	PRICING EVALUATION SHEETS	001
Attachment 002	ENGINEERING EXCEPTIONS - M137A2 PANORAMIC TELESCOPE	003
Attachment 003	ENGINEERING EXCEPTIONS - M137A3 PANORAMIC TELESCOPE	009
Attachment 004	DOCUMENT SUMMARY LIST	002
Attachment 005	DOCUMENT SUMMARY LIST	001
Attachment 006	SPI 12984713	002
Attachment 007	APPENDIX I	001
Attachment 008	STATEMENT OF WORK	001

The following documents are hereby attached by reference and form a part of this acquisition. These documents are available in electronic format on the internet at <https://aais.ria.army.mil/aais/SOLINFO/index.htm>. Vendors should ensure that they have the correct revisions in their possession prior to submitting a bid proposal/quote.

List of		Number
<u>A_d_d_e_n_d_a_</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e_ o_f_P_a_g_e_s</u>
Attachment 1A	Instructions for Completing DD Form 1423	JUN 90 1 Pg
Attachment 2A	IOC Form 715-3	FEB 96 2 Pgs
Attachment 3A	AMCCOM Form 71-R	01OCT88 2 Pgs
Attachment 4A	Guidance on Documentation of Contract Data Requirements List (CDRL)	2 Pgs
Attachment 5A	Disclosure of Lobbying Activities (SF-LLL)	3 Pgs
Attachment 6A	Data Delivery Description - Engineering Change Proposal	JUL 01 9 Pgs
Attachment 7A	Data Delivery Description - Notice of Revision	JUL 01 2 Pgs
Attachment 8A	Data Delivery Description - Request for Deviation	JUL 01 4 Pgs

(End of Clause)

(JS7001)

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(KA7001)

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
K-1	52.203-11	CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	APR/1991
K-2	52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	OCT/2003
K-3	252.209-7001 DFARS	DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY	SEP/2004
K-4	252.209-7004 DFARS	SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY	MAR/1998
K-5	252.225-7031	SECONDARY ARAB BOYCOTT OF ISRAEL	APR/2003
K-6	52.204-8	ANNUAL REPRESENTATIONS AND CERTIFICATIONS	JAN/2005

(a) (1) If the clause at 52.204 -7, Central Contractor Registration, is included in this solicitation, paragraph (b) of this provision applies.

(2) If the clause at 52.204 -7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (b) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:

() (i) Paragraph (b) applies.

() (ii) Paragraph (b) does not apply and the offeror has completed the individual representations and certifications in the solicitation.

(b) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <http://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [offeror to insert changes, identifying change by clause number, title, date]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

 FAR Clause Title Date Change

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of Provision)

(KF7004)

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Name of Offeror or Contractor:

K-7 52.207 -4 ECONOMIC PURCHASE QUANTITY - SUPPLIES AUG/1987

(a) Offerors are invited to state an opinion on whether the quantity(ies) of supplies on which bids, proposals or quotes are requested in this solicitation is (are) economically advantageous to the Government.

(b) Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to recommend an economic purchase quantity. If different quantities are recommended, a total and a unit price must be quoted for applicable items. An economic purchase quantity is that quantity at which a significant price break occurs. If there are significant price breaks at different quantity points, this information is desired as well.

OFFEROR RECOMMENDATIONS

	P_R_I_C_E I_T_E_M_	
Q_U_A_N_T_I_T_Y_	Q_U_O_T_A_T_I_O_N_	T_O_T_A_

(c) The information requested in this provision is being solicited to avoid acquisitions in disadvantageous quantities and to assist the Government in developing a data base for future acquisitions of these items. However, the Government reserves the right to amend or cancel the solicitation and resolicit with respect to any individual item in the event quotations received and the Government's requirements indicate that different quantities should be acquired.

(End of Provision)

(KF7003)

K-8 52.230 -1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION JUN/2000

Note:

This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201 -2(c)(5) or 9903.201 -2(c)(6), respectively.

I. DISCLOSURE STATEMENT - COST ACCOUNTING PRACTICES AND CERTIFICATION.

(a) Any contract in excess of \$500,000 resulting from this solicitation, will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201 -1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR, 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

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(c) Check the appropriate box below:

(1) Certificate of Concurrent Submission of Disclosure Statement.

The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable, Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation)

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

(2) Certificate of Previously Submitted Disclosure Statement.

The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

(3) Certificate of Monetary Exemption.

The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

(4) Certificate of Interim Exemption.

The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202 -1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a review certificate to the Contracting Officer, in the form specified under subparagraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50n million or more in the current cost accounting period may not claim this exemption(4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS - ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE.

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201 -2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR Subpart 9903.201 -2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an

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award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a) (3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

() YES

() NO

(End of Provision)

(KF7060)

K-9 252.225-7020 TRADE AGREEMENTS CERTIFICATE JAN/2004
DFARS

(a) Definitions. Caribbean Basin country end product, designated country end product, Free Trade Agreement country end product, nondesignated country end product, qualifying country end product, and U.S. made end product have the meanings given in the Trade Agreements clause of this solicitation.

(b) Evaluation. The Government -

(1) Will evaluate offers in accordance with the policies and procedures of Part 225 of the Defense Federal Acquisition Regulation Supplement; and

(2) Will consider only offers of end products that are U.S.-made, qualifying country, designated country, Caribbean Basin country, or Free Trade Agreement country end products, unless the Government determines that -

(i) There are no offers of such end products;

(ii) The offers of such end products are insufficient to fulfill the Government's requirements; or

(iii) A national interest exception to the Trade Agreements Act applies.

(c) Certification and identification of country of origin.

(1) For all line items subject to the Trade Agreements clause of this solicitation, the offeror certifies that each end product to be delivered under this contract, except those listed in paragraph (c) (2) of this provision, is a U.S.-made, qualifying country, designated country, Caribbean Basin Country, or Free Trade Agreement country end product.

(2) The following supplies are other nondesignated country end products:

(Line Item Number)

(Country of Origin)

(End of provision)

(KA7510)

CONTINUATION SHEET

PIIN/SIIN W52H09-05-R-0051

MOD/AMD

Name of Offeror or Contractor:

K-10 252.247-7022 REPRESENTATION OF EXTENT OF TRANSPORTATION BY SEA AUG/1992
DFARS

(a) The Offeror shall indicate by checking the appropriate blank in paragraph (b) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the Transportation of Supplies by Sea clause of this solicitation.

(b) Representation.

The Offeror represents that it--

Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

(c) Any contract resulting from this solicitation will include the Transportation of Supplies by Sea clause. If the Offeror represents that it will not use ocean transportation, the resulting contract will also include the Defense Far Supplement clause at 252.247 -7024, Notification of Transportation of Supplies by Sea.

(End of Provision)

(KA7500)

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Name of Offeror or Contractor:

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(LA7001)

	<u>Re_g_u_l_a_t_o_r__C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
L-1	52.211-2	AVAILABILITY OF SPECIFICATIONS LISTED IN THE DOD INDEX OF SPECIFICATIONS AND STANDARDS (DODISS) AND DESCRIPTIONS LISTED IN THE ACQUISITION MANAGEMENT SYSTEMS AND DATA REQUIREMENTS CONTROL LIST, DOD 5010.12-L	JAN/2004
L-2	52.215-1	INSTRUCTIONS TO OFFERORS - COMPETITIVE ACQUISITION	JAN/2004
L-3	52.222-38	COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS	DEC/2001
L-4	52.232-13	NOTICE OF PROGRESS PAYMENTS	APR/1984
L-5	252.225-7003	REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES	APR/2003
		DFARS	
L-6	52.211-14	NOTICE OF PRIORITY RATING FOR NATIONAL DEFENSE USE	SEP/1990

Any contract awarded as a result of this solicitation will be a DO rated order certified for national defense use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation.

(LF6014)

L-7	52.215-20	REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA, ALTERNATE III	OCT/1997
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(a) Exceptions from cost or pricing data.

(1) In lieu of submitting cost or pricing data, offerors may submit a written request for exception by submitting the

information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) Commercial item exception. For a commercial item exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial marketplace that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include--

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

PHN/SIHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) Requirements for cost or pricing data. If the offeror is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The offeror shall submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as

letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed in Far 15.406 -2.

(c) Submit the cost portion of the proposal via the following electronic media ANY WINDOWS/IBM COMPATABLE FORMAT.

(End of provision)

(LF6027)

L-8

52.216-1

TYPE OF CONTRACT

APR/1984

The Government contemplates award of a FIRM FIXED PRICE, INDEFINITE DELIVERY, INDEFINITE QUANTITY contract resulting from this solicitation.

(End of Provision)

(LF6008)

L-9

52.233-2

SERVICE OF PROTEST

AUG/1996

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from TACOM-RI, ATTN: VICKI L. AHLGRIM, AMSTA-LC-CFA-C, ROCK ISLAND IL 61299-7630. A protest to be filed with HQ, AMC, in accordance with the clause in Section A entitled HQ, AMC-Level Protest Program, shall be addressed to: HQ, Army Materiel Command, Office of Command Counsel, ATTN: AMCCC-PL, 5001 Eisenhower Avenue, Alexandria, VA 22333- 0001. (Facsimile number (703) 617-5680/617-4999.)

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of Provision)

(LF6255)

L-10 52.252-5 AUTHORIZED DEVIATIONS IN PROVISIONS APR/1984

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of '(DEVIATION)' after the date of the clause.

(b) The use in this solicitation of any DOD FAR SUPPLEMENT (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of '(DEVIATION)' after the name of the regulation.

(End of Provision)

(LF7015)

L-11

52.215-4510

ELECTRONIC BIDS/OFFERS

NOV/2001

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

TACOM-RI

1. Quotes/bids/proposals to the Government shall be signed by a MEMBER OF THE FIRM AUTHORIZED TO BIND THE COMPANY. This requirement is in accordance with (IAW) Federal Acquisition Regulation (FAR) 4.102.

2. Quoters/Bidders/Offerors are required to submit their quotes/bids/proposals for this solicitation via electronic response on the TACOM-RI Business Opportunities, open Solicitations web page, or via facsimile (datafax) to 309/782-2047.

NOTE: ELECTRONIC RESPONSES: You may submit multiple files against a solicitation. However, all the files must only pertain to the one solicitation. Each complete quote/bid/proposal in response to a solicitation must be submitted individually/ separately and must be properly identified.

FACSIMILE RESPONSES: Facsimile bids or offers should only be sent to our secure facsimile machine at Area Code (309) 782-2047. Each complete quote/bid/proposal in response to a solicitation must be submitted individually/separately against that solicitation, and must be properly identified.

TACOM-RI will not be responsible for electronic or facsimile responses that are not submitted correctly and/or are improperly identified.

3. Prior to submission of your quote, bid, or proposal, read the latest electronic bid/proposal instructions at web page,

"h_t_t_p_s://_a_a_i_s_b_i_d_s._r_i_a._a_r_m_y._m_i_l_",_ and click on the icon for additional information.

4. Assuming that your quote/bid/proposal was electronically transmitted successfully, you will receive the following message:

"A directory for your Cage Code, XXXX, was created under Solicitation W52H09XXXXXX, and your file was moved to it. If you have any other files to send, use the "Back" arrow on your browser. IF YOU EXPERIENCE ANY PROBLEMS WITH THIS PROCESS, CONTACT THE CONTRACT SPECIALIST LISTED ON THE OPEN SOLICITATION PAGE,
_h_t_t_p_s://_a_a_i_s._r_i_a._a_r_m_y._m_i_l/_a_a_i_s/_P_a_d_d_s_w_e_b/_i_n_d_e_x._h_t_m_l_"

5. If you receive an error message of any type, your quote/bid/proposal was not transmitted and must be resubmitted if you wish it to be considered for award. You may resubmit by repeating the steps for electronic submittal or by datafaxing your quote/bid/proposal to Area Code (309)782-2047.

6. Quotes/bids/proposals must arrive in their entirety by the time specified in the solicitation. Quoters/Bidders/Offerors bear the responsibility of timely transmission of their quotes/bids/proposals to ensure the availability of an open transmission line and to take into consideration the length of time required to complete the required upload transaction prior to the time established in the solicitation.

(End of Provision)

(LS7011)

L-12 52.215-4511 ELECTRONIC AWARD NOTICE FEB/2002
TACOM RI

a. Any contract awarded as result of this solicitation will be posted to the Internet for downloading and paper copies will not be distributed. This is a material condition of the solicitation and by submission of a bid or proposal, the vendor agrees to accept an electronic award transmitted in the manner described above.

b. Notice of award to the awardee will be issued only via electronic mail. Venders who wish to be notified if they receive an award as a result of this solicitation must provide their electronic mail address in the space provided below. If the vendor fails to

provide an electronic mail address, then a separate notice of award will not be provided and it shall be the sole responsibility of the vendor to periodically check the Internet to determine if he/she has received an award. In this event, the vendor's failure to check the Internet and download a copy of the award in a timely manner shall not be an excuse for failure to perform or grounds for a delivery schedule extension.

c. Notice of award to unsuccessful offerors shall be issued only via the Federal Business Opportunities (FedBusOpps) or electronic mail. Vendors who wish to receive an electronic mail notice if they are unsuccessful must provide an electronic mail address in the space provided below. If the vendor fails to provide an electronic mail address, then a separate notice will not be provided, and it shall be the sole responsibility of the vendor to periodically check the FedBusOpps to determine if an award has been made. In this event, the vendor's failure to check the FedBusOpps to determine if an award has been made shall not constitute grounds for an extension of the ten (10) day protest period allowed in regulations.

Vendor's Electronic Mail Address:

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

(End of Provision)

(LS7013)

PRICE

1. THE OFFEROR SHALL ENTER FIRM FIXED UNIT PRICES FOR EACH ORDERING PERIOD AND QUANTITY RANGE, ON THE APPLICABLE PRICING EVALUATION

SHEET. THE OFFEROR SHALL ALSO ENTER FIRST ARTICLE TEST (FAT) PRICE IN THE SPACE PROVIDED ON THE PRICING EVALUATION SHEET. ALL UNIT PRICES PROPOSED WILL BE BINDING.

2. THE GOVERNMENT RESERVES THE RIGHT TO REQUIRE THE SUBMISSION OF ANY DATA (I.E. COST OR PRICING DATA) NECESSARY TO VALIDATE THE

REASONABLENESS OF AN OFFER.

*** END OF NARRATIVE L 001 ***

PHN/SHN W52H09-05-R-0051 MOD/AMD

Name of Offeror or Contractor:

SECTION M - EVALUATION FACTORS FOR AWARD

This document incorporates one or more provisions 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 provision may be accessed electronically at these addresses: <http://www.arnet.gov/far/> or <http://www.acq.osd.mil/dpap/dars/index.htm>

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

(MA7001)

	<u>Re_g_u_l_a_t_o_r__ C_i_t_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
M-1	52.215-4507 TACOM-RI	EVALUATION OF OFFERS	MAR/1988

An offeror must quote on all items in this solicitation to be eligible for award. All items will be awarded only as a unit. Evaluation of offers will be based, among other factors, upon the total price quoted for all items.

(End of Provision)

(MS7100)

PRICE

1. THE GOVERNMENT WILL EVALUATE OFFERS BASED ON PRICES PROPOSED FOR ALL ORDERING PERIODS AND ANY OTHER PRICE RELATED FACTORS REQUIRED

BY THE SOLICITATION.

2. FOR EACH PROPOSAL, THE GOVERNMENT WILL CALCULATE A TOTAL EVALUATED PRICE BY MULTIPLYING THE PROPOSED UNIT PRICES FOR EACH RANGE AND

ORDERING PERIOD BY THEIR RESPECTIVE WEIGHT AND MAXIMUM QUANTITY, AND SUMMING THEIR TOTALS. THE WEIGHT ASSOCIATED WITH EACH RANGE REPRESENTS THE LIKELIHOOD THAT AN ORDER, IF PLACED, WOULD BE PLACED WITHIN THAT RANGE.

FOR PURPOSES OF EVALUATION, FAT PRICE (FOR CLIN 0001) WILL BE ADDED TO THE TOTAL EVALUATED CLIN PRICE, AS APPLICABLE. FAILURE TO PROPOSE FAT MAY BE CONSIDERED A REASON FOR DISQUALIFICATION. THE PRICE FOR FAT WILL BE AMORTIZED INTO THE UNIT PRICE FOR THE INITIAL DELIVERY ORDER.

3. THE TOTAL EVALUATED PRICE IS THE SUM OF THE WEIGHTED EVALUATION PRICE FOR ALL ORDERING PERIODS PLUS FAT PRICE.

*** END OF NARRATIVE M 001 ***

2. Contract (Proc. Inst. Ident) No. W52H09-05-D-0260
 3. Effective Date 2005AUG03
 4. Requisition/Purchase Request/Project No. SEE SCHEDULE

5. Issued By Code W52H09
 6. Administered By (If Other Than Item 5) 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

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
 8. Delivery FOB Origin X Other (See Below) SEE SCHEDULE
 1420 PRESIDENTIAL DR
 RICHARDSON, TX 75081-2769
 9. Discount For Prompt Payment

10. Submit Invoices Item
 (4 Copies Unless Otherwise Specified) 12
 TYPE BUSINESS: Other Small Business Performing in U.S.

Code 0BK64 Facility Code To The Address Shown In:

11. Ship To/Mark For Code
 12. Payment Will Be Made By Code HQ0339
 SEE SCHEDULE DFAS COLUMBUS CENTER
 DFAS-CO/WEST ENTITLEMENT OPERATIONS
 PO BOX 182381
 COLUMBUS OH 43218-2381

13. Authority For Using Other Than Full And Open Competition: 14. Accounting And Appropriation Data
 10 U.S.C. 2304(c)) 41 U.S.C. 253(c))

15A. Item No.	15B. Schedule Of Supplies/Services	15C. Quantity	15D. Unit	15E. Unit Price	15F. Amount
SEE SCHEDULE	CONTRACT TYPE: Firm-Fixed-Price				
				KIND OF CONTRACT: Supply Contracts and Priced Orders	

Contract Expiration Date: 2010JUN30 15G. Total Amount Of Contract \$0.00

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	
	F	Deliveries or Performance		Other Statements of Offerors		
	G	Contract Administration Data		L	Instrs., Conds., and Notices to Offerors	
	H	Special Contract Requirements		M	Evaluation Factors for Award	

Contracting Officer Will Complete Item 17 Or 18 As Applicable

17. 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.

18. X Award (Contractor is not required to sign this document.) Your offer on Solicitation Number W52H0905R0051 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 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.)

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

By /SIGNED/

2005AUG03

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8069

25-106

Standard Form 26 (Rev. 4-85)

PREVIOUS EDITIONS UNUSABLE

GPO : 1985 0 - 478-632

Prescribed By GSA-FAR (4.8 CFR) 53.214(a)

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260

MOD/AMD

Name of Offeror or Contractor: OPEX SYSTEMS INC

SECTION A - SUPPLEMENTAL INFORMATION

1. CONTRACT W52H09-05-D-0260 IS AWARDED TO OPEX 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 CONTRACTOR

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 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0260

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 SECURITY CLASS: Unclassified

0001AA	D_A_T_A_I_T_E_M_	1	LO	\$ **_N_S_P_ *_ \$ **_N_S_P_ *_	
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination

Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

001		3			
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D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y D_A_Y_S_A_F_T_E_R_ A_W_A_R_D

001	1	0300			
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FOB POINT: Destination

SHIP TO:

(Z55555) TACOM-ROCK ISLAND
ATTN AMSTA-LC-CFA
ROCK ISLAND IL 61299-7630

P_R_O_D_U_C_T_I_O_ Q_T_Y W/_F_A_T

0001AB			EA	\$ **_N/_A_ *_	
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NOUN: M137A2 PANORAMIC TELESCOPE

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s../_W_o_r_s_t_a_t_e_m_e_n_t

TOP DRAWING NR: 12984713

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S

(W52H1C) XU WOKS USA OSC ROCK ISL ARSENAL
BLDG 299 GILLESPIE AV AND BECK LANE
ROCK ISLAND IL 61299-5000

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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MARK FOR: ATTN: DAVE HERRERA

0002 FSCM: 1240
 PART NR: 12984775
 SECURITY CLASS: Unclassified

0002AA P_R_O_D_Q_T_Y_ W/_O F_A_T EA \$ *_*_N/_A_*_*
 NOUN: M137A3 PANORAMIC TELESCOPE

D_e_s_c_r_i_p_t_i_o_n/_S_p_e_c_s._/W_o_r_s_t_a_t_e_m_e_n_t
 TOP DRAWING NR: 12984775
 DATE: 04-NOV-2004

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin
 FOB POINT: Destination

0003 D_A_T_A_I_T_E_M_ \$ *_*_N_S_P_*_* \$ *_*_N_S_P_*_*

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)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Destination

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u> <u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u> <u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</u>
Attachment 001	PRICING EVALUATION SHEET	001

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

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

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843		

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL

SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0260

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code	Facility Code	2005AUG03
0BK64		

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2006APR25

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260 MOD/AMD P00001

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 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260

MOD/AMD P00001

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION I - CONTRACT CLAUSES

<u>S_t_a_t_u_s</u>	<u>R_e_f_e_r_e_n_c_e</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>
I-1 ADDED	52.232-23	ASSIGNMENT OF CLAIMS	JAN/1986

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260

MOD/AMD P00001

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of	Number
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>
	<u>D</u> <u>a</u> <u>t</u> <u>e</u>
	<u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u>
	<u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</u>
Attachment 002	ECP H04A2062
Attachment 003	ECP H04A2074
Attachment 004	ECP H04A5005
Attachment 005	ECP H04A5016
Attachment 006	ECP H05A2044

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
P00002	2006MAY18	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843		

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL

SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260

10B. Dated (See Item 13)

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

Code	Facility Code	2005AUG03
0BK64		

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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

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)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN 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 \$22.09 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 3 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 ***

CONTINUATION SHEET

PII/SIN W52H09-05-D-0260

MOD/AMD P00002

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u>	<u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u> <u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</u>
Attachment 007	ECP H04A2076		
Attachment 008	ECP H04A5007		
Attachment 009	ECP H04A5012		

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

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

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
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TACOM-ROCK ISLAND
 AMSTA-LC-CFA-C
 CHRISTINE CARSON (309) 782-4301
 ROCK ISLAND IL 61299-7630

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

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL

SCD A PAS S4402A5703APC ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC	

1420 PRESIDENTIAL DR
 RICHARDSON, TX 75081-2769

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0260

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

10B. Dated (See Item 13)

Code	Facility Code	2005AUG03
0BK64		

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).

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

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor^X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2006AUG18

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260 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-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 ***

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260

MOD/AMD P00003

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A_d_d_e_n_d_a</u>	<u>T_i_t_l_e</u>	<u>D_a_t_e</u>	<u>o_f_P_a_g_e_s</u> <u>T_r_a_n_s_m_i_t_t_e_d</u> <u>B_y</u>
Attachment 010	ECP H05A5003		
Attachment 011	ECP H05A2035		
Attachment 012	ECP H06A2018		
Attachment 013	ECP H06A2027		
Attachment 014	ECP H06A5003		
Attachment 015	RFD H06A7022		

PHN/SIN W52H09-05-D-0260

MOD/AMD P00003

ATT/EXH ID Attachment 011

PAGE 1

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
P00004	2007JUN15	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843		

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS S4402A5703APC	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	9B. Dated (See Item 11)
	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	--------------------------

Code ⁰ BK64	Facility Code	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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor ^X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2007JUN15

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SHN W52H09-05-D-0260 MOD/AMD P00004

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 ***

CONTINUATION SHEET

PIN/SHIN W52H09-05-D-0260

MOD/AMD P00004

Name of Offeror or Contractor: OPEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number	
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u>	<u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u> <u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</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		

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
P00005	2007OCT12	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS S4402A5703APC	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	10A. Modification Of Contract/Order No. W52H09-05-D-0260
---	---

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
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Code ⁰ BK64 Facility Code	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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2007OCT12

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260 MOD/AMD P00005

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 \$23.08 PER UNIT. SEE ATTACHED REVISED PRICING SPREADSHEET.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0009 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260 MOD/AMD P00005

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION J - LIST OF ATTACHMENTS

List of		Number		
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u>	<u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u>	<u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</u>

Attachment 0037 ECP H07A2020

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 3

Firm-Fixed-Price

2. Amendment/Modification No. 3. Effective Date 4. Requisition/Purchase Req No. 5. Project No. (If applicable)
P00006 2009AUG20 SEE SCHEDULE

6. Issued By Code W52H09 7. Administered By (If other than Item 6) Code S4402A

TACOM-ROCK ISLAND DCMA, TEXAS
CCTA-AR-FA 600 NORTH PEARL STREET
MATTHEW KOPEL (309) 782-7888 SUITE 1630
ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843

EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS S4402A5703APC ADP PT #Q0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) 9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2439

9B. Dated (See Item 11)

X

10A. Modification Of Contract/Order No.

W52H09-05-D-0260

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code 0BK64 Facility Code 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:

X D. Other (Specify type of modification and authority) 43.103(a) (3)

E. IMPORTANT: Contractor is not, X 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

15B. Contractor/Offeror

15C. Date Signed

16B. United States Of America

16C. Date Signed

By

/SIGNED/

2009AUG20

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260 MOD/AMD P00006

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 \$42.68 and \$47.68. Revised pricing spreadsheet is attached as pg 2a.

3. All other terms and conditions remain unchanged.

*** END OF NARRATIVE A0010 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260 MOD/AMD P00006

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION J - LIST OF ATTACHMENTS

List of			Number	
<u>A</u> <u>d</u> <u>d</u> <u>e</u> <u>n</u> <u>d</u> <u>a</u>	<u>T</u> <u>i</u> <u>t</u> <u>l</u> <u>e</u>	<u>D</u> <u>a</u> <u>t</u> <u>e</u>	<u>o</u> <u>f</u> <u>P</u> <u>a</u> <u>g</u> <u>e</u> <u>s</u>	<u>T</u> <u>r</u> <u>a</u> <u>n</u> <u>s</u> <u>m</u> <u>i</u> <u>t</u> <u>t</u> <u>e</u> <u>d</u> <u>B</u> <u>y</u>
Attachment 0038 ECP H09A2003		03-MAR-2009	009	

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL (YYYYMMDD) 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

W52H09-05-D-0260 0001 2005AUG03 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND DCMA DALLAS
 AMSTA-LC-CFA-C 600 NORTH PEARL STREET
 CHRISTINE CARSON (309) 782-4301 600 NORTH PEARL STREET DESTINATION
 ROCK ISLAND IL 61299-7630 SUITE 1630
 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL DALLAS TX 75201-2843 X OTHER

(See Schedule if other)

SCD: A PAS: NONE ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

0 0 (YYYYMMDD) X SMALL
 OPTEX SYSTEMS INC
 1420 PRESIDENTIAL DR SEE SCHEDULE SMALL

NAME RICHARDSON, TX 75081-2769 12. DISCOUNT TERMS DISADVANTAGED
 AND
 ADDRESS WOMAN-OWNED

0 0 13. MAIL INVOICES TO THE ADDRESS IN BLOCK

TYPE BUSINESS: Other Small Business Performing in U.S. See Block 15

14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

SEE SCHEDULE DFAS COLUMBUS CENTER PACKAGES AND
 DFAS-CO/WEST ENTITLEMENT OPERATIONS PAPERS WITH
 PO BOX 182381 IDENTIFICATION
 COLUMBUS OH 43218-2381 NUMBERS IN
 BLOCKS 1 AND 2

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.

X
 TYPE
 OF

ORDER Reference your Oral Written Quotation , Dated .
 PURCHASE furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY 21. 22. UNIT PRICE 23. AMOUNT
 ORDERED/ UNIT
 ACCEPTED*

SEE SCHEDULE
 CONTRACT TYPE:

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is 24. UNITED STATES OF AMERICA 25. TOTAL \$3,291,724.90

same as quantity ordered, indicate by X. VICKI AHLGRIM /SIGNED/ 26.

If different, enter actual quantity accepted below VICKI.AHLGRIMBUS.ARMY.MIL (309) 782-3220 DIFFERENCES quantity ordered and encircle. BY: CONTRACTING/ORDERING OFFICER

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

32. PAID BY 33. AMOUNT VERIFIED CORRECT FOR PARTIAL

f. TELEPHONE NUMBER g. E-MAIL ADDRESS FINAL

31. PAYMENT 34. CHECK NUMBER

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 35. BILL OF LADING NO. PARTIAL FINAL

37. RECEIVED AT 38. RECEIVED BY (Print) 39. DATE RECEIVED (YYYYMMDD) 40. TOTAL CONTAINERS 41. S/R ACCOUNT NUMBER 42. S/R VOUCHER NO.

PHNSHN W52H09-05-D-0260/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC SUPPLEMENTAL INFORMATION

1. THIS DELIVERY ORDER, 0001, TO CONTRACT W52H09-05-D-0260 IS FOR 254 EACH M137A2 PANORAMIC TELESCOPE, NSN: 1240-01-483-6103 FOR CLINS

0001AB (179) AND 0001AC (75), AND 50 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 (FAT) IS REQUIRED. FOR CLIN 0001AA, FAT INCLUDES 5 EACH M137A2 PANORAMIC TELESCOPES. FAT REPORT IS DUE 1 JUN

2006 (300 DAYS AFTER AWARD).

5. FOR CLINS 0001AB AND 0001AC, DELIVERY OF THE INITIAL QUANTITY OF 25 EACH IS DUE 30 OCT 06 (450 DAYS AFTER AWARD), FOB DESTINATION, AND 25 EACH PER MONTH THEREAFTER.

FOR CLIN 0002AA, DELIVERY OF THE INITIAL QUANTITY OF 10 EACH IS DUE 30 OCT 06 (450 DAYS AFTER AWARD), FOB DESTINATION, AND 10 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 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD

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	F_I_R_S_T_A_R_T_I_C_L_E	1	LO	\$ *_N_S_P_* \$	<u>*_*_N_S_P_*_*_*</u>
--------	-------------------------	---	----	-----------------	------------------------

NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Destination
 Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001
 D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 1 01-JUN-2006

FOB POINT: Destination

SHIP TO:
 (Z55555) TACOM-ROCK ISLAND
 ATTN AMSTA-LC-CFA
 ROCK ISLAND IL 61299-7630

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	179	EA	\$ 1_0_,_5_3_4_._3_5_0_0_0 \$ 1_,_8_8_5_,_6_4_8_._6_5	
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NOUN: TELESCOPE,PANORAMIC
 PRON: W15AFC06M1 PRON AMD: 01 ACRN: AA
 AMS CD: 33104540041
 CUSTOMER ORDER NO: 2C5AF1081ALF

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

CONTINUATION SHEET

PII/SHI W52H09-05-D-0260/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D M_A_R_F_O_R T_C_D

001 W52H095207T701 W52H1C J W52H1C

1

P_R_O_C_D B_R_B_L_K P_T

G19

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 12 30-OCT-2006

002 12 30-NOV-2006

003 12 29-DEC-2006

004 12 30-JAN-2007

005 12 28-FEB-2007

006 15 30-MAR-2007

007 25 30-APR-2007

008 25 30-MAY-2007

009 25 29-JUN-2007

010 25 30-JUL-2007

011 4 30-AUG-2007

FOB POINT: Destination

SHIP TO: F_R_E_T_G_H_A_D_R_E_S_S

(W52H1C)

XU W0K8 USA OSC ROCK ISL ARSENAL

BLDG 299 GILLESPIE AV AND BECK LANE

ROCK ISLAND IL 61299-5000

MARK FOR:

XU W0K8 USA OSC ROCK ISL ARSENAL

TRANSPORTATION OFFICE

BLDG 102 RODMAN AVE AND GILLESPIE

ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0260/0001

P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y

0001AC

75

EA

\$ 1_0_,_5_3_4_.3_5_0_0_0_ \$ 7_9_0_,_0_7_6_.2_5_

NOUN: TELESCOPE,PANORAMIC

PRON: M151F192M1 PRON AMD: 01

ACRN: AB

AMS CD: 060011

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	D_e_l_i_v_e_r_i_e_o_f_F_e_r_f_o_r_m_a_n_c_e DOC SUPPL				
	R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D				
001	W52H095207H983 W31G1Z	J	1		
	D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E				
001		13			30-OCT-2006
002		13			30-NOV-2006
003		11			29-DEC-2006

FOB POINT: Destination

SHIP TO: P_A_R_C_E_P_O_S_T_A_D_D_R_E_S_S

(W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER

TRANS OFFICER 256 235 6837 CL V

7 FRANKFORD AVE BLDG 380

ANNISTON AL 36201-4199

_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_C_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

	SUPPL R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D				
002	W52H095207H984	W62G2T J	1		
	D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E				
001		2			29-DEC-2006
002		13			30-JAN-2007
003		13			28-FEB-2007
004		10			30-MAR-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S

(W62G2T) XU DEF DIST DEPOT SAN JOAQUIN

25600 S CHRISMAN ROAD

REC WHSE 10 PH 209 839 4307

TRACY CA 95304-5000

C _O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

NSN: 1240-01-483-6100
 0002 FSCM: 19200
 PART NR: 12984775
 SECURITY CLASS: Unclassified

P_R_O_D_U_C_T_I_O Q_U_A_N_T_I_T_Y
 0002AA 50 EA \$ 1_2_,_3_2_0_._0_0_0_0_0_ \$ 6_1_6_,_0_0_0_._0_0_

NOUN: TELESCOPE, PANORAMIC
 PRON: M151F193M1 PRON AMD: 01 ACRN: AB
 AMS CD: 060011

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0260/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
---------	-------------------	---------------	------------	--------

P_a_c_k_a_g_i_n__a_n_d_M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__a_n_d_A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__o_f_P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__S_I__C_D M_A_R__F_O_R T__C_D

001 W52H095205H983 W31G1Z J 1

D_E__R_E_L__C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 10 30-OCT-2006

002 10 30-NOV-2006

003 5 29-DEC-2006

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER

TRANS OFFICER 256 235 6837 CL V

7 FRANKFORD AVE BLDG 380

ANNISTON AL 36201-4199

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_

A_D_D__S_I__C_D M_A_R__F_O_R T__C_D

002 W52H095205H984 W62G2T J 1

D_E__R_E_L__C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 5 29-DEC-2006

002 10 30-JAN-2007

003 10 28-FEB-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W62G2T) XU DEF DIST DEPOT SAN JOAQUIN

25600 S CHRISMAN ROAD

REC WHSE 10 PH 209 839 4307

TRACY CA 95304-5000

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

D _A_T_A__T_E_M_I

0003

\$ __N_S_P_ *__* \$

* __N_S_P_ *__*

NOUN: CONTRACT DATA REQ LIST

SECURITY CLASS: Unclassified

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
---------	-------------------	---------------	------------	--------

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 B001)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Destination

CONTINUATION SHEET

PIIN/SIN

W52H09-05-D-0260/0001

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/	OBLG				JOB ORDER	ACCOUNTING	OBLIGATED
IT_E	MI_P	AR_N ST_	AC_O_U_N_T_I_N	C_L_A_S_S_I_F_I_C_A_T_I_O_N		NU_M_B_E_R_	S_A_T_ O_	A_M_O_U_N_
0001AB	W15AFC06M1	AA 2	21	52033000056D6D02P33104526KB	S11116	576C06	W52H09	\$ 1,885,648.65
	33104540041							
	2C5AF1081ALF							
0001AC	M151F192M1	AB 2	97	X4930AC9G 6D	26KB S11116		W52H09	\$ 790,076.25
	060011							
0002AA	M151F193M1	AB 2	97	X4930AC9G 6D	26KB S11116		W52H09	\$ 616,000.00
	060011							
TOTAL								\$ 3,291,724.90

SERVICE	BY_Y	AC_R_N	A	N_T_I_N_	C_L_A_S_S_I_F_I_C_A_T_I_O_N	ACCOUNTING	OBLIGATED
NA_M_	_T_O_T_A_L					S_T_A_T_I_O_N	A_M_O_U_N_T
Army		AA	21	52033000056D6D02P33104526KB	S11116	W52H09	\$ 1,885,648.65
Army		AB	97	X4930AC9G 6D	26KB S11116	W52H09	\$ 1,406,076.25
TOTAL							\$ 3,291,724.90

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 7

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2006MAY25	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-CFA-C CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@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.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0260/0001

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code	Facility Code
0BK64	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)

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor X 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/

2006MAY25

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN 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 \$22.09 PER UNIT.

2) THIS IS A TOTAL INCREASE TO DELIVERY ORDER 0001 OF \$6715.36.

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	PO AMOUNT
BEARINGS	\$8246.00
CASTINGS	69,269.58
CIRCUIT CARD	12,825.00
COUNTER	742,924.00
FIBER OPTIC	7,936.00
GEAR	274,908.80
HARDWARE	27,915.36
ID PLATE	1,568.00
MACHINED COMPONENTS	400,692.16
OPTICS	158,365.50
PACKING	2,719.94
RELIEF VALVE	30,720.00
SEAL	4,214.40
SPRING	3,447.30
SWITCH	2,_0_9_9_._2
	\$1,747,851.00

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 \$1,573,065.90, 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 ***

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260/0001 MOD/AMD 01

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	F_I_R_S_T_A_R_T_I_C_L_E_	1	LO \$	*_*_N_S_P_*_* \$	*_*_N_S_P_*_*_
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_g_a_n_d_M_a_r_k_i_n_g
 _n_s_p_e_c_t_i_o_ I_a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Destination
 Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_o_r_F_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_ S_I_C_D M_A_R F_O_R T_C_D

001

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 1 28-JUL-2006

FOB POINT: Destination

SHIP TO:
 (255555) C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_Y_O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

SHIP TO: TACOM-ROCK ISLAND
 ATTN: AMSTA-LC-CFA CHRISTINE CARSON
 ROCK ISLAND IL 61299-7630
 (End of narrative F001)

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y			179 EA \$ 1_0_/_5_5_6_._4_4_0_0_0 \$ 1_/_8_8_9_/_6_0_2_._7_6	
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NOUN: TELESCOPE,PANORAMIC
 PRON: W15AFC06M1 PRON AMD: 02 ACRN: AA
 AMS CD: 33104540041
 CUSTOMER ORDER NO: 2C5AF1081ALF

P_a_c_k_a_g_i_n_g_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

CONTINUATION SHEET

PII/SHI W52H09-05-D-0260/0001 MOD/AMD 01

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_M_T_L_S_T_R_I_P_A_D_D_S_I_C_D_M_A_R_F_O_R_T_C_D

001 W52H095207T701 W52H1C J W52H1C 1

P_R_O_C_D_B_R_B_L_K_P_T

G19

D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001	12			30-OCT-2006	
002	12			30-NOV-2006	
003	12			29-DEC-2006	
004	12			30-JAN-2007	
005	12			28-FEB-2007	
006	15			30-MAR-2007	
007	25			30-APR-2007	
008	25			30-MAY-2007	
009	25			29-JUN-2007	
010	25			30-JUL-2007	
011	4			30-AUG-2007	

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H_A_D_D_R_E_S_S

(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
 C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0260/0001

P_R_O_D_U_C_T_I_O_Q_U_A_N_T_I_T_Y

0001AC 75 EA \$ 1_0_,_5_5_6_._4_4_0_0_0_ \$ 7_9_1_,_7_3_3_._0_0_

NOUN: TELESCOPE,PANORAMIC

PRON: M151F192M1 PRON AMD: 01 ACRN: AB

AMS CD: 060011

P_a_c_k_a_g_i_n_g_a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_a_n_d A_c_c_e_p_t_a_n_c_e

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD

01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO SUPPLIES/SERVICES QUANTITY UNIT UNIT PRICE AMOUNT

INSPECTION: Origin

ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

001 W52H095207H983 W31G1Z J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 13 30-OCT-2006

002 13 30-NOV-2006

003 11 29-DEC-2006

FOB POINT: Destination

SHIP TO: P_A_R_C_E__P_O_S_T_A_D_D_R_E_S_S

(W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER

TRANS OFFICER 256 235 6837 CL V

7 FRANKFORD AVE BLDG 380

ANNISTON AL 36201-4199

_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ C_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_

A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

002 W52H095207H984 W62G2T J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 2 29-DEC-2006

002 13 30-JAN-2007

003 13 28-FEB-2007

004 10 30-MAR-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W62G2T) XU DEF DIST DEPOT SAN JOAQUIN

25600 S CHRISMAN ROAD

REC WHSE 10 PH 209 839 4307

TRACY CA 95304-5000

C _O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ C_O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

NSN: 1240-01-483-6100

0002 FSCM: 19200

PART NR: 12984775

SECURITY CLASS: Unclassified

P _R_O_D_U_C_T_I_O__Q_U_A_N_T_I_T_Y

0002AA

50 EA \$ _2_,_3_4_2_._0_9_0_0_0_1 \$

6 _1_7_,_1_0_4_._5_0_

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0001 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO SUPPLIES/SERVICES QUANTITY UNIT UNIT PRICE AMOUNT

NOUN: TELESCOPE,PANORAMIC

PRON: M151F193M1 PRON AMD: 01 ACRN: AB
AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_T_ C_D M_A_R_ F_O_R T_ C_D

001 W52H095205H983 W31G1Z J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 10 30-OCT-2006

002 10 30-NOV-2006

003 5 29-DEC-2006

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W31G1Z) XR WOL7 ANNISTON MUNITIONS CENTER

TRANS OFFICER 256 235 6837 CL V

7 FRANKFORD AVE BLDG 380

ANNISTON AL 36201-4199

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_T_ C_D M_A_R_ F_O_R T_ C_D

002 W52H095205H984 W62G2T J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 5 29-DEC-2006

002 10 30-JAN-2007

003 10 28-FEB-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W62G2T) XU DEF DIST DEPOT SAN JOAQUIN

25600 S CHRISMAN ROAD

REC WHSE 10 PH 209 839 4307

TRACY CA 95304-5000

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260/0001

MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/		OBLG STAT/	INCREASE/DECREASE		CUMULATIVE
	AMS CD/			P_R_I_O_R_A_M_O_U_N_T	A_M_O_U_N_T	
<u>I_T_E_P</u>	<u>M_I_P_R</u>	<u>A_C_R_N</u>	<u>J_O_O_R_D_N_O</u>			<u>A_M_O_U_N_T</u>
0001AB	W15AFC06M1	AA	2 \$	1,885,648.65 \$	3,954.11	\$ 1,889,602.76
	33104540041		576C06			
	2C5AF1081ALF					
0001AC	M151F192M1	AB	2 \$	790,076.25 \$	1,656.75	\$ 791,733.00
	060011					
0002AA	M151F193M1	AB	2 \$	616,000.00 \$	1,104.50	\$ 617,104.50
	060011					
				NET CHANGE \$	6,715.36	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y_A_C_R_N</u>	<u>A_C_C_O_N_T</u>	<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>
		<u>S_T_T_I_O</u>	<u>A_M_O_U_N_T</u>
Army	AA	21	52033000056D6D02P33104526KB
			S11116
			W52H09
			\$ 3,954.11
Army	AB	97	X4930AC9G 6D
			26KB
			S11116
			W52H09
			\$ 2,761.25
			NET CHANGE \$ 6,715.36

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O_F_A_W_A_R_D</u>	<u>A_M_O_U_N_T</u>	<u>O_B_L_I_G_A_M_T</u>
NET CHANGE FOR AWARD: \$	3,291,724.90	\$ 6,715.36	\$ 3,298,440.26

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 6

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
02	2007JAN08	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@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.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0260/0001

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code	Facility Code	
0BK64		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.

X 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 X 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/

2007JAN08

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260/0001 MOD/AMD 02

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 ***

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260/0001 MOD/AMD 02

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

0001AA	F_I_R_S_T_A_R_T_I_C_L_E_	1	LO \$	*_*__N_S_P_*_* \$	*_*__N_S_P_*_*_
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NOUN: FIRST ARTICLE TEST REPORT

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g
 _n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Destination
 Government Approval/Disapproval Days: 30

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL					
R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_		S_I_ C_D M_A_R_ F_O_R		T_ C_D	
001					
D_E_R_E_L_ C_D	Q_U_A_N_T_I_T_Y		D_E_L_D_A_T_E_		
001	1		09-MAR-2007		

FOB POINT: Destination

SHIP TO:
 (Z55555) C_O_N_T_R_A_C_T_/_D_E_L_I_V_E_R_Y_O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

SHIP TO: TACOM-ROCK ISLAND
 ATTN: AMSTA-LC-GAWC CHRISTINE CARSON
 BLDG 104, 2ND FLR, SE
 ROCK ISLAND IL 61299-7630
 MARK FOR ATTN: CHRISTINE CARSON
 (End of narrative F001)

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y		179 EA	\$ 1_0_5_5_6_4_4_0_0_0 \$	1_8_8_9_6_0_2_7_6
--------	------------------------------------	--	--------	---------------------------	-------------------

NOUN: TELESCOPE, PANORAMIC
 PRON: W15AF06M1 PRON AMD: 02 ACRN: AA
 AMS CD: 33104540041
 CUSTOMER ORDER NO: 2C5AF1081ALF

P_a_c_k_a_g_i_n_a_n_d M_a_r_k_i_n_g
 I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260/0001 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
DOC	SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_S_I_C_D M_A_R_F_O_R T_C_D				
001	W52H095207T701 W52H1C J F_R_Q_C_D B_R_B_L_K P_T G19	W52H1C	1		
	D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_				
001	10			30-MAR-2007	
002	20			30-APR-2007	
003	20			30-MAY-2007	
004	20			30-JUN-2007	
005	30			30-JUL-2007	
006	30			30-AUG-2007	
007	30			30-SEP-2007	
008	19			30-OCT-2007	
009	DELETED				
010	DELETED				
011	DELETED				
FOB POINT: Destination					
SHIP TO: F_R_E_I_G_H_ A_D_D_R_E_S_S (W52H1C) XU W0K8 USA ROCK ISL ARSENAL BLDG 299 GILLESPIE AV AND BECK LANE ROCK ISLAND IL 61299-5000					
MARK FOR: _C_O_N_T_R_A_C_T_/ _D_E_L_I_V_E_R_Y O_R_D_E_R N_U_M_B_E_R W52H09-05-D-0260/0001					
0001AC	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	75	EA	\$ 1_0_,_5_5_6_._4_4_0_0_0_ \$ 7_9_1_._7_3_3_._0_0_	
NOUN: TELESCOPE,PANORAMIC					
PRON: M151F192M1 PRON AMD: 02 ACRN: AB					
AMS CD: 060011					
P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g					
I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e					
INSPECTION: Origin ACCEPTANCE: Origin					
D_e_l_i_v_e_r_i_e_ o_f F_e_r_f_o_r_m_a_n_c_e DOC SUPPL					
R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_S_I_C_D M_A_R_F_O_R T_C_D					
001	W52H095207H983 W31G12 J		1		
	D_E_R_E_L_C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_				
001	5			30-MAY-2007	
002	5			30-JUN-2007	

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0001 MOD/AMD 02

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
003	5	30	JUL	2007	
004	5	30	AUG	2007	
005	5	30	SEP	2007	
006	5	30	OCT	2007	
007	7	30	NOV	2007	

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S
 (W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER
 TRANS OFFICER 256 235 6837 CL V
 7 FRANKFORD AVE BLDG 380
 ANNISTON AL 36201-4199

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0260/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
 A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

002 W52H095207H984 W62G2T J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001	5	30	MAY	2007	
002	5	30	JUN	2007	
003	5	30	JUL	2007	
004	5	30	AUG	2007	
005	5	30	SEP	2007	
006	5	30	OCT	2007	
007	8	30	NOV	2007	

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S
 (W62G2T) XU DEF DIST DEPOT SAN JOAQUIN
 25600 S CHRISMAN ROAD
 REC WHSE 10 PH 209 839 4307
 TRACY CA 95304-5000

C _O_N_T_R_A_C_T_/D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R
 W52H09-05-D-0260/0001

0002AA P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 50 EA \$ 1_2_,_3_4_2_.._0_9_0_0_0_ \$ 6_1_7_,_1_0_4_.._5_0_

NOUN: TELESCOPE,PANORAMIC

PRON: M151F193M1 PRON AMD: 02 ACRN: AB

AMS CD: 060011

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0001 MOD/AMD 02

Name of Offor or Contractor: OPTEX SYSTEMS INC

ITEM NO SUPPLIES/SERVICES QUANTITY UNIT UNIT PRICE AMOUNT

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I__ C_D M_A_R_ F_O_R T__ C_D

001 W52H095205H983 W31G1Z J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 5 30-JUN-2007

002 5 30-JUL-2007

003 5 30-AUG-2007

004 5 30-SEP-2007

005 5 30-OCT-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER

TRANS OFFICER 256 235 6837 CL V

7 FRANKFORD AVE BLDG 380

ANNISTON AL 36201-4199

C _O_N_T_R_A_C_T_/ _D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I__ C_D M_A_R_ F_O_R T__ C_D

002 W52H095205H984 W62G2T J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 5 30-JUN-2007

002 5 30-JUL-2007

003 5 30-AUG-2007

004 5 30-SEP-2007

005 5 30-OCT-2007

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__A_D_D_R_E_S_S

(W62G2T) XU DEF DIST DEPOT SAN JOAQUIN

25600 S CHRISMAN ROAD

REC WHSE 10 PH 209 839 4307

TRACY CA 95304-5000

C _O_N_T_R_A_C_T_/ _D_E_L_I_V_E_R__O_R_D_E_R_N_U_M_B_E_R

W52H09-05-D-0260/0001

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 7

Firm-Fixed-Price

2. Amendment/Modification No. 03
3. Effective Date 2007OCT12
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-GAWC-B 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 NONE ADP PT HQ0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769
9B. Dated (See Item 11)

X
10A. Modification Of Contract/Order No.
W52H09-05-D-0260/0001

TYPE BUSINESS: Other Small Business Performing in U.S.
10B. Dated (See Item 13)

Code 0BK64 Facility Code 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)

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2007OCT12

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260/0001 MOD/AMD 03

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 \$23.08 EACH, DUE TO INCORPORATION OF ECP H07A2020 INTO BASIC AWARD.

THIS IS A TOTAL INCREASE TO DELIVERY ORDER 0001 OF \$7016.32, FROM \$3,298,440.26 TO \$3,305,456.58.

2) TO REVISE THE DELIVERY SCHEDULE. SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0004 ***

CONTINUATION SHEET

PII/NSIN W52H09-05-D-0260/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	179	EA	\$ 1_0_,_5_7_9_._5_2_0_0_0_0	\$ 1_,_8_9_3_,_7_3_4_._0_8
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NOUN: TELESCOPE,PANORAMIC
 PRON: W15APC06M1 PRON AMD: 03 ACRN: AA
 AMS CD: 33104540041
 CUSTOMER ORDER NO: 2C5AF1081ALF

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 W52H095207T701 W52H1C J W52H1C 1

P_R_O_ C_D B_R_ B_L_K P_T
 G19

D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_ D_A_T_E_
001	6	30-OCT-2007
002	10	30-NOV-2007
003	14	30-DEC-2007
004	15	30-JAN-2008
005	15	28-FEB-2008
006	23	30-MAR-2008
007	38	30-APR-2008
008	38	30-MAY-2008
009	20	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

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0260/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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ROCK ISLAND IL 61299-5000
 C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

0001AC P_R_O_D_U_C_T_I_O__Q_U_A_N_T_I_T_Y 75 EA \$ 1_0_/_5_7_9_._5_2_0_0_0_ \$ 7_9_3_/_4_6_4_._0_0_

NOUN: TELESCOPE,PANORAMIC
 PRON: M151F192M1 PRON AMD: 03 ACRN: AB
 AMS CD: 060011

P_a_c_k_a_g_i_n__a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D__M_I_L_S_T_R_I_P__A_D_D__S_I__C_D M_A_R__F_O_R T__C_D
 001 W52H095207H983 W31G12 J 1

D_E__R_E_L__C_D	Q_U_A_N_T_I_T_Y	_D_E_L__D_A_T_E_
001	3	30-OCT-2007
002	5	30-NOV-2007
003	7	30-DEC-2007
004	7	30-JAN-2008
005	11	28-FEB-2008
006	4	30-MAR-2007
007		DELETED

FOB POINT: Destination

SHIP TO:

(W31G12) XR W017 ANNISTON MUNITIONS CENTER
 TRANS OFFICER 256 235 6837 CL V
 7 FRANKFORD AVE BLDG 380
 ANNISTON AL 36201-4199
 C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

DOC SUPPL R_E__C_D__M_I_L_S_T_R_I_P__

A_D_D__S_I__C_D M_A_R__F_O_R T__C_D
 002 W52H095207H984 W62G2T J 1
 D_E__R_E_L__C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E_
 001 3 30-OCT-2007
 002 5 30-NOV-2007
 003 7 30-DEC-2007

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0260/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

004	8	30-JAN-2008			
005	12	28-FEB-2008			
006	3	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
 C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

0002 NSN: 1240-01-483-6100
 FSCM: 19200
 PART NR: 12984775
 SECURITY CLASS: Unclassified

0002AA	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	50	EA	\$	1_2_3_6_5_1_7_0_0_0_ \$ 6_1_8_2_5_8_5_0_
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NOUN: TELESCOPE,PANORAMIC
 PRON: M151F193M1 PRON AMD: 03 ACRN: AB
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 W52H095205H983 W31G1Z J 1

D_E_R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_D_A_T_E_
001	5	30-JAN-2008
002	5	28-FEB-2008
003	5	30-MAR-2008
004	5	30-APR-2008
005	5	30-MAY-2008

FOB POINT: Destination

SHIP TO:

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0001 MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

(W31G1Z) XR W0L7 ANNISTON MUNITIONS CENTER
 TRANS OFFICER 256 235 6837 CL V
 7 FRANKFORD AVE BLDG 380
 ANNISTON AL 36201-4199

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

002 W52H095205H984 W62G2T J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 5 30-JAN-2008

002 5 28-FEB-2008

003 5 30-MAR-2008

004 5 30-APR-2008

005 5 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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0001

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0001

MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> - <u>M I P R</u>	<u>A C R N</u>	OBLG STAT/ <u>Q O</u> <u>O R D N O</u>	<u>P R I O R A M O U N T</u>	INCREASE/DECREASE <u>A M O U N T</u>	CUMULATIVE <u>A M O U N T</u>
0001AB	W15AFC06M1 33104540041 2C5AF1081ALF	AA	2 576C06	\$ 1,889,602.76	\$ 4,131.32	\$ 1,893,734.08
0001AC	M151F192M1 060011	AB	2	\$ 791,733.00	\$ 1,731.00	\$ 793,464.00
0002AA	M151F193M1 060011	AB	2	\$ 617,104.50	\$ 1,154.00	\$ 618,258.50
				NET CHANGE	\$ 7,016.32	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u>	<u>A C C O N T</u> <u>C L A S S I F I C A T I O N</u>	<u>S T T I O</u> <u>A M O U N T</u>
Army	AA	21 52033000056D6D02P33104526KB S11116	W52H09 \$ 4,131.32
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09 \$ 2,885.00
			NET CHANGE \$ 7,016.32

NET CHANGE FOR AWARD:	<u>P R I O R A M O U N T</u>	<u>I N C R E A S E / D E C R E A S E</u>	<u>C U M U L A T I V E</u>
\$ 3,298,440.26	\$	7,016.32	\$ 3,305,456.58

<u>A C R N</u>	<u>E D A C C O U N T I N G C L A S S I F I C A T I O N</u>	<u>576C06S11116 W52H09</u>
AA	21 050720330000 S11116 56D6D023310454004126KB	
AB	97 0X0X4930AC9G S11116 56D00000600110000026KB	S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
04	2008AUG06	SEE SCHEDULE	

6. Issued By	Code W52H09	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND AMSTA-LC-GFA-A 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
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	9B. Dated (See Item 11)

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
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Code 0BK64	Facility Code	2005AUG03
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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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

By

/SIGNED/

2008AUG06

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET

PHN/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 75 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 95304-500

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 ***

CONTINUATION SHEET

PII/SHI W52H09-05-D-0260/0001

MOD/AMD

04

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 9999-99-999-9999
 NOUN: M119 HOWITZER M137
 SECURITY CLASS: Unclassified

0001AC D_E_L_I_V_E_R_I_E_

NSN: 1240-01-483-6103

(End of narrative B001)

0001AD P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y

75 EA \$ 1_0_,_5_7_9_..5_2_0_0_0_ \$ 7_9_3_,_4_6_4_..0_0_

NOUN: M119 HOWITZER M137
 PRON: 2C8140221A PRON AMD: 01 ACRN: AC
 AMS CD: 32101366022

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e	DOC	SUPPL
R_E_C_D_M_I_L_S_T_R_I_P_A_D_D_S_I_C_D M_A_R_F_O_R T_C_D		
001 W15BW982073342 Y00000 M		3
D_E_R_E_L_C_D	Q_U_A_N_T_I_T_Y	D_E_L_D_A_T_E
001	6	30-OCT-2007
002	10	30-NOV-2007
003	14	30-DEC-2007
004	15	30-JAN-2008
005	23	28-FEB-2008
006	7	30-MAR-2008

FOB 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.

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
	W52H09-05-D-0260/0001			

SHIP TO:
(W52H1C)
XU W0K8 USA Rock Isl Arsenal
BLDG 299 Gillespie Av and Beck Lane
Rock Island IL 61299-5000
(End of narrative F001)

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0001 MOD/AMD 04

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I_T_E_P_</u> <u>M_I_P_R</u>	<u>A_C_R_N_</u>	OBLG STAT/ <u>Q_O_ O_R_D N_O_</u>	<u>P_R_I_O_R A_M_O_U_N_T</u>	INCREASE/DECREASE <u>A_M_O_U_N_T_</u>	CUMULATIVE <u>A_M_O_U_N_T_</u>
0001AC	M151F192M1 060011	AB	2	\$ 793,464.00 \$	-793,464.00	\$ 0.00
0001AD	2C8140221A 32101366022 A18P30222R2C	AC	2 8RM223	\$ 0.00 \$	793,464.00	\$ 793,464.00
NET CHANGE \$					0.00	

SERVICE	NET CHANGE <u>N_A_M_E</u> <u>B_Y A_C_R_N</u>	<u>A_C_C_O_ N_T_ C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	ACCOUNTING <u>S_T_ T_I_O_</u>	INCREASE/DECREASE <u>A_M_O_U_N_T</u>
Army	AB	97 X4930AC9G 6D 26KB S11116	W52H09	\$ -793,464.00
Army	AC	21 82033000085R5R13P32101331E1 S28017	W52H09	\$ 793,464.00
NET CHANGE \$				0.00

	PRIOR AMOUNT <u>O_F A_W_A_R_D</u>	INCREASE/DECREASE <u>A_M_O_U_N_T_</u>	CUMULATIVE <u>_O_B_L_I_G_A_M_T_</u>
NET CHANGE FOR AWARD: \$	3,305,456.58	\$ 0.00 \$	3,305,456.58

<u>A_C_R_N_</u>	<u>E_D_A_C_C_O_U_N_T_I_N_G_C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	
AB	97 0X0X4930AC9G S11116 56D00000600110000026KB	S11116 W52H09
AC	21 081020330000 S28017 85R5R133210136602231E1	8RM223S28017 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 6
Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
05	2009SEP10	SEE SCHEDULE	

6. Issued By	Code W52H09	7. Administered By (If other than Item 6)	Code	S4402A
TACOM-ROCK ISLAND CCTA-AR-FA 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 #Q0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC. 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439	

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260/0001

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
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Code 0BK64	Facility Code	2005AUG03
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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

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).

X 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, X 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

By _____ /SIGNED/

2009SEP10

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN 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 \$12,365.17 by \$47.68, for a new unit price of \$12,412.85.
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 (\$12,365.17), and

1002AA (\$47.68) for a total unit price of \$12,412.85.
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 ***

CONTINUATION SHEET

PII/NSIN W52H09-05-D-0260/0001 MOD/AMD 05

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	179	EA	\$ 1_0_,_5_7_9_._5_2_0_0_0_0	\$ 1_,_8_9_3_,_7_3_4_._0_8
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NOUN: TELESCOPE,PANORAMIC
 PRON: W15APC06M1 PRON AMD: 03 ACRN: AA
 AMS CD: 33104540041
 CUSTOMER ORDER NO: 2C5AF1081ALF

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D
 001 W52H095207T701 W52H1C J W52H1C 1

P_R_O_ C_D	B_R_ B_L_K P_T	G19	D_E__R_E_L_ C_D	Q_U_A_N_T_I_T_Y	_D_E_L_ D_A_T_E_
			001	6	30-OCT-2007
			002	10	30-NOV-2007
			003	14	30-DEC-2007
			004	15	30-JAN-2008
			005	15	28-FEB-2008
			006	23	30-MAR-2008
			007	38	30-APR-2008
			008	38	30-MAY-2008
			009	20	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

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260/0001 MOD/AMD 05

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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ROCK ISLAND IL 61299-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0260/0001

0001AD	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	75	EA	\$ 1_0_,_5_7_9_._5_2_0_0_0_	\$ 7_9_3_,_4_6_4_._0_0_
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NOUN: M119 HOWITZER M137

PRON: 2C8140221A PRON AMD: 02

ACRN: AC

AMS CD: 32101366022

P_a_c_k_a_g_i_n_ a_n_d M_a_f_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

0002 NSN: 1240-01-483-6100

FSCM: 19200

PART NR: 12984775

SECURITY CLASS: Unclassified

0002AA	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	50	EA	\$ 1_2_,_3_6_5_._1_7_0_0_0_	\$ 6_1_8_,_2_5_8_._5_0_
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NOUN: TELESCOPE,PANORAMIC

PRON: M151F193M1 PRON AMD: 03

ACRN: AB

AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_f_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D__ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

001 W52H095205H983 W31G12 J 1

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_P_A_T_E_

001 25 30-JUN-2010

002 DELETED

003 DELETED

004 DELETED

005 DELETED

FOB POINT: Destination

SHIP TO:

(W31G12)

XR W0L7 ANNISTON MUNITIONS CTR

TRANS OFFICER 256 235 6837 CL V

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0001 MOD/AMD 05

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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7 FRANKFORD AVE BLDG #380
ANNISTON AL 36201-4199

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0260/0001

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

002 W52H095205H984 W62G2T J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_I_D_A_T_E_

001 25 30-JUL-2010

002 DELETED

003 DELETED

004 DELETED

005 DELETED

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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0260/0001

1002 SECURITY CLASS: Unclassified

1002AA U_N_I_T_P_R_I_C_E_ I_N_C_R_E_A_S_E \$ 2,384.00

NOUN: PACKAGING FOR PANTELS
PRON: W19ADW35M1 PRON AMD: 01 ACRN: AD
AMS CD: 53459562147

Items shipped on CLIN 0002AA shall also billed
against this CLIN 1002AA for 47.68 each up to
50 units

THIS CLIN IS FOR BILLING PURPOSES ONLY. NO
SEPERATE DELIVERY REQUIRED.

(End of narrative B001)

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_r P_e_r_f_o_r_m_a_n_c_e
DLVR SCH PERF COMPL
R_E_L_ C_D_ Q_U_A_N_T_I_T_Y D_A_T_E_
001 0 30-SEP-2011

\$ 2,384.00

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0001

MOD/AMD 05

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> - <u>M I P R</u>	<u>A C R N</u>	OBLG STAT/ <u>J O</u> <u>O R D N O</u>	<u>P R I O R A M O U N T</u>	INCREASE/DECREASE <u>A M O U N T</u>	CUMULATIVE <u>A M O U N T</u>
1002AA	W19ADW35M1 53459562147	AD	2	\$ 0.00	\$ 2,384.00	\$ 2,384.00
				974W35		
				NET CHANGE	\$ 2,384.00	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u>	<u>A C C O N T C L A S S I F I C A T I O N</u>	<u>S T T I O A M O U N T</u>
Army	AD	21 92035000096D6D02P53459525FB S11116	W52H09 \$ 2,384.00
			NET CHANGE \$ 2,384.00

	PRIOR AMOUNT <u>O F A W A R D</u>	INCREASE/DECREASE	CUMULATIVE <u>A M O U N T</u>	<u>O B L I G A M T</u>
NET CHANGE FOR AWARD: \$	3,305,456.58	\$	2,384.00	\$ 3,307,840.58

<u>A C R N</u>	<u>E D A C C O U N T I N G C L A S S I F I C A T I O N</u>	<u>O F A W A R D</u>	<u>A M O U N T</u>	<u>O B L I G A M T</u>
AD	21 091120350000 S11116 96D6D025345956214725FB		974W35S11116	W52H09

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

(YYYYMMDD)

W52H09-05-D-0260 0002 2006AUG18 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND
 AMSTA-LC-CFA-C DCMA DALLAS
 CHRISTINE CARSON (309) 782-4301 600 NORTH PEARL STREET X DESTINATION
 ROCK ISLAND IL 61299-7630 SUITE 1630
 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL DALLAS TX 75201-2843 OTHER

(See Schedule if other)

SCD: A PAS: NONE ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

(YYYYMMDD)

0 0 X SMALL
 OPTEX SYSTEMS INC
 1420 PRESIDENTIAL DR SEE SCHEDULE SMALL

NAME RICHARDSON, TX 75081-2769 12. DISCOUNT TERMS 13. MAIL INVOICES TO THE ADDRESS IN BLOCK

AND ADDRESS DISADVANTAGED WOMAN-OWNED

0 0 TYPE BUSINESS: Other Small Business Performing in U.S. See Block 15

14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

SEE SCHEDULE DFAS COLUMBUS CENTER PACKAGES AND
 DFAS-CO/WEST ENTITLEMENT OPERATIONS PAPERS WITH
 PO BOX 182381 IDENTIFICATION
 COLUMBUS OH 43218-2381 NUMBERS IN
 BLOCKS 1 AND 2

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.

X

TYPE

OF

ORDER Reference your Oral Written Quotation , Dated .
 PURCHASE furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY 21. 22. UNIT PRICE 23. AMOUNT
 ORDERED/ UNIT
 ACCEPTED*

SEE SCHEDULE
 CONTRACT TYPE:

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is 24. UNITED STATES OF AMERICA 25. TOTAL \$1,697,397.68

same as quantity ordered, indicate by X. LISA DEVLIN /SIGNED/ 26.

If different, enter actual quantity accepted below LISA.DEVLIN@US.ARMY.MIL (309) 782-5541 DIFFERENCES
quantity ordered and encircle. BY: CONTRACTING/ORDERING OFFICER

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

32. PAID BY PARTIAL 33. AMOUNT VERIFIED CORRECT FOR

f. TELEPHONE NUMBER g. E-MAIL ADDRESS FINAL

31. PAYMENT 34. CHECK NUMBER

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 35. BILL OF LADING NO. PARTIAL FINAL

37. RECEIVED AT 38. RECEIVED BY (Print) 39. DATE RECEIVED (YYYYMMDD) 40. TOTAL CONTAINERS 41. S/R ACCOUNT NUMBER 42. S/R VOUCHER NO.

PHN/SIN W52H09-05-D-0260/0002 MOD/AMD

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 \$11,167.09 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 1457 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 W52H09-05-D-0260.

*** END OF NARRATIVE A 001 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0002 MOD/AMD

Name of Offeree or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	152	EA	\$ 1,167,090.00	\$ 1,697,397.68
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NOUN: TELESCOPE, PANORAMIC
 PRON: 2C6AH1261A PRON AMD: 01 ACRN: AA
 AMS CD: 32101366046

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E__C_D__ M_I_L_S_T_R_I_P__ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D

001 W52H096223T700 W52H1C J W52H1C

3

P_R_O__ C_D B_R__ B_L_K P_T

G19

D_E__R_E_L__ C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E

001	21	30-AUG-2007
002	25	30-SEP-2007
003	25	30-OCT-2007
004	25	30-NOV-2007
005	25	30-DEC-2007
006	25	30-JAN-2008
007	6	28-FEB-2008

FOB POINT: Destination

SHIP TO: F_R_E_I_G_H__ A_D_D_R_E_S_S

(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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0002

CONTINUATION SHEET

PIIN/SIN W52H09-05-D-0260/0002

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ IT_P	OBLG	ORDER	ACCOUNTING	OBLIGATED	
	MI_P	A_R_N ST	A_C_O_U_N_T_I_N_C_L_A_S_S_I_F_I_C_A_T_I_O_N	NU_M_B_E_R	S_A_T_O	A_M_O_U_N
0001AB	2C6AH1261A 32101366046 A16P30462R2C	AA 2 21	62033000065R5R13P32101326KB S28017	6RM169	W52H09	\$ 1,697,397.68
					TOTAL	\$ 1,697,397.68

SERVICE	ACCOUNTING	OBLIGATED				
NA_M	T_O_T_A_L BY_Y A_C_R_N	A N_T_I_N C_L_A_S_S_I_F_I_C_A_T_I_O_N	S_T_A_T_I_O_N	A_M_O_U_N_T		
Army	AA	21	62033000065R5R13P32101326KB S28017	W52H09	\$ 1,697,397.68	
					TOTAL	\$ 1,697,397.68

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 4

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2007OCT18	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS NONE	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	9B. Dated (See Item 11)
	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260/0002

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
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Code 0BK64 Facility Code	2006AUG18
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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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2007OCT18

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260/0002 MOD/AMD 01

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 0001AB BY \$23.08 EACH, DUE TO INCORPORATION OF ECF H07A2020 INTO BASIC AWARD.
THIS IS A TOTAL

INCREASE TO DELIVERY ORDER 0002 OF \$3508.16, FROM \$1,697,397.68 TO \$1,700,905.84.

2) TO REVISE THE DELIVERY SCHEDULE. SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0002 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0002 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y	152	EA	\$ 11,190.17000	\$ 1,700,905.84
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NOUN: TELESCOPE,PANORAMIC
 PRON: 2C6AH1261A PRON AMD: 01 ACRN: AA
 AMS CD: 32101366046

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D__ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H096223T700 W52H1C J W52H1C 3
 P_R_O__ C_D B_R__ B_L_K P_T
 G19
 D_E__R_E_L__ C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E
 001 48 30-JUL-2008
 002 48 30-AUG-2008
 003 48 30-SEP-2008
 004 8 30-OCT-2008
 005 DELETED
 006 DELETED
 007 DELETED

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

C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0002

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0002

MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> <u>M I P R</u>	ACR_N	OBLG STAT/ <u>JO</u> <u>O R D N O</u>	PRIOR AMOUNT <u>P R I O R A M O U N T</u>	INCREASE/DECREASE <u>A M O U N T</u>	CUMULATIVE <u>A M O U N T</u>
0001AB	2C6AH1261A 32101366046 A16P30462R2C	AA	2 6RM169	\$ 1,697,397.68	\$ 3,508.16	\$ 1,700,905.84
				NET CHANGE	\$ 3,508.16	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u>	<u>A C C O N T C L A S S I F I C A T I O N</u>	<u>S T T I O A M O U N T</u>
Army	AA	21 62033000065R5R13P32101326KB S28017	\$ 3,508.16
			NET CHANGE \$ 3,508.16

PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
<u>O F A W A R D</u>	<u>A M O U N T</u>	<u>O B L I G A M T</u>
NET CHANGE FOR AWARD: \$ 1,697,397.68	\$ 3,508.16	\$ 1,700,905.84

ACR_N	ED A C C O U N T I N G C L A S S I F I C A T I O N	PHN/SHN	MOD/AMD
AA	21 060820330000 S28017 65R5R133210136604626KB	W52H09	W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No. 02
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 DCMA, TEXAS
CCTA-AR-FA 600 NORTH PEARL STREET
MATTHEW KOPEL (309) 782-7888 SUITE 1630
ROCK ISLAND IL 61299-7630 DALLAS TX 75201-2843

EMAIL: MATTHEW.KOPEL@US.ARMY.MIL SCD A PAS NONE ADP PT #Q0339

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)
9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2439
9B. Dated (See Item 11)

X
10A. Modification Of Contract/Order No.
W52H09-05-D-0260/0002

TYPE BUSINESS: Other Small Business Performing in U.S.
10B. Dated (See Item 13)

Code 0BK64 Facility Code 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).

X 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, X 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

By _____ /SIGNED/

2009SEP10

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260/0002 MOD/AMD 02

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 \$11,190.17 by \$42.68, for a new unit price of \$11,232.85.
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 (\$11,190.17), and

1001AB (\$42.68) for a total unit price of \$11,232.85.
4. To date, the total left to deliver for CLIN 0001AB is 150 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 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0002 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 152 EA \$ 1_1_,_1_9_0_-1_7_0_0_0 \$ 1_,_7_0_0_,_9_0_5_-8_4

NOUN: TELESCOPE,PANORAMIC
 PRON: 2C6AH1261A PRON AMD: 01 ACRN: AA
 AMS CD: 32101366046

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f F_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D__ M_I_L_S_T_R_I_P_ A_D_D__ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H096223T700 W52H1C J W52H1C 3

F_R_O__ C_D B_R__ B_L_K P_T
 G19

D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 2 20-AUG-2009

002 20 30-SEP-2009

003 25 30-OCT-2009

004 25 27-NOV-2009

005 25 31-DEC-2009

006 25 29-JAN-2010

007 25 26-FEB-2010

008 5 31-MAR-2010

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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0002 MOD/AMD 02

Name of Offor or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
---------	-------------------	----------	------	------------	--------

W52H09-05-D-0260/0002

1001 SECURITY CLASS: Unclassified

1001AB U_N_I_T_P_R_I_C_E_ I_N_C_R_E_A_S_E \$ 6,402.00

NOUN: PACKAGING FOR PANTELS

PRON: W19ACW35M1 PRON AMD: 01 ACRN: AB

AMS CD: 53459562147

Items shipped on CLIN 0001AB shall also billed against this CLIN 1001AB for 42.68 each up to 150 units

THIS CLIN IS FOR BILLING PURPOSES ONLY. NO SEPERATE DELIVERY REQUIRED.

(End of narrative B001)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e

DLVR SCH PERF COMPL

R_E_L_C_D_ Q_U_A_N_T_I_T_Y D_A_T_E

001 0 30-SEP-2011

\$ 6,402.00

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0002

MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> <u>M I P R</u>	<u>A C R N</u>	OBLG STAT/ <u>J O</u> <u>O R D N O</u>	<u>P R I O R A M O U N T</u>	INCREASE/DECREASE <u>A M O U N T</u>	CUMULATIVE <u>A M O U N T</u>
1001AB	W19ACW35M1 53459562147	AB	2	\$ 0.00	\$ 6,402.00	\$ 6,402.00
			974W35			
				NET CHANGE	\$ 6,402.00	

SERVICE	NET CHANGE	<u>A C C O N T</u> <u>C L A S S I F I C A T I O N</u>	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u>	<u>S T T I O</u> <u>A M O U N T</u>		
Army	AB	21 92035000096D6D02P53459525FB S11116	W52H09	\$ 6,402.00
			NET CHANGE \$	6,402.00

	PRIOR AMOUNT <u>O F A W A R D</u>	INCREASE/DECREASE	CUMULATIVE <u>A M O U N T</u> <u>O B L I G A M T</u>
NET CHANGE FOR AWARD: \$	1,700,905.84	\$ 6,402.00	\$ 1,707,307.84

<u>A C R N</u>	<u>E D</u> <u>A C C O U N T I N G</u> <u>C L A S S I F I C A T I O N</u>	<u>A M O U N T</u> <u>O B L I G A M T</u>
AB	21 091120350000 S11116 96D6D025345956214725FB	974W35S11116 W52H09

ORDER FOR SUPPLIES OR SERVICES

1. CONTRACT PURCH ORDER/AGREEMENT NO. 2. DELIVERY ORDER/CALL NO. 3. DATE OF ORDER/CALL (YYYYMMDD) 4. REQUISITION/PURCH REQUEST NO. 5. PRIORITY

W52H09-05-D-0260 0003 2007JUN15 SEE SCHEDULE DOA5

6. ISSUED BY CODE W52H09 7. ADMINISTERED BY (If other than 6) CODE S4402A 8. DELIVERY FOB

TACOM-ROCK ISLAND
 AMSTA-LC-GAWC-B DCMA DALLAS
 CHRISTINE CARSON (309)782-4301 600 NORTH PEARL STREET X DESTINATION
 ROCK ISLAND IL 61299-7630 SUITE 1630
 DALLAS TX 75201-2843 OTHER
 EMAIL: CHRISTINE.CARSON@US.ARMY.MIL (See Schedule if other)

SCD: A PAS: NONE ADP PT: HQ0339

9. CONTRACTOR CODE 0BK64 FACILITY 10. DELIVER TO FOB POINT BY (Date) 11. X IF BUSINESS IS

0 0 X SMALL
 OPTEX SYSTEMS INC SEE SCHEDULE SMALL
 1420 PRESIDENTIAL DR

NAME RICHARDSON, TX 75081-2769 12. DISCOUNT TERMS DISADVANTAGED
 AND ADDRESS WOMAN-OWNED

0 0 13. MAIL INVOICES TO THE ADDRESS IN BLOCK

TYPE BUSINESS: Other Small Business Performing in U.S. See Block 15

14. SHIP TO CODE 15. PAYMENT WILL BE MADE BY CODE HQ0339 MARK ALL

SEE SCHEDULE DFAS COLUMBUS CENTER PACKAGES AND
 DFAS-CO/WEST ENTITLEMENT OPERATIONS PAPERS WITH
 PO BOX 182381 IDENTIFICATION
 COLUMBUS OH 43218-2381 NUMBERS IN
 BLOCKS 1 AND 2

16. DELIVERY/ CALL THIS DELIVERY ORDER IS ISSUED ON ANOTHER GOVERNMENT AGENCY OR IN ACCORDANCE WITH AND SUBJECT TO TERMS AND CONDITIONS OF ABOVE NUMBERED CONTRACT.
 X

TYPE OF

ORDER Reference your Oral Written Quotation , Dated .
 PURCHASE furnish the following on terms specified herein.

ACCEPTANCE. THE CONTRACTOR HEREBY ACCEPTS THE OFFER REPRESENTED BY THE NUMBERED PURCHASE ORDER AS IT MAY PREVIOUSLY HAVE BEEN OR IS NOW MODIFIED, SUBJECT TO ALL OF THE TERMS AND CONDITIONS SET FORTH, AND AGREES TO PERFORM THE SAME.

NAME OF CONTRACTOR SIGNATURE TYPED NAME AND TITLE DATE SIGNED (YYYYMMDD)

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

17. ACCOUNTING AND APPROPRIATION DATA/LOCAL USE

SEE SCHEDULE

18. ITEM NO. 19. SCHEDULE OF SUPPLIES/SERVICE 20. QUANTITY 21. 22. UNIT PRICE 23. AMOUNT
 ORDERED/ UNIT
 ACCEPTED*

SEE SCHEDULE

CONTRACT TYPE:

Firm-Fixed-Price

KIND OF CONTRACT:

Supply Contracts and Priced Orders

* If quantity accepted by the Government is **24. UNITED STATES OF AMERICA** **25. TOTAL** \$2,233,418.00
same as quantity ordered, indicate by X. LISA DEVLIN /SIGNED/ **26.**
If different, enter actual quantity accepted below LISA.DEVLIN@US.ARMY.MIL (309)782-5541 **DIFFERENCES**
quantity ordered and encircle. **BY:** **CONTRACTING/ORDERING OFFICER**

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 d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE (YYYYMMDD)

e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE 28. SHIP. NO. 29. D.O. VOUCHER NO. 30. INITIALS

32. PAID BY 33. AMOUNT VERIFIED CORRECT FOR PARTIAL

f. TELEPHONE NUMBER g. E-MAIL ADDRESS 31. PAYMENT 34. CHECK NUMBER FINAL

36. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT. COMPLETE

a. DATE b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 35. BILL OF LADING NO. PARTIAL FINAL

37. RECEIVED AT 38. RECEIVED BY (Print) 39. DATE RECEIVED 40. TOTAL CONTAINERS 41. S/R ACCOUNT NUMBER 42. S/R VOUCHER NO. (YYYYMMDD)

PHN/SIN W52H09-05-D-0260/0003 MOD/AMD

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 \$11,167.09 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 \$2,233,418.00.

3. THE MAXIMUM ALLOWABLE QUANTITY UNDER THE LONG TERM CONTRACT IS 1457 EACH OF M137A2 AND 1000 EACH M137A3. TO DATE, THE TOTAL

QUANTITY OBLIGATED UNDER THE CONTRACT IS 606 EACH M137A2 AND 50 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 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0260/0003 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB	P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y	200	EA \$ 1_1_,_1_6_7_.0_9_0_0_0 \$ 2_,_2_3_3_,_4_1_8_.0_0	
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NOUN: M137A2 TELESCOPE, PANORAMIC
 PRON: M171R213M1 PRON AMD: 01 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 001 W52H097151H975 W31G12 J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 20 30-AUG-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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0003

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
 A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 002 W52H097151H976 W62G2T J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 25 30-SEP-2008
 002 25 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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R

CONTINUATION SHEET

PIIN/SHIN W52H09-05-D-0260/0003 MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	W52H09-05-D-0260/0003				
DOC	SUPPL R_E_C_D_		M_I_L_S_T_R_I_P_		
	A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D				
003	W52H097151H977 W25G1U	J	1		
	D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y		_D_E_L_D_A_T_E_		
001	25		30-OCT-2008		
002	25		30-DEC-2008		
003	25		30-JAN-2009		
004	25		28-FEB-2009		
005	25		30-MAR-2009		
006	5		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
 C_O_N_T_R_A_C_T_/D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0003

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0003

MOD/AMD

Name of Offeror or Contractor: OPTEX SYSTEMS INC

CONTRACT ADMINISTRATION DATA

PRON/ LINE	AMS CD/ IT_P	OBLG MIP	A R N ST - A C O U N T I N C L A S S I F I C A T I O N		JOB ORDER	ACCOUNTING S T A T I O N	OBLIGATED A M O U N T
0001AB	M171R213M1	AA 2	97	X4930AC9G 6D	26KB S11116	W52H09	\$ 2,233,418.00
	060011						
TOTAL							\$ 2,233,418.00

SERVICE NA_M	T O T A L B Y A C R N	A C C O U N T I N C L A S S I F I C A T I O N	ACCOUNTING S T A I O	OBLIGATED A M O U N T
Army	AA	97 X4930AC9G 6D	26KB S11116 W52H09	\$ 2,233,418.00
TOTAL				\$ 2,233,418.00

AC R N ED A C C O U N T I N G C L A S S I F I C A T I O N
AA 97 0X0X4930AC9G S11116 76D00000600110000026KB S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
01	2007OCT18	SEE SCHEDULE	

6. Issued By	Code	7. Administered By (If other than Item 6)	Code
TACOM-ROCK ISLAND AMSTA-LC-GAWC-B CHRISTINE CARSON (309) 782-4301 ROCK ISLAND IL 61299-7630	W52H09	DCMA DALLAS 600 NORTH PEARL STREET SUITE 1630 DALLAS TX 75201-2843	S4402A

EMAIL: CHRISTINE.CARSON@US.ARMY.MIL	SCD A	PAS NONE	ADP PT HQ0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC 1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2769	

X	9B. Dated (See Item 11)
	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260/0003

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
Code ⁰ BK64 Facility Code	2007JUN15

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

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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/

2007OCT18

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHN/SIN W52H09-05-D-0260/0003 MOD/AMD 01

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 0001AB BY \$23.08 EACH, DUE TO INCORPORATION OF ECF H07A2020 INTO BASIC AWARD.
THIS IS A TOTAL

INCREASE TO DELIVERY ORDER 0003 OF \$4616.00, FROM \$2,333,418.00 TO \$2,238,034.00.

2) TO REVISE THE DELIVERY SCHEDULE. SEE SECTION B.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A0002 ***

CONTINUATION SHEET

PHN/SHIN W52H09-05-D-0260/0003 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 200 EA \$ 11,190.17000 \$ 2,238,034.00

NOUN: TELESCOPE,PANORAMIC
 PRON: M171R213M1 PRON AMD: 02 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 001 W52H097151H975 W31G12 J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 20 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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0003

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
 A_D_D_ S_I_ C_D M_A_R_ F_O_R T__ C_D
 002 W52H097151H976 W62G2T J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 14 30-NOV-2008
 002 36 30-DEC-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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0003 MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	W52H09-05-D-0260/0003				
DOC	SUPPL R_E_C_D_		M_I_L_S_T_R_I_P_		
	A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D				
003	W52H097151H977 W25G1U	J		1	
	D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y		_D_E_L_D_A_T_E_		
001	14			30-NOV-2008	
002	12			30-DEC-2008	
003	48			30-JAN-2009	
004	48			28-FEB-2009	
005	8			30-MAR-2009	
006	DELETED				

FOB POINT: Destination

SHIP TO:

(W25G1U) SU TRANSPORTATION OFFICER
 DDSP NEW CUMBERLAND FACILITY
 2001 MISSION DRIVE DOOR 113 134
 NEW CUMBERLAND PA 17070-5001
 C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0003

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0003

MOD/AMD 01

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/	OBLG STAT/	INCREASE/DECREASE		CUMULATIVE		
	AMS CD/		P_R_I_O_R_A_M_O_U_N_T	A_M_O_U_N_T	A_M_O_U_N_T		
<u>I_T_E_P</u>	<u>M_I_P_R</u>	<u>AC_R_N</u>	<u>JO</u>	<u>O_R_D</u>	<u>N_O</u>		
0001AB	M171R213M1 060011	AA	2	\$	2,233,418.00 \$	4,616.00	\$ 2,238,034.00
NET CHANGE \$ 4,616.00							

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y</u>	<u>A_C_R_N</u>	<u>AC_C_O_N_T</u>
			<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>
Army	AA	97	X4930AC9G 6D
			26KB S11116
			W52H09
			\$ 4,616.00
NET CHANGE \$			4,616.00

	PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
	<u>O_F</u>	<u>A_W_A_R_D</u>	<u>A_M_O_U_N_T</u>
			<u>_O_B_L_I_G_A_M_T</u>
NET CHANGE FOR AWARD: \$	2,233,418.00	\$	4,616.00
		\$	2,238,034.00

<u>AC_R_N</u>	<u>ED</u>	<u>A_C_C_O_U_N_T_I_N_G</u>	<u>C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>
AA	97	0X0X4930AC9G	S11116 76D0000600110000026KB
			S11116

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 5

Firm-Fixed-Price

2. Amendment/Modification No. 02
3. Effective Date 2008AUG06
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 TEXAS
AMSTA-LC-GFA-A 600 NORTH PEARL STREET
MATTHEW KOPEL (309) 782-7888 SUITE 1630
ROCK ISLAND IL 61299-7630 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)
OPTEX SYSTEMS INC

9A. Amendment Of Solicitation No.

1420 PRESIDENTIAL DR
RICHARDSON, TX 75081-2769

9B. Dated (See Item 11)

X 10A. Modification Of Contract/Order No.

W52H09-05-D-0260/0003

TYPE BUSINESS: Other Small Business Performing in U.S. 10B. Dated (See Item 13)

Code 0BK64 Facility Code 2007JUN15

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:

X D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, X 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

By

/SIGNED/

2008AUG06

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

CONTINUATION SHEET

PII/SIN W52H09-05-D-0260/0003 MOD/AMD 02

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
DDSP 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 total dollar value of CLIN 0001AB is decreased by \$1,958,279.70 from \$2,238,034.00 to \$279,754.25. CLIN 0001AC is added for

\$1,958,279.70.

4) All other terms and conditions remain the same.

*** END OF NARRATIVE A0003 ***

CONTINUATION SHEET

PHN/SHN W52H09-05-D-0260/0003 MOD/AMD 02

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

0001AB P_R_O_D_U_C_T_I_O__ Q_U_A_N_T_I_T_Y 25 EA \$ 1_1_,_1_9_0_.1_7_0_0_0_ \$ 2_7_9_,_7_5_4_.2_5_

NOUN: TELESCOPE,PANORAMIC
 PRON: M171R213M1 PRON AMD: 02 ACRN: AA
 AMS CD: 060011
 NSN: 1240-01-483-6103

(End of narrative B001)

P_a_c_k_a_g_i_n__ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__ a_n_d A_c_c_e_p_t_a_n_c_e
 INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__ o_f P_e_e_f_f_o_r_m_a_n_c_e DOC SUPPL
 R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I__ C_D M_A_R__ F_O_R T__ C_D
 001 W52H097151H975 W31G1Z J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 20 30-NOV-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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__ O_R_D_E_R N_U_M_B_E_R
 W52H09-05-D-0260/0003

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
 A_D_D_ S_I__ C_D M_A_R__ F_O_R T__ C_D
 002 W52H097151H976 W62G2T J 1
 D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_
 001 5 30-NOV-2008

002 DELETED

FOB POINT: Destination

SHIP TO:
 (W62G2T) XR W1BG DEF DIST DEPOT SAN JOAQUIN
 25600 S CHRISMAN ROAD

CONTINUATION SHEET

PIIN/SHIN W52H09-05-D-0260/0003 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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REC WHSE 16B PH 209 839 4307
TRACY CA 95304-5000

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0260/0003

DOC SUPPL R_E__C_D_ M_I_L_S_T_R_I_P_
A_D_D__S_I__C_D M_A_R__F_O_R T__C_D
003 DELETED

Ship To:
(W52H1C)
XU W0K8 USA Rock Island Arsenal
Bldg 299 Gillespie Av amd Beck Lane
Rock Island IL 61299-5000
(End of narrative F001)

0001AC P_R_O_D_U_C_T_I_O__Q_U_A_N_T_I_T_Y 175 EA \$ 1_1_,_1_9_0_._1_7_0_0_0 \$ 1_,_9_5_8_,_2_7_9_._7_5

NOUN: M119 HOWITZER M137
FRON: 2C8150221A PRON AMD: 01 ACRN: AB
AMS CD: 32101366022

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__o_f P_e_r_f_o_r_m_a_n_c_e DOC	SUPPL
R_E__C_D_ M_I_L_S_T_R_I_P_ A_D_D__S_I__C_D M_A_R__F_O_R T__C_D 001 W15BW982073345 Y00000 M 3	
D_E__R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_P_A_T_E_ 001 23 30-NOV-2008	
002 48 30-DEC-2008	
003 48 30-JAN-2009	
004 48 28-FEB-2009	
005 8 30-MAR-2009	

FOB 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.

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R__O_R_D_E_R N_U_M_B_E_R
W52H09-05-D-0260/0003

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0003 MOD/AMD 02

Name of Offeror or Contractor: OPTEX SYSTEMS INC

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I_T_E_P_</u> <u>M_I_P_R</u>	<u>A_C_R_N_</u>	OBLG STAT/ <u>Q_O_ O_R_D N_O_</u>	<u>P_R_I_O_R A_M_O_U_N_T</u>	INCREASE/DECREASE <u>A_M_O_U_N_T_</u>	CUMULATIVE <u>A_M_O_U_N_T_</u>
0001AB	M171R213M1 060011	AA	2	\$ 2,238,034.00	\$ -1,958,279.75	\$ 279,754.25
0001AC	2C8150221A 32101366022 A18P30222R2C	AB	2	\$ 0.00	\$ 1,958,279.75	\$ 1,958,279.75

NET CHANGE \$ 0.00

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N_A_M_E</u>	<u>B_Y A_C_R_N</u>	<u>A_C_C_O_ N_T_ C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	<u>S_T_ T_I_O_ A_M_O_U_N_T</u>
Army	AA	97 X4930AC9G 6D 26KB S11116	W52H09 \$ -1,958,279.75
Army	AB	21 82033000085R5R13P32101331E1 S28017	W52H09 \$ 1,958,279.75
NET CHANGE \$			0.00

NET CHANGE FOR AWARD: \$	<u>O_F A_W_A_R_D</u>	<u>A_M_O_U_N_T_</u>	<u>I_N_C_R_E_A_S_E/D_E_C_R_E_A_S_E</u>	<u>C_U_M_U_L_A_T_I_V_E</u>
2,238,034.00		\$	0.00	\$ 2,238,034.00

<u>A_C_R_N_</u>	<u>E_D_ A_C_C_O_U_N_T_I_N_G_ C_L_A_S_S_I_F_I_C_A_T_I_O_N</u>	<u>S_T_ T_I_O_ A_M_O_U_N_T</u>
AA	97 0X0X4930AC9G S11116 76D00000600110000026KB	S11116 W52H09
AB	21 081020330000 S28017 85R5R133210136602231E1	8RM223S28017 W52H09

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code Page 1 Of 6

Firm-Fixed-Price

2. Amendment/Modification No.	3. Effective Date	4. Requisition/Purchase Req No.	5. Project No. (If applicable)
03	2009SEP10	SEE SCHEDULE	

6. Issued By	Code W52H09	7. Administered By (If other than Item 6)	Code	S4402A
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TACOM-ROCK ISLAND CCTA-AR-FA 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 #Q0339
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)	9A. Amendment Of Solicitation No.
OPTEX SYSTEMS INC.	

1420 PRESIDENTIAL DR RICHARDSON, TX 75081-2439	9B. Dated (See Item 11)

X	10A. Modification Of Contract/Order No.
	W52H09-05-D-0260/0003

TYPE BUSINESS: Other Small Business Performing in U.S.	10B. Dated (See Item 13)
--	---------------------------------

Code ^{0B} BK64	Facility Code	2007JUN15
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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: \$8,536.00

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).

X **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, X 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

By _____ /SIGNED/

2009SEP10

(Signature of person authorized to sign)

(Signature of Contracting Officer)

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

PHNSHN W52H09-05-D-0260/0003 MOD/AMD 03

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 \$11,190.17 by \$42.68, for a new unit price of \$11,232.85.
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 (\$11,190.17), and

1001AB (\$42.68) for a total unit price of \$11,232.85 and for CLIN 0001AC, the contractor shall bill against CLIN 0001AC(\$11,190.17), and 1001AB (\$42.68) for a total unit price of \$11,232.85.

4. To date, the total quantity left for delivery for CLIN's 0001AB and 0001AC is 200 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 ***

CONTINUATION SHEET

PIIN/SIIN W52H09-05-D-0260/0003 MOD/AMD 03

Name of Officer or Contractor: OPTEX SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
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SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

0001 NSN: 1240-01-483-6103
 FSCM: 19200
 PART NR: 12984713
 SECURITY CLASS: Unclassified

0001AB P_R_O_D_U_C_T_I_O_ Q_U_A_N_T_I_T_Y 25 EA \$ 11,190.17000 \$ 2,79,754.25

NOUN: TELESCOPE,PANORAMIC
 PRON: M171R213M1 PRON AMD: 02 ACRN: AA
 AMS CD: 060011

P_a_c_k_a_g_i_n_ a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_E_C_D_ M_I_L_S_T_R_I_P_ A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

001 W52H097151H975 W31G12 J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 20 31-MAR-2010

FOB POINT: Destination

SHIP TO:

(W31G12) XR W0L7 ANNISTON MUNITIONS CTR
 TRANS OFFICER 256 235 6837 CL V
 7 FRANKFORD AVE BLDG #380
 ANNISTON AL 36201-4199

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0260/0003

DOC SUPPL R_E_C_D_ M_I_L_S_T_R_I_P_

A_D_D_ S_I_ C_D M_A_R_ F_O_R T_ C_D

002 W52H097151H976 J 1

D_E_R_E_L_ C_D Q_U_A_N_T_I_T_Y _D_E_L_D_A_T_E_

001 5 30-APR-2010

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

C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_ O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0260/0003

CONTINUATION SHEET

PIIN/SIN 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
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0001AC	P_R_O_D_U_C_T_I_O__Q_U_A_N_T_I_T_Y	175	EA	\$ 1_,1_9_0_,1_7_0_0_0	\$ 1_,_9_5_8_,2_7_9_.7_5
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NOUN: M119 HOWITZER M137

PRON: 2C8150221A

PRON AMD: 01 ACRN: AB

AMS CD: 32101366022

P_a_c_k_a_g_i_n__a_n_d M_a_r_k_i_n_g

I_n_s_p_e_c_t_i_o__a_n_d A_c_c_e_p_t_a_n_c_e

INSPECTION: Origin

ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e__o_f F_e_r_f_o_r_m_a_n_c_e DOC SUPPL

R_e__C_D_ M_I_L_S_T_R_I_P_ A_D_D__S_I__C_D M_A_R__F_O_R T__C_D

001	W15BW982073345 Y00000 M	3
-----	-------------------------	---

D_E__R_E_L__C_D Q_U_A_N_T_I_T_Y _D_E_L__D_A_T_E_

001	20	30-APR-2010
002	25	28-MAY-2010
003	25	27-AUG-2010
004	25	30-SEP-2010
005	25	29-OCT-2010
006	25	30-NOV-2010
007	25	31-DEC-2010
008	5	30-JAN-2011

FOB POINT: Destination

SHIP TO:

(Y00000) C_O_N_T_R_A_C_T/_D_E_L_I_V_E_R_Y_O_R_D_E_R N_U_M_B_E_R

W52H09-05-D-0260/0003

SECURITY CLASS: Unclassified

1001

U_N_I_T_P_R_I_C_E I_N_C_R_E_A_S_E

1001AB				\$	8_,_5_3_6_.0_0
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NOUN: PACKAGING FOR PANTELS

PRON: W19ABW35M1

PRON AMD: 01 ACRN: AC

AMS CD: 53459562147

Items shipped on CLIN 0001AB or 0001AC shall also billed against this CLIN 1002AA for 42.68 each up to 200 units

CONTINUATION SHEET

PII/SHI 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
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THIS CLIN IS FOR BILLING PURPOSES ONLY. NO
SEPERATE DELIVERY REQUIRED.

(End of narrative B001)

I_n_s_p_e_c_t_i_o_ a_n_d A_c_c_e_p_t_a_n_c_e
INSPECTION: Origin ACCEPTANCE: Origin

D_e_l_i_v_e_r_i_e_ o_r P_e_r_f_o_r_m_a_n_c_e
DLVR SCH PERF COMPL
R_E_I_C_D_ Q_U_A_N_T_I_T_Y D_A_T_E_
001 0 30-SEP-2011

\$ 8,536.00

CONTINUATION SHEET

PHN/SIN W52H09-05-D-0260/0003

MOD/AMD 03

Name of Offeror or Contractor: OPTEX SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>I T E P</u> <u>M I P R</u>	AC R N	OBLG STAT/ <u>J O</u> <u>O R D N O</u>	P R I O B A M O U N T	INCREASE/DECREASE <u>A M O U N T</u>	CUMULATIVE <u>A M O U N T</u>
1001AB	W19ABW35M1 53459562147	AC	2	\$ 0.00	\$ 8,536.00	\$ 8,536.00
			974W35			
				NET CHANGE	\$ 8,536.00	

SERVICE	NET CHANGE	ACCOUNTING	INCREASE/DECREASE
<u>N A M E</u>	<u>B Y A C R N</u>	<u>A C C O N T C L A S S I F I C A T I O N</u>	<u>S T T I O A M O U N T</u>
Army	AC	21 92035000096D6D02P53459525FB S11116	W52H09 \$ 8,536.00
			NET CHANGE \$ 8,536.00

PRIOR AMOUNT	INCREASE/DECREASE	CUMULATIVE
<u>O F A W A R D</u>	<u>A M O U N T</u>	<u>O B L I G A M T</u>
NET CHANGE FOR AWARD: \$	2,238,034.00	\$ 8,536.00
		\$ 2,246,570.00

AC R N	ED A C C O U N T I N G C L A S S I F I C A T I O N	974W35S11116 W52H09
AC	21 091120350000 S11116 96D6D025345956214725FB	

APPENDIX D
SOLICITATION
RESPONSE

This was an "unsolicited" offer from Optex Systems, Inc. to the customer who in turn, accepted the offer by issuing a contract. Therefore, there was no "Response".

CONTRACT ATTACHED

OPTEX SYSTEMS, INC.

1420 Presidential Dr.

Richardson, TX 75081-2439

Tel (972) 644-0722

Fax (972) 680-0650

optex@optexsys.com

April 29, 2009

General Dynamics Land Systems (GDLS)

Attn: Mary Donohue

38500 Mound Road

Sterling Heights, MI 48310

Subject: Optex Systems Unsolicited Bid for Additional ICWS Units

Dear Ms. Donohue,

In response to the email Danny sent to you on April 16, 2009, Optex Systems, Inc. is pleased to offer the following price breaks for additional ICWS units (P/N 12548774) on an addition to our current contract or a new order placed in the near future.

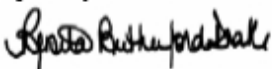
Quantity	Discount	Unit Price
500	2%	\$3,310.57
1000	4%	\$3,243.00
2000	6%	\$3,175.44
2500	8%	\$3,107.88
3000	10%	\$3,040.32

The delivery for these parts will be negotiated at the time of formal request for quote from GDLS

Optex Systems reserves the right to re-negotiate its rates, if circumstances beyond our control (i.e. inflation, supply/demand and supplier costs) drive up material prices 10% or more annually.

Optex Systems Inc. looks forward to growing our relationship with GDLS. Please do not hesitate to contact Renita Rutherford-Drake by phone at 972.644.0722 ext. 148 or email at rrdrake@optexsys.com if you have any questions or need additional information.

Sincerely,
Optex Systems Inc.



Renita Rutherford-Drake
Contract Administrator

Ship To: General Dynamics Land Systems PO Creation Date: **08-JUN-2009 10:03:27**

Bill to: General Dynamics Land Systems Division Revision Date:
1161 Buckeye Road PO Status: **APPROVED**
Lima, OH 45804-1815 Freight Carrier: **REFER TO GDLS ROUTING GUI**
United States Total PO Value: **3,401,907.00**

Payment Terms: MNS2 PO Award Code: **3A**
PO Currency: USD 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: 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	297
G0006 RX00	312
G0006 RY00	192
G0006 RZ00	297

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.

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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

{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
1 12548774	###	PERISCOPE	1049	Each	3243.00	3,401,907.00
		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 and conditions.

MARY DONOHUE

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
						18-FEB-2011			
1	50	0	3243.00	162,150.00					Open
						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 50, 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
						18-MAR-2011			
2	50	0	3243.00	162,150.00					Open
						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 50, 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
						15-APR-2011			
3	50	0	3243.00	162,150.00					Open
						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 50, 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
						13-MAY-2011			
4	50	0	3243.00	162,150.00					Open
						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 50, 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
5	50	0	3243.00	162,150.00		17-JUN-2011			Open

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 50, 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
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15-JUL-2011

6	50	0	3243.00	162,150.00					Open
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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 50, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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12-AUG-2011

7	50	0	3243.00	162,150.00					Open
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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 50, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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16-SEP-2011

8	46	0	3243.00	149,178.00					Open
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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 46, 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
16-SEP-2011									
9	4	0	3243.00	12,972.00					Open
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 4, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS, Contract
Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
14-OCT-2011									
10	50	0	3243.00	162,150.00					Open
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 1, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract
Number W56HZV-06-G-0006, DPAS Rating DOA4
Distribution 2: Qty 49, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-NOV-2011									
11	50	0	3243.00	162,150.00					Open
12:00:00									

SHIP TO TEXT

General Dynamics Land Systems
C/O Menlo Logistics, Inc
2050 N. Sugar Street
Lima, OH 45801-3141

Distribution 1: Qty 39, 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 Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

United States

Distribution 2: Qty 11, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
16-DEC-2011									
12	50	0	3243.00	162,150.00					Open
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 50, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
13-JAN-2012									
13	60	0	3243.00	194,580.00					Open
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 60, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
17-FEB-2012									
14	100	0	3243.00	324,300.00					Open
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 100, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
16-MAR-2012									

15	3	0	3243.00	9,729.00					Open
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12:00:00

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 3, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS, Contract
 Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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16-MAR-2012

16	72	0	3243.00	233,496.00					Open
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12:00:00

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 72, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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16-MAR-2012

17	25	0	3243.00	81,075.00					Open
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12:00:00

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 25, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20-APR-2012

18	79	0	3243.00	256,197.00					Open
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12:00:00

SHIP TO	TEXT
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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.

MARY DONOHUE

C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 1: Qty 16, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4
 Distribution 2: Qty 63, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20-APR-2012

19	21	0	3243.00	68,103.00					Open
						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 21, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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18-MAY-2012

22	43	0	3243.00	139,449.00					Open
						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 43, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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18-MAY-2012

23	32	0	3243.00	103,776.00					Open
						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 32, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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18-MAY-2012

24 25 0 3243.00 81,075.00 Open

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 25, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,

Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

15-JUN-2012

25 39 0 3243.00 126,477.00 Open

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 39, 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 Systems website at

www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

Ship To: General Dynamics Land Systems PO Creation Date: 08-JUN-2009 10:03:27

Bill to: General Dynamics Land Systems Division Revision Date: 23-DEC-2009 13:03:55

1161 Buckeye Road
Lima, OH 45804-1815
United States
Freight Terms: FCA-Seller's Dock (Incoterms 2000)
Freight Carrier: REFER TO GDLS ROUTING GUI
Total PO Value: 6,330,336.00

Payment Terms: NET30 PO Award Code: 3A

PO Currency: USD 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 610 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.

ORACLE REVISION 4 ISSUED 11/25/09 TO UPDATE PAYMENT TERMS TO NET30. *****

ORACLE REVISION 5 ISSUED 12/23/09 TO INCREASE PURCHASE ORDER QUANTITY BY 293 PIECES AT THE SAME UNIT COST. DELIVERIES ADDED TO THE FRONT OF THE PURCHASE ORDER SCHEDULE IN FOUR (4) SHIPMENTS.

Revs. 2 thru 3 created to re-allocate multiple distributions on shipment. Original Purchase Order quantity: 1049 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

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 RV00	700
G0006 RW00	480
G0006 RX00	139
G0006 RY00	120
G0006 RZ00	220

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

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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.

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.

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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.

{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

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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	0	Each	3243.00	0.00
	CONTRACT	MSDS	NOTE TO SUPPLIER		LINE STATUS	CANCEL FLAG
					Closed	Y

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
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

14-JAN-2011

1 80 0 3243.00 0.00 Closed

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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 80, 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

2 70 0 3243.00 0.00 Closed

18-FEB-2011

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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 70, 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

3 70 0 3243.00 0.00 Closed

18-MAR-2011

12:00:00

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

SHIP TO

TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 70, 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
15-APR-2011									
4	70	0	3243.00	0.00					Closed
						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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 70, 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
13-MAY-2011									
5	70	0	3243.00	0.00					Closed
						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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 70, 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
17-JUN-2011									
6	50	0	3243.00	0.00					Closed
						12:00:00			

SHIP TO

TEXT

General Dynamics Land Systems

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation

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					This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation. Distribution 1: Qty 46, 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
16-SEP-2011									
10	4	0	3243.00	0.00					Closed

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					This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation. Distribution 1: Qty 4, 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
14-OCT-2011									
11	60	0	3243.00	0.00					Closed

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					This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation. Distribution 1: Qty 11, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 2: Qty 49, 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
18-NOV-2011									
12	60	0	3243.00	0.00					Closed

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					This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.				
					Distribution 1: Qty 39, Project ABRAMS 2006 PROD BOA, Task RV00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4 Distribution 2: Qty 21, 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
16-DEC-2011									
13	60	0	3243.00	0.00					Closed
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					This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.				
					Distribution 1: Qty 60, 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
13-JAN-2012									
14	80	0	3243.00	0.00					Closed
12:00:00									

SHIP TO					TEXT				
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street					This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.				

Terms and Conditions

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MARY DONOHUE

STANDARD PURCHASE ORDER

Lima, OH 45801-3141
United States

Distribution 1: Qty 80, 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
17-FEB-2012									
15	100	0	3243.00	0.00					Closed
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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 100, 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
16-MAR-2012									
16	3	0	3243.00	0.00					Closed
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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 3, 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
16-MAR-2012									
17	72	0	3243.00	0.00					Closed
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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 72, 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
16-MAR-2012									
18	65	0	3243.00	0.00					Closed
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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 65, 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
20-APR-2012									
19	79	0	3243.00	0.00					Closed
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

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 16, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS, Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

Distribution 2: Qty 63, 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
20-APR-2012									
20	21	0	3243.00	0.00					Closed
12:00:00									

SHIP TO TEXT

General Dynamics Land Systems

This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

reason: Line cancelled due to VPP re-allocation.

Distribution 1: Qty 21, 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
18-MAY-2012									
21	43	0	3243.00	0.00		12:00:00			Closed

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
 reason: Line cancelled due to VPP re-allocation.**

Distribution 1: Qty 43, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-MAY-2012									
22	32	0	3243.00	0.00		12:00:00			Closed

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
 reason: Line cancelled due to VPP re-allocation.**

Distribution 1: Qty 32, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-MAY-2012									
23	25	0	3243.00	0.00		12:00:00			Closed

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
 reason: Line cancelled due to VPP re-allocation.**

United States

Distribution 1: Qty 25, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
15-JUN-2012									
24	39	0	3243.00	0.00					Closed
						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

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
reason: Line cancelled due to VPP re-allocation.**

Distribution 1: Qty 39, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
30-JUL-2012									
25	50	0	3243.00	0.00					Closed
						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

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
reason: Line cancelled due to VPP re-allocation.**

Distribution 1: Qty 50, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
31-AUG-2012									
26	70	0	3243.00	0.00					Closed
						12:00:00			

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.

MARY DONOHUE

STANDARD PURCHASE ORDER

General Dynamics Land Systems
C/O Menlo Logistics, Inc
2050 N. Sugar Street
Lima, OH 45801-3141
United States

This shipment was cancelled on 05-NOV-2009 07:06:19.
reason: Line cancelled due to VPP re-allocation.

Cancellation

Distribution 1: Qty 70, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						28-SEP-2012			
27	70	0	3243.00	0.00			12:00:00		Closed

SHIP TO TEXT

General Dynamics Land Systems
C/O Menlo Logistics, Inc
2050 N. Sugar Street
Lima, OH 45801-3141
United States

This shipment was cancelled on 05-NOV-2009 07:06:19.
reason: Line cancelled due to VPP re-allocation.

Cancellation

Distribution 1: Qty 70, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						31-OCT-2012			
28	40	0	3243.00	0.00			00:00:00		Closed

SHIP TO TEXT

General Dynamics Land Systems
C/O Menlo Logistics, Inc
2050 N. Sugar Street
Lima, OH 45801-3141
United States

This shipment was cancelled on 05-NOV-2009 07:06:19.
reason: Line cancelled due to VPP re-allocation.

Cancellation

Distribution 1: Qty 40, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						30-NOV-2012			
29	40	0	3243.00	0.00			12:00:00		Closed

SHIP TO TEXT

General Dynamics Land Systems
C/O Menlo Logistics, Inc
2050 N. Sugar Street

This shipment was cancelled on 05-NOV-2009 07:06:19.
reason: Line cancelled due to VPP re-allocation.

Cancellation

Lima, OH 45801-3141

United States

Distribution 1: Qty 40, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						07-JAN-2013			
30	40	0	3243.00	0.00					Closed
						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

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
reason: Line cancelled due to VPP re-allocation.**

Distribution 1: Qty 40, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						08-FEB-2013			
31	30	0	3243.00	0.00					Closed
						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

**This shipment was cancelled on 05-NOV-2009 07:06:19. Cancellation
reason: Line cancelled due to VPP re-allocation.**

Distribution 1: Qty 30, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

LINE PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
2 12548774		PERISCOPE	1952	Each	3243.00	6,330,336.00

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

CONTRACT	MSDS	NOTE TO SUPPLIER	LINE STATUS	CANCEL FLAG
			Open	N

QA CLAUSE / ITEM TEXT:

- ADDITIONAL PROCUREMENT DATA: NONE
- 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

- 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
						03-DEC-2010			
1	75	0	3243.00	243,225.00					Open
						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 75, Project ABRAM SPARES BOA 07-12, Task FDMPNONWBS,
 Contract Number W52H09-07-G-0001, DPAS Rating DOA5

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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05-JAN-2011

2 75 0 3243.00 243,225.00 Open

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 75, Project ABRAM SPARES BOA 07-12, Task FDMPNONWBS,
Contract Number W52H09-07-G-0001, DPAS Rating DOA5

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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14-JAN-2011

3 80 0 3243.00 259,440.00 Open

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 80, 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
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04-FEB-2011

4 85 0 3243.00 275,655.00 Open

12:00:00

SHIP TO TEXT

General Dynamics Land Systems

C/O Menlo Logistics, Inc

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

2050 N. Sugar Street
Lima, OH 45801-3141
United States

Distribution 1: Qty 85, Project ABRAM SPARES BOA 07-12, Task FDMPPNONWBS,
Contract Number W52H09-07-G-0001, DPAS Rating DOA5

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-FEB-2011									
5	70	0	3243.00	227,010.00		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 70, 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
04-MAR-2011									
6	58	0	3243.00	188,094.00		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 58, Project ABRAM SPARES BOA 07-12, Task FDMPPNONWBS,
Contract Number W52H09-07-G-0001, DPAS Rating DOA5

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-MAR-2011									
7	70	0	3243.00	227,010.00		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 70, 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
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15-APR-2011

8 70 0 3243.00 227,010.00 Open

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 70, 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
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13-MAY-2011

9 70 0 3243.00 227,010.00 Open

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 70, 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
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17-JUN-2011

10 50 0 3243.00 162,150.00 Open

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 50, 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
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15-JUL-2011

11 50 0 3243.00 162,150.00 Open

12:00:00

SHIP TO TEXT

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
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 1: Qty 50, 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
12-AUG-2011									
12	70	0	3243.00	227,010.00					Open
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 70, 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
16-SEP-2011									
13	46	0	3243.00	149,178.00					Open
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 46, 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
16-SEP-2011									
14	4	0	3243.00	12,972.00					Open
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 4, 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
14-OCT-2011									
15	11	0	3243.00	35,673.00					Open
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 11, 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
14-OCT-2011									
16	49	0	3243.00	158,907.00					Open
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 49, 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
18-NOV-2011									
17	39	0	3243.00	126,477.00					Open
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 39, 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
18	21	0	3243.00	68,103.00		18-NOV-2011			Open

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 21, 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
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16-DEC-2011

19	60	0	3243.00	194,580.00					Open
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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 60, 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
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13-JAN-2012

20	80	0	3243.00	259,440.00					Open
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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 80, 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
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17-FEB-2012

21	100	0	3243.00	324,300.00					Open
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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 100, 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
16-MAR-2012									
22	3	0	3243.00	9,729.00					Open
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 3, 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
16-MAR-2012									
23	72	0	3243.00	233,496.00					Open
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 72, 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
16-MAR-2012									
24	65	0	3243.00	210,795.00					Open
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 65, Project ABRAMS 2006 PROD BOA, Task RW00NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

STANDARD PURCHASE ORDER

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20-APR-2012

25	16	0	3243.00	51,888.00		12:00:00			Open
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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 16, 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
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20-APR-2012

26	63	0	3243.00	204,309.00		12:00:00			Open
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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 63, 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
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20-APR-2012

27	21	0	3243.00	68,103.00		12:00:00			Open
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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 21, 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
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18-MAY-2012

28	43	0	3243.00	139,449.00		12:00:00			Open
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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 43, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-MAY-2012									
29	32	0	3243.00	103,776.00		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 32, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
18-MAY-2012									
30	25	0	3243.00	81,075.00		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 25, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
15-JUN-2012									
31	39	0	3243.00	126,477.00		12:00:00			Open

SHIP TO

TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street

Distribution 1: Qty 39, Project ABRAMS 2006 PROD BOA, Task RX00NONWBS,

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

Lima, OH 45801-3141
 United States

Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
30-JUL-2012									
32	50	0	3243.00	162,150.00		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 50, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
31-AUG-2012									
33	70	0	3243.00	227,010.00		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 70, Project ABRAMS 2006 PROD BOA, Task RY00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
28-SEP-2012									
34	70	0	3243.00	227,010.00		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 70, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

31-OCT-2012

35	40	0	3243.00	129,720.00					Open
						00:00:00			
			SHIP TO		TEXT				
General Dynamics Land Systems									
C/O Menlo Logistics, Inc									
2050 N. Sugar Street					Distribution 1: Qty 40, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,				
Lima, OH 45801-3141					Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
United States									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

30-NOV-2012

36	40	0	3243.00	129,720.00					Open
						12:00:00			
			SHIP TO		TEXT				
General Dynamics Land Systems									
C/O Menlo Logistics, Inc									
2050 N. Sugar Street					Distribution 1: Qty 40, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,				
Lima, OH 45801-3141					Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
United States									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

07-JAN-2013

37	40	0	3243.00	129,720.00					Open
						12:00:00			
			SHIP TO		TEXT				
General Dynamics Land Systems									
C/O Menlo Logistics, Inc									
2050 N. Sugar Street					Distribution 1: Qty 40, Project ABRAMS 2006 PROD BOA, Task RZ00NONWBS,				
Lima, OH 45801-3141					Contract Number W56HZV-06-G-0006, DPAS Rating DOA4				
United States									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

08-FEB-2013

38	30	0	3243.00	97,290.00					Open
						12:00:00			
			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.

MARY DONOHUE

C/O Menlo Logistics, Inc
2050 N. Sugar Street
Lima, OH 45801-3141
United States

Distribution 1: Qty 30, 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 Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

APPENENDIX E

SOLICITATION

This customer has changed their Material Requirements Planning (MRP) system and no longer has the Solicitation on record. Again, since the critical data of the solicitation was captured in the contract, it was discarded.

RESPONSE

The response to this bid proposal is not available to Optex Systems, Inc. It was prepared by the original owners of Optex (two companies ago) and was not filed with the other contract information. It is assumed that since the critical information of the response was captured in the contract, that the previous owners discarded these documents.

CONTRACT ATTACHED

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

SHIP TO: GENERAL DYNAMICS

RICHARDSON TX 75081

LAND SYSTEMS DIVISION
LIMA FACILITY
1161 BUCKEYE RD
LIMA OH 45804-1815

6i5C.

SUPPLIER NO: 23230 CATEGORY: S N

INVOICE TO: GENERAL DYNAMICS

SHIP VIA: TRUCK CRC2A

LAND SYSTEMS DIVISION

F.O.B.: RICHARDSON TX

ACCOUNTING DEPARTMENT

TERMS: NET 30 DAYS

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: 1930 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.

AIJL 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

GENERAL DYNAMICS 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.: PBAO20000; RELEASES; PBAO20001, PBAO20002, 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:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

EMAIL: SCHNEIDJ@GDLS.COM

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. (P52) 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 ENIGINEERING 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: EXPEDITOR: E003 SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

--

DATE: 04/02/2007 ORDER NO: PCL860000

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 MAYBE 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 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, BUYER:

EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: SCHNEIDJ@GDLS.COM

ORDER NO: PCL860000
PAGE 4 OF

DATE: 04/02/2007

. ORDER NO: PCL860000

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 FEDEL 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. ST LUMBER IS LUMBER THAT HAS BEEN HEATED TO 56 DEGREES

BUYER: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

PAGE 5 OF

BLANKET ORDER

DATE: 04/02/2007

ORDER NO: PCL860000

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
GNOO1 RKO0	10
G0006 RNO0	480
G0006 RPO0	960
G0006 RST3	480

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	1930	12548774	\$3499.86 EA	\$6754729.80
		PERISCOPE ASSEMBLY		
		TOTAL BLANKET LIMIT		\$6,754,729.80

1. ADDITIONAL PROCUREMENT DATA: NONE
2. DRWG REV G, DATED 07/26/04 WITH 0D1993-C021, 0D1995-L008

** QUALITY REQUIREMENTS:

BUYER: _____ EXPEDITOR: E003
 _____ SUPPLIER NO: 23230
 JULIE M. SCHNEIDER BUYER:E003
 P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
 EMAIL: SCHNEIDJ@GDLS.COM PAGE 6 OF
 GENERAL DYNAMICS BLANKET ORDER

DATE: 04/02/2007 ORDER NO: PCL860000

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 = 0 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	RNOO --			
G0006	RPOO			
G0006	RST3			

BUYER: .

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS .COM

GENERAL

DYNAMICS

ORDER NO: PCL8 60000

PAGE 7 OF

BLANKET ORDER

DATE: 04/02/2007

ORDER NO: PCL8 60000

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

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS.COM

ORDER NO: PCL860000

PAGE 8 OF 8

Verified at: 9:43:20 AM on: 4/2/2007

by Domino Process

ORIGINATOR: JULIE M SCHNEIDER

NUMBER: 9726800650

MESSAGE: B003 PCL860000

GENERAL DYNAMICS

BLANKET ORDER

DATE: 04/11/2007

ORDER NO: PCL8 60000

SUPPL.DATE: 04/11/2007

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:

GENERAL DYNAMICS

SHIP VIA: TRUCK CRC2A

LAND SYSTEMS DIVISION

F.O.B.: RICHARDSON TX

ACCOUNTING DEPARTMENT

TERMS: NET 30 DAYS

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: 1930 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

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: 04/11/2007
SUPPL.DATE: 04/11/2007

ORDER NO: PCL860000
SUPPL.NO: 001

SUBMISSION OF PRICE PROPOSAL
AUDIT
COMMENCE NEGOTIATIONS
TARGET DATE FOR PRICE DEFINITIZATION

COMPLETE
6/11/2007
7/11/2007
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.: PBAO20000; RELEASES; PBAO20001, PBAO20002, ETC.) {BPL} VALUE ENGINEERING INCENTIVE IN ACCORDANCE WITH FAR52.248 -1 (INSTANT CONTRACT SAVING ONLY) APPLIES. SELLERTS 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 NATJONAL 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
P:586-825-8756 F:586-268-7437
EMAIL: SCHNEIDJ@GDLS.COM

ORDER NO: PCL860000
PAGE 2 OF

DATE: 04/11/2007

ORDER NO: PCL860000

SUPPL.DATE: 04/11/2007

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. (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: EXPEDITOR: E003 SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003 ORDER NO: PCL860000 P:586-825-8756 F:586-268-7437 PAGE 3 OF EMAIL: SCHNEIDJ@GDLS.COM GENERAL DYNAMICS BLANKET ORDER

DATE: 04/11/2007
SUPPL.DATE: 04/11/2007

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: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

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SUPPL.NO: 001

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 FEDEL 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-

BUYER: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: SCHNEIDJ@GDLS.COM PAGE 5 OF
GENERAL DYNAMICS BLANKET ORDER

DATE: 04/11/2007

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SUPPL.DATE: 04/11/2007 SUPPL.NO: 001

REQUISITE FOR MAKING OR ENTERING INTO TILLS 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-I ARE
AUTHORIZED FOR THE CONTRACTS AND QUANTITIES LISTED BELOW:

CONTRACT NO.		QUANTITY
GNO01	RKOO	10
G0006	RNOO	480
G0006	RPOO	960
G0006	RST3	480

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: EXPEDITOR: E003
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JULIE M. SCHNEIDER BUYER:B003

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GENERAL

DYNAMICS

ORDER NO: PCL860000

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AND MATERIAL FINANCE. FAILURE TO SUBMIT SCHEDULES
 OR SUBSTANTIAL DEVIATIONS TO THE SCHEDULE,
 AND QUANTITIES LISTED ABOVE WILL DELAY PAYMENT.
 QUANTITIES LISTED ABOVE ARE ELIGIBLE FOR PROGRESS
 INVOICES FOR PROGRESS PAYMENTS MUST BE SUPPORTED
 SF1443 FOR EACH CONTRACT.

PROMPTLY
 FOR ALL CONTRACTS
 ONLY THOSE
 PAYMENTS.
 BY AN

{PP4}

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.	EXT.PRICE
0001	1930	12548774	\$3499.86	EA	\$6754729.80
		PERISCOPE ASSEMBLY			
		TOTAL BLANKET	LIMIT		\$6,754,729.80

1. ADDITIONAL PROCUREMENT DATA: NONE
2. DRWG REV G, DATED 07/26/04 WITH 0D1993-C021, 0D1995-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 = 0 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)

BUYER: EXPEDITOR: E003
 SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
 P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
 EMAIL: SCHNEIDJ@GDLS.COM PAGE 7 OF
 GENERAL DYNAMICS BLANKET ORDER

DATE: 04/11/2007 ORDER NO: PCL860000
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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	RNOO --		
G0006	RPOO		
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 ONDOCK" 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

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: SCHNEIDJ@GDLS.COM PAGE 8 OF 8

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
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

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS.COM

ORDER NO: PCL860000

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ORIGINATOR: JULIE M SCHNEIDER

NUMBER: 9726800650

MESSAGE: B003 PCL860000

GENERAL

DYNAMICS

BLANKET ORDER

DATE: 04/17/2007

ORDER NO: PCL860000

SUPPL.DATE: 04/17/2007

SUPPL.NO: 002

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

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: GENERAL DYNAMICS
SHIP VIA: TRUCK CRC2A LAND SYSTEMS DIVISION
F.O.B.: RICHARDSON TX ACCOUNTING DEPARTMENT
TERMS: NET 30 DAYS 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: 1930 PCS

SUPPLEMENT 002 ISSUED 04/17/07 TO INCREASE ORDER BY 17 PCS AT CURRENT UNIT PRICE. REF 5B0128225. 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

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

EMAIL: SCHNEIDJ@GDLS.COM
GENERAL DYNAMICS

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BLANKET ORDER

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ORDER NO: PCL860000
SUPPL.NO: 002

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 SEQUENTIALL.Y INCREASED BY ONE FOR EACH
RELEASE, (IE: BLANKET P.O. NO.: PBAO20000; RELEASES;
PBAO20001, PBAO20002, 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

VerifiedJULIE M.at: SCHNEIDER3:22:16 PMBUYER:B003on:

4/11/2007 by Domino Process
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: SCHNEIDJ@GDLS.COM PAGE 2 OF

DATE: 04/17/2007

ORDER NO: PCL860000

SUPPL.DATE: 04/17/2007

SUPPL.NO: 002

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

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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: .

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

VerifiedP:586-825-8756at: 3:22:16F:586-268-7437PM on: 4/11/2007 by

Domino

ProcessORDER

NO: PCL860000

DATE: 04/17/2007

ORDER NO: PCL860000

SUPPL.DATE: 04/17/2007

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THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENIGINEERING 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: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
VerifiedEMAIL: SCHNEIDJ@GDLS.at: 3:22:16 PMCOMon: 4/11/2007 by Domino ProcessPAGE 4 OF
GENERAL DYNAMICS BLANKET ORDER

DATE: 04/17/2007
SUPPL.DATE: 04/17/2007

ORDER NO: PCL860000
SUPPL.NO: 002

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:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

EMAIL: SCHNEIDJ@GDLS.COM

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Verified at: 3:22:16 PM on:GENERAL4/11/2007DYNAMICSby Domino

ProcessBLANKET ORDER

DATE: 04/17/2007

ORDER NO: PCL860000

SUPPL.DATE: 04/17/2007 SUPPL.NO: 002

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 ANACCREDITED 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
GNOO1 RKO0	10
G0006 RNO0	480
G0006 RPO0	960 /
G0006 RST3	480

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: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
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GENERAL DYNAMICS

ORDER NO: PCL860000
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DATE: 04/17/2007 ORDgR NO: PCL860000
SUPPL.DATE: 04/17/2007 SUPPL.NO: 002

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	1947 12548774	PERISCOPE ASSEMBLY	\$3499.86	EA	\$6814227.42
TOTAL BLANKET			LIMIT		\$6,814227.42

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)

QG5.2	(04/18/00)	C = 0 SPLING 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)	

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

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GENERAL DYNAMICS

ORDER NO: PCL860000

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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	RNOO --			
G0006	RPOO			
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 APPROXITELY 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}

BUYER: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: SCHNEIDJ@GDLS.COM PAGE 8 OF 8

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Verified at: 11:03:38 AM on: 4/17/2007 by Domino Process

ORIGINATOR: JULIE M SCHNEIDER

NUMBER: 9726800650

MESSAGE: B003 PCL860000

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

GENERAL DYNAMICS

BLANKET ORDER

DATE: 06/26/2007

ORDER NO: PCL860000

SUPPL.DATE: 06/26/2007

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

SUPPLIER NO: 23230

CATEGORY: S N

INVOICE TO: GENERAL DYNAMICS

SHIP VIA: TRUCK

CRC2A

LAND SYSTEMS DIVISION

F.O.B.: RICHARDSON TX

ACCOUNTING DEPARTMENT

TERMS: NET 30 DAYS

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: 1930 PCS

SUPPLEMENT 003 ISSUED 6-26-07 TO INCREASE ORDER B 358 PCS T THE CURRENT UNIT PRICE. THESE ARE PART OF THE NTE AGR
MENT AND ARE SUBJECT TO DOWNWARD PRICE ADJUSTMENT.

SUPPLEMENT 002 ISSUED 04/17/07 TO INCREASE ORDER BY 17 PCS AT CURRENT UNIT PRICE. REF SB0128225. THIS PRICE IS
PART OF THE NTE ORDER AND IS SUBJECT TO DOWNWARD PRICE ADJUSMENT 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

F:586-825-8756 F:586-268-7437

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GENERAL

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SUPPL.DATE: 06/26/2007

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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.: PBAO20000; RELEASES; PBAO20001, PBAO20002, 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

VerifiedJULIE M.at: SCHNEIDER3:22:16 PMBUYER:B003on:

4/11/2007

by Domino Process

P:586-825-8756 F:586-268-7437

ORDER

NO: PCL860000

EMAIL: SCHNEIDJ@GDLS.COM

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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. (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:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. SCHNEIDER

BUYER:B003

VerifiedP:586-825-8756at: 3:22:16F:586-268-7437PM on: 4/11/2007 by

Domino

EMAIL: SCHNEIDJ@GDLS.COM

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THE UNIT PRICE SHALL BE ADJUSTED EITHER UPWARD OR DOWNWARD AS REQUIRED AS THE RESULT OF ANY ENIGINEERING 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: _____ EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

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VerifiedEMAIL: at:SCHNEIDJ@GDLS.3:22:16 PM COM on: 4/11/2007 by Domino

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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-

BUYER:

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DATE: 06/26/2007

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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 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
GNO01 RKO0	10
G0006 RNO0	480
G0006 RPO0	960
G0006 RST3	480

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:

EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

DATE: 06/26/2007

SUPPL.DATE: 06/26/2007

ORDER NO: PCL860000

PAGE 6 OF

BLANKET ORDER

ORDER NO: PCL860000

SUPPL.NO: 003

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	2305	12548774	\$3499.86	EA	\$8067177.30
		PERISCOPE ASSEMBLY			
		TOTAL BLANKET LIMIT			\$8,067,177.30

1. ADDITIONAL PROCUREMENT DATA: NONE
2. DRWG REV G, DATED 07/26/04 WITH 0D1993-C021, 0D1995-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 = 0 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)

BUYER: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. SCHNEIDER BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: SCHNEIDJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

PAGE 7 OF

BLANKET ORDER

VerifiedDATE: 06/26/2007at: 3:22:16 PM on: 4/11/2007 by Domino ProcessORDER NO: PCL860000

SUPPL.DATE: 06/26/2007 SUPPL.NO: 003

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	RNOO --			
G0006	RPOO			
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

JULIE M. SCHNEIDER BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: SCHNEIDJ@GDLS .COM PAGE 80F 8

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Verified at: 7:45:49 AM on: 6/26/2007 by Domino Process

Verified at: 3:22:16 PM on: 4/11/2007 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: 1930 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 \$3499.86 TO FFP OF \$3378.13. 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 358 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 17 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

Verified at: HAVE THE 3:22:16 SAME ORDER NUMBER AS THE BLANKET PURCHASE ORDER, PM on: 4/11/2007 by Domino Process

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM
GENERAL DYNAMICS

ORDER NO: PCL860000
PAGE 1 OF
BLANKET ORDER

DATE: 02/08/2008
SUPPL.DATE: 02/08/2008

ORDER NO: PCL860000
SUPPL.NO: 004

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.

Verified NOTIFICATION at: 3:22:16 BY PM GDLS on: WILL 4/11/2007 BE
RELEASED by Domino NO Process LATER THAN 60 DAYS PRIOR
TO THE DELIVERY DATE IMPACTED. (SAC)

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: ADAMSONJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

PAGE 2 OF

BLANKET ORDER

DATE: 02/08/2008

ORDER NO: PCL860000

SUPPL.DATE: 02/08/2008

SUPPL.NO: 004

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

Verified at: STATE DEPARTMENT 3:22:16 PM on: EXPORT LICENSE WILL BE REQUESTED BY THE4/11/2007 by Domino Process 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:

EXPEDITOR: E003

SUPPLIER NO: 23230

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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BLANKET ORDER

DATE: 02/08/2008

ORDER NO: PCL860000

SUPPL.DATE: 02/08/2008

SUPPL.NO: 004

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: Verified at:NO FEDERAL APPROPRIATED FUNDS HAVE BEEN PAID OR WILL 3:22:16 PM on: 4/11/2007 by Domino Process 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,

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: ADAMSONJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

PAGE 4 OF

BLANKET ORDER

DATE: 02/08/2008

ORDER NO: PCL860000

SUPPL.DATE: 02/08/2008

SUPPL.NO: 004

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

Verified TO INSURE THE at: 3:22:16 WOOD IS BUG FREE. PM on: 4/11/2007 by MATERIAL SHALL BE HEAT TREATED (HT) Domino Process 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:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

EMAIL: ADAMSONJ@GDLS.COM

PAGE 5 OF

GENERAL DYNAMICS

BLANKET ORDER

DATE: 02/08/2008

ORDER NO: PCL860000

SUPPL.DATE: 02/08/2008

SUPPL.NO: 004

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](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	2305	12548774	\$3499.86	EA
			\$8067177.30	
		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](http://www.gdls.com) UNDER THE PROCUREMENT BUTTON.

{WEB}

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

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)

BUYER: EXPEDITOR: E003
 SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003
 P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
 EMAIL: ADAMSONJ@GDLS.COM PAGE 6 OF
 GENERAL DYNAMICS BLANKET ORDER
 DATE: 02/08/2008 ORDER NO: PCL860000
 SUPPL.DATE: 02/08/2008 SUPPL.NO: 004

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 ANS1/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
 at: PER 3:22:16 YEAR 4/11/2007 PIECES STARTING by Domino
 Verified IS^{PM} 1927 on: JANUARY Process 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

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: ADAMSONJ@GDLS.COM PAGE 7 OF 7

~~*~*~*~*~*~*~*~*

Verified at: 8:45:35 AM on: 2/8/2008 by Domino Process

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Verified at: 3:22:16 PM on: 4/11/2007 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: 1930 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 \$3499.86 TO FFP OF
\$3378.13. 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 358 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 17 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
Verified at: CONFIRM 3:22:16 PM THE SHIPPING on: 4/11/2007 SCHEDULE by Domino
FOR THIS Process ORDER.

THAT WILL
ALL SHIPMENTS

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM
GENERAL DYNAMICS

ORDER NO: PCL860000
PAGE 1 OF
BLANKET ORDER

DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

ORDER NO: PCL860000
SUPPL.NO: 005

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}

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: ADAMSONJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

PAGE 2 OF

BLANKET ORDER

DATE: 03/20/2008

ORDER NO: PCL860000

SUPPL.DATE: 03/20/2008

SUPPL.NO: 005

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.

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

TECHNICAL DATA FURNISHED BY BUYER TO SELLER, IN ORDER TO

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

EMAIL: ADAMSONJ@GDLS.COM

GENERAL DYNAMICS

ORDER NO: PCL860000

PAGE 3 OF

BLANKET ORDER

DATE: 03/20/2008

ORDER NO: PCL860000

SUPPL.DATE: 03/20/2008

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. 3:22:16 PM on: 4/11/2007 by Domino Process {ELR}

BYRD AMENDMENT CLAUSE

THE UNDERSIGNED CERTIFIES, TO THE BEST OF HIS OR HER KNOWLEDGE AND BELIEF, THAT:

BUYER: _____ EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: ADAMSONJ@GDLS.COM PAGE 4 OF
GENERAL DYNAMICS BLANKET ORDER

DATE: 03/20/2008 ORDER NO: PCL860000
SUPPL.DATE: 03/20/2008 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 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-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: EXPEDITOR: E003
SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437 ORDER NO: PCL860000
EMAIL: ADAMSONJ@GDLS.COM PAGE 5 OF
GENERAL DYNAMICS BLANKET ORDER

DATE: 03/20/2008 ORDER NO: PCL860000
SUPPL.DATE: 03/20/2008 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	2305	12548774	\$3378.13	EA
			\$7786589.65	
		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

Verified** QUALITY REQUIREMENTS: at: 3:22:16 PM on: 4/11/2007 by Domino Process 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

BUYER: EXPEDITOR: E003
SUPPLIER NO: 23230

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EMAIL: ADAMSONJ@GDLS.COM
GENERAL DYNAMICS

ORDER NO: PCL860000
PAGE 6 OF
BLANKET ORDER
ORDER NO: PCL860000
SUPPL.NO: 005

DATE: 03/20/2008
SUPPL.DATE: 03/20/2008

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 PM			

Verified at: 3:22:16 on: 4/11/2007 RST3 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.

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

EMAIL: ADAMSONJ@GDLS.COM

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GENERAL DYNAMICS

BLANKET ORDER

DATE: 03/20/2008

ORDER NO: PCL860000

SUPPL.DATE: 03/20/2008

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
MENTS WITH AS LITTLE AS SEVEN (7) DAYS NOTICE.

REQUIRE-
{TQR}

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860000

EMAIL: ADAMSONJ@GDLS.COM

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~~*~*~*~*~*~*~*~*

Verified at: 1:32:26 PM on: 3/20/2008 by Domino Process

~~*~*~*~*~*~*~*~*

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

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

INVOICE TO: GENERAL DYNAMICS

SHIP VIA: TRUCK

CRC2A

LAND SYSTEMS DIVISION

F.O.B.: RICHARDSON TX

ACCOUNTING DEPARTMENT

TERMS: NET 30 DAYS

1161 BUCKEYE ROAD

LIMA OH 45804-1815

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F UM-REV.	EXT.PRICE
0001	1930	12548774	\$3499.86 EA	\$6754729.80

PERISCOPE ASSEMBLY

DELIVERY SCHEDULE:

CONTRACT:

DATE	ORIG PROM	QUANTITY	ALIAS	SEG	WBS
712/20/2007		72	G0086	RNOO	
o N 12/20/2007		12	GNO01	RKOO	
12/20/2007		36	G0006	RST3	
-01/20/2008		120	G0006	RST3	
02/20/2008		120	G0006	RST3	
03/20/2008		120	G0006	RST3	
r 04/20/2008		36	G0006	RNOO	
04/20/2008		84	G0006	RST3	
05/20/2008		120	G0006	RNOO	
06/20/2008		120	G0006	RNOO	
07/20/2008		120	G0006	RNOO	
A/08/20/2008		12	G0006	RNOO	
l 12- 08/20/2008		108	G0006	RPOO	
09/20/2008		120	G0006	RPOO	
10/20/2008		120	G0006	RPOO	
01/20/2009		120	G0006	RPOO	
02/20/2009		120	G0006	RPOO	
03/20/2009		120	G0006	RPOO	
04/20/2009		120	G0006	RPOO	
05/20/2009		130	G0006	RPOO	

CONTRACT	SEG	PRIORITY	ACCUMULATIVE
		RATING	QUANTITY
DAAEO7-01-G-N001	RKOO	DXA4	12.000
W56HZV-06-G-0006	RNOO	NONE	480.000
W56HZV-06-G-0006	RPOO	NONE	958.000
W56HZV-06-G-0006	RST3	DOA4	480.000

BUYER:

EXPEDITOR: E003

JULIE M. SCHNEIDER BUYER:B003

P: 586-825-8756 F: 586-268-7437

ORDER NO: PCL860001

Verified at: 3:22:16 PM on: 4/11/2007

by Domino Process

EMAIL: SCHNEIDJ@GDLS.COM

PAGE 1 OF

GENERAL DYNAMICS 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:

EXPEDITOR: E003

SUPPLIER NO: 23230

Verified JULIE M. at SCHNEIDER3:22:16 PM BUYER:B003 on:

4/11/2007

by Domino Process

P:586-825-8756 F:586-268-7437

ORDER

NO: PCL860001

EMAIL: SCHNEIDJ@GDLS.COM

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
SHIP VIA: TRUCK
F.O.B.: RICHARDSON TX
TERMS: NET 30 DAYS

CATEGORY: S N
CRC2A
INVOICE TO: 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 301 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 1937 PCS. PLEASE NOTE DELIVERY SCHEDULE AND QTY CHANGES.

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
0001	4168	12548774	\$3378.13	EA
\$14080045.84				
PERISCOPE ASSEMBLY				

SUPPLEMENT 001 TO THIS RELEASE CHANGES THE UNIT PRICE FROM 3499.86 EA TO THE NEGOTIATED PRICE OF 3378.13 EACH. THIS IS NO LONGER AN NTE ORDER, IT HAS BEEN CHANGED TO FFP.

DELIVERY SCHEDULE:

CONTRACT:

DATE	ORIG PROM	QUANTITY	ALIAS	SEG WBS
01/18/2008		25	G0006	RN00
01/25/2008		25	G0006	RN00
02/01/2008		23	G0006	RL00
02/01/2008		22	G0006	RN00
02/08/2008		5	G0006	RL00
02/08/2008		3	2G0009	SK73
02/08/2008		32	G0006	RST3
02/15/2008		40	G0006	RST3
02/22/2008		25	G0006	RST3
Verified 02/29/2008 at: 3:22:16 PM on: 4/11/2007 40 by Domino G0006 ^{Process} RST3				
03/07/2008		40	G0006	RST3
03/14/2008		40	G0006	RST3

03/21/2008 40 G0006 RST3

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER:B003
P:586-825-8756 F:586-268-7437
EMAIL: ADAMSONJ@GDLS.COM
GENERAL DYNAMICS
ORDER

ORDER NO: PCL860001
PAGE 1 OF
RELEASE TO BLANKET

DATE: 04/30/2008
SUPPL.DATE: 04/30/2008

ORDER NO: PCL860001
SUPPL.NO: 004

03/28/2008	36	G0006	RN00
03/28/2008	3	2G0009	SK73
03/28/2008	40	G0006	RST3
04/05/2008	40	G0006	RN00
04/05/2008	15	G0006	RST3
04/08/2008	29	2G0009	SK73
04/12/2008	50	G0006	RN00
04/12/2008	30	2G0009	SK73
04/19/2008	80	G0006	RN00
04/26/2008	80	G0006	RN00
05/03/2008	50	G0006	RN00
05/03/2008	30	2G0009	SK73
05/10/2008	50	G0006	RN00
05/10/2008	30	2G0009	SK73
05/17/2008	22	G0006	RN00
05/17/2008	58	G0006	RST3
05/24/2008	50	7G0001	FB01
05/24/2008	18	2G0009	SK73
05/24/2008	12	G0006	RST3
06/01/2008	68	G0006	RP00
06/01/2008	12	2G0009	SK73
06/08/2008	80	G0006	RP00
06/15/2008	58	G0006	RST3
06/15/2008	22	G0006	RP00
06/22/2008	20	G0006	RP00
06/22/2008	60	2G0009	SK73
06/29/2008	80	G0006	RP00
07/15/2008	20	G0006	RP00
07/15/2008	60	2G0009	SK73
07/22/2008	40	G0006	RL00
07/29/2008	22	G0006	RP00
07/29/2008	18	G0006	RL00
08/07/2008	40	G0006	RP00
08/14/2008	40	G0006	RST3
08/21/2008	40	G0006	RP00
08/28/2008	40	G0006	RP00
09/05/2008	40	G0006	RP00
09/18/2008	40	G0006	RP00
Verified 09/25/2008 at: 3:22:16 PM on: 4/11/2007	40	by Domino G0006 ^{Process}	RP00
10/02/2008	40	G0006	RP00
10/09/2008	40	G0006	RP00

10/16/2008	40	G0006	RP00
10/23/2008	40	G0006	RP00
10/30/2008	40	G0006	RP00
11/07/2008	40	G0006	RP00

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON

BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860001

EMAIL: ADAMSONJ@GDLS.COM

PAGE 2 OF

GENERAL DYNAMICS

RELEASE TO BLANKET

ORDER

DATE: 04/30/2008

ORDER NO: PCL860001

SUPPL.DATE: 04/30/2008

SUPPL.NO: 004

11/14/2008	28	G0006	RP00
11/21/2008	40	G0006	RP00
12/21/2008	62	G0006	RST3
02/20/2009	56	G0006	RP00
03/20/2009	35	G0006	RQ00
04/20/2009	72	G0006	RQ00
05/20/2009	64	G0006	RQ00
06/20/2009	64	G0006	RQ00
07/20/2009	64	G0006	RQ00
08/20/2009	24	G0006	RQ00
08/20/2009	56	G0006	RT00
09/20/2009	75	G0006	RT00
10/20/2009	75	G0006	RT00
11/20/2009	75	G0006	RT00
12/20/2009	75	G0006	RT00
01/20/2010	75	G0006	RT00
02/20/2010	100	G0006	RT00
03/20/2010	100	G0006	RT00
04/20/2010	89	G0006	RT00
04/20/2010	11	G0006	RU00
05/20/2010	120	G0006	RV00
05/20/2010	53	G0006	RU00
06/20/2010	176	G0006	RV00
07/20/2010	176	G0006	RV00
08/20/2010	80	G0006	RV00
09/20/2010	80	G0006	RV00
10/20/2010	80	G0006	RV00

CONTRACT	SEG	PRIORITY RATING	ACCUMULATIVE QUANTITY
W56HZV-06-G-0006	RL00	DOA4	86.000
W56HZV-06-G-0006	RN00	NONE	480.000
W56HZV-06-G-0006	RP00	NONE	916.000
W56HZV-06-G-0006	RQ00	DOA4	323.000
W56HZV-06-G-0006	RST3	DOA4	542.000
Verified W56HZV-06-G-0006			
at: 3:22:16 PM	on: 4/11/2007	by RT00 Domino Process DOA4	720.000
W56HZV-06-G-0006	RU00	DOA4	64.000
W56HZV-06-G-0006	RV00	DOA4	712.000

DAAE20-02-G-0009 SK73 DXA5 275.000
W52H09-07-G-0001 FB01 DOA5 50.000

ACCOUNTS: ORGANIZATION ACCOUNT CENTER
DIV 79500 2313

TOTAL P.O. VALUE

\$14,080,045.84

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON

BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860001

EMAIL: ADAMSONJ@GDLS.COM

PAGE 3 OF

GENERAL DYNAMICS

RELEASE TO BLANKET

ORDER

DATE: 04/30/2008

ORDER NO: PCL860001

SUPPL.DATE: 04/30/2008

SUPPL.NO: 004

BLANKET AMOUNT REMAINING

\$0.00

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

BUYER:

EXPEDITOR: E003

SUPPLIER NO: 23230

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860001

EMAIL: ADAMSONJ@GDLS.COM

PAGE 4 OF 4

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Verified at: 4:58:06 PM on: 4/30/2008 by Domino Process

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Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

STANDARD PURCHASE ORDER

Bill to: 1161 Buckeye Road PO Creation Date: **09-JUL-2008**
Lima, OH 45804-1815 Revision Date: **25-JUL-2008**
United States PO Status: **APPROVED**

Payment Terms: NET30

PO Currency: USD

Freight Terms: **FCA SP**

This PO is subject to ERS/Pay on Receipt

Freight Carrier: **REFER TO GDLS ROUTING GUI**

Total PO Value: **12,296,393.20**

PO Award Code: **2A**

PO Description:

Converted PO ETP-C088 PCL860001

SUPPLIER

Company: Optex Systems Inc Site:

RICHARDSON

Address: 1420 Presidential Drive

Richardson, TX

United States

Attn: VCN 23230 - OPTEX SY

BUYER

MARY DONOHUE

Phone: 586/825-4060

Email: donohuem@gdls.com

PLANNER

Phone:

Email:

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 301 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 1937 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.	QUANTITY
G0006 RP00	552
G0006 RQ00	323
G0006 RT00	720
G0006 RU00	64
G0006 RV00	712
G0006 RST3	74

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.

NOTE TO

LINE PART REV DESCRIPTION UoM QA CLAUSE / ITEM TEXT CONTRACT MSDS STATUS SUPPLIER

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

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

1 12548774 PERISCOPE ASSEMBLY Each 12548769 Open

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 3499.86 EA
TO THE NEGOTIATED
PRICE OF 3378.13 EACH.
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	STATUS
1	4	4	3378.13	13,512.52		12-APR-2008		Closed

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 1: Qty 4, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number

Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
2	41	25	3378.13	138,503.33		13-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 2: Qty 41, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number

Verified Lima, OH at: OH

45804-1815 3:22:16 W56HZV-06-G-0006,PM on: 4/11/2007DPAS Ratingby Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at

www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
3	80	80	3378.13	270,250.40		08-JUN-2008		Closed For Receiving

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 3: Qty 80, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
4	58	0	3378.13	195,931.54		15-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 4: Qty 58, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
5	22	0	3378.13	74,318.86		15-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 5: Qty 22, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
6	3	0	3378.13	10,134.39		20-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 6: Qty 3, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
7	5	0	3378.13	16,890.65		20-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 7: Qty 5, Project ABRAMS SPARES BOA 2002, Task SEP SPARE PARTS, Contract Number

Lima, OH 45804-1815 DAAE20-02-G-0009, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
8	22	0	3378.13	74,318.86		20-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 8: Qty 22, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract

Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
9	80	0	3378.13	270,250.40		27-JUN-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 9: Qty 80, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number

Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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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

STANDARD PURCHASE ORDER

10	20	0	3378.13	67,562.60		22-JUN-2008		Open
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SHIP TO TEXT

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 10: Qty 20, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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11	60	0	3378.13	202,687.80		22-JUN-2008		Open
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SHIP TO TEXT

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 11: Qty 60, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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12	105	0	3378.13	354,703.65		14-JUL-2008		Open
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SHIP TO TEXT

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 12: Qty 105, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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13	80	0	3378.13	270,250.40		29-JUN-2008		Open
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SHIP TO TEXT

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 13: Qty 80, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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14	50	0	3378.13	168,906.50		18-JUL-2008		Open
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SHIP TO TEXT

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 14: Qty 50, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
15	20	0	3378.13	67,562.60		15-JUL-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 15: Qty 20, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number

Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
16	35	0	3378.13	118,234.55		15-JUL-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 16: Qty 35, Project ABRAMS SPARES BOA 2002, Task SEP SPARE PARTS, Contract Number

Lima, OH 45804-1815 DAAE20-02-G-0009, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
17	30	0	3378.13	101,343.90		25-JUL-2008		Open

Verified at: SHIP TO 3:22:16 TEXT Mon: 4/11/2007 by Domino Process

[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 Division

1161 Buckeye Road Distribution 17: Qty 30, Project ABRAMS SPARES BOA 2002, Task SEP SPARE PARTS, Contract Number
Lima, OH 45804-1815 DAAE20-02-G-0009, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
18	40	0	3378.13	135,125.20		22-JUL-2008		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 18: Qty 40, Project ABRAMS 2006 PROD BOA, Task SEPRET60BASEPROD, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
19	50	0	3378.13	168,906.50		01-AUG-2008		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 19: Qty 50, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
20	22	0	3378.13	74,318.86		29-JUL-2008		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 20: Qty 22, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
21	18	0	3378.13	60,806.34		29-JUL-2008		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 21: Qty 18, Project ABRAMS 2006 PROD BOA, Task SEPRET60BASEPROD, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
22	30	0	3378.13	101,343.90		08-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 22: Qty 30, Project ABRAMS SPARES BOA 2002, Task SEP SPARE PARTS, Contract Number

Lima, OH 45804-1815 DAAE20-02-G-0009, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
23	40	0	3378.13	135,125.20		07-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 23: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number

Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
24	58	0	3378.13	195,931.54		15-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

1161 Buckeye Road Distribution 24: Qty 58, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
25	44	0	3378.13	148,637.72		14-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 25: Qty 44, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
26	18	0	3378.13	60,806.34		22-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 26: Qty 18, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
27	40	0	3378.13	135,125.20		21-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 27: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
28	50	0	3378.13	168,906.50		29-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 28: Qty 50, Project ABRAM SPARES BOA 07-12, Task M1A2 SEP/HAB SPARES, Contract Number
Lima, OH 45804-1815 W52H09-07-G-0001, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
29	40	0	3378.13	135,125.20		28-AUG-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 29: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number

Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
30	18	0	3378.13	60,806.34		05-SEP-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 30: Qty 18, Project ABRAMS SPARES BOA 2002, Task SEP SPARE PARTS, Contract Number

Lima, OH 45804-1815 DAAE20-02-G-0009, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
31	12	0	3378.13	40,537.56		05-SEP-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 31: Qty 12, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract

Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at

www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
32	40	0	3378.13	135,125.20		05-SEP-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 32: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
33	40	0	3378.13	135,125.20		18-SEP-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 33: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
34	108	0	3378.13	364,838.04		25-SEP-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 34: Qty 108, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
35	12	0	3378.13	40,537.56		02-OCT-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 35: Qty 12, Project ABRAMS SPARES BOA 2002, Task SEP SPARE PARTS, Contract Number
Lima, OH 45804-1815 DAAE20-02-G-0009, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
36	40	0	3378.13	135,125.20		02-OCT-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road
Lima, OH 45804-1815
United States

Distribution 36: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
W56HZV-06-G-0006, DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
37	40	0	3378.13	135,125.20		09-OCT-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road
Lima, OH 45804-1815
United States

Distribution 37: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
W56HZV-06-G-0006, DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
38	40	0	3378.13	135,125.20		16-OCT-2008		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road
Lima, OH 45804-1815
United States

Distribution 38: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
W56HZV-06-G-0006, DPAS Rating

VerifiedSHIP QTY at: REC'D3:22:16PRICEPM on:EXTENDED4/11/2007 byTAXDomino ProcessNEED BY DATE PROMISE DATE STATUS

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

39	40	0	3378.13	135,125.20		23-OCT-2008		Open
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SHIP TO TEXT

General Dynamics Land
 Systems Division

1161 Buckeye Road Distribution 39: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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40	40	0	3378.13	135,125.20		30-OCT-2008		Open
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SHIP TO TEXT

General Dynamics Land
 Systems Division

1161 Buckeye Road Distribution 40: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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41	40	0	3378.13	135,125.20		07-NOV-2008		Open
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SHIP TO TEXT

General Dynamics Land
 Systems Division

1161 Buckeye Road Distribution 41: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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42	28	0	3378.13	94,587.64		14-NOV-2008		Open
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SHIP TO TEXT

General Dynamics Land
 Systems Division

1161 Buckeye Road Distribution 42: Qty 28, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
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43	40	0	3378.13	135,125.20		21-NOV-2008		Open
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SHIP TO TEXT

General Dynamics Land
 Systems Division

1161 Buckeye Road Distribution 43: Qty 40, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
44	62	0	3378.13	209,444.06		21-DEC-2008		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 44: Qty 62, Project ABRAMS 2006 PROD BOA, Task MATERIAL AND TOUCH LABOR 240, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
45	56	0	3378.13	189,175.28		20-FEB-2009		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 45: Qty 56, Project ABRAMS 2006 PROD BOA, Task VEHICLE PRODUCTION, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
46	35	0	3378.13	118,234.55		20-MAR-2009		Open

Verified at: SHIP TO 3:22:16 TEXT Mon: 4/11/2007 by Domino Process

[Terms and Conditions](#)

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 46: Qty 35, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP60, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
47	72	0	3378.13	243,225.36		20-APR-2009		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 47: Qty 72, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP60, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
48	64	0	3378.13	216,200.32		20-MAY-2009		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 48: Qty 64, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP60, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
49	64	0	3378.13	216,200.32		20-JUN-2009		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 49: Qty 64, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP60, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
50	64	0	3378.13	216,200.32		20-JUL-2009		Open
SHIP TO			TEXT					

General Dynamics Land
Systems Division
1161 Buckeye Road Distribution 50: Qty 64, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP60, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
51	24	0	3378.13	81,075.12		20-AUG-2009		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 51: Qty 24, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP60, Contract Number

Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
52	56	0	3378.13	189,175.28		20-AUG-2009		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 52: Qty 56, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract

Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
53	75	0	3378.13	253,359.75		20-SEP-2009		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

1161 Buckeye Road Distribution 53: Qty 75, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
54	75	0	3378.13	253,359.75		20-OCT-2009		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 54: Qty 75, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
55	75	0	3378.13	253,359.75		20-NOV-2009		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 55: Qty 75, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
56	75	0	3378.13	253,359.75		20-DEC-2009		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 56: Qty 75, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
57	75	0	3378.13	253,359.75		20-JAN-2010		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 57: Qty 75, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating
United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
58	100	0	3378.13	337,813.00		20-FEB-2010		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 58: Qty 100, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
59	100	0	3378.13	337,813.00		20-MAR-2010		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 59: Qty 100, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
60	89	0	3378.13	300,653.57		20-APR-2010		Open

SHIP TO TEXT

General Dynamics Land

Systems Division

1161 Buckeye Road Distribution 60: Qty 89, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 90, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

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MARY DONOHUE

STANDARD PURCHASE ORDER

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
61	11	0	3378.13	37,159.43		20-APR-2010		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 61: Qty 11, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 8, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
62	120	0	3378.13	405,375.60		20-MAY-2010		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 62: Qty 120, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
63	53	0	3378.13	179,040.89		20-MAY-2010		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 63: Qty 53, Project ABRAMS 2006 PROD BOA, Task PRODUCTION ON SEP UPGRD 8, Contract
Lima, OH 45804-1815 Number W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
64	176	0	3378.13	594,550.88		20-JUN-2010		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 64: Qty 176, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
65	176	0	3378.13	594,550.88		20-JUL-2010		Open

SHIP TO TEXT

General Dynamics Land
Systems Division

1161 Buckeye Road Distribution 65: Qty 176, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
66	80	0	3378.13	270,250.40		20-AUG-2010		Open

SHIP TO TEXT

General Dynamics Land
 Systems Division
 1161 Buckeye Road Distribution 66: Qty 80, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	STATUS
67	80	0	3378.13	270,250.40		20-SEP-2010		Open

SHIP TO TEXT

General Dynamics Land
 Systems Division
 1161 Buckeye Road Distribution 67: Qty 80, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number
 Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating
 United States

Verified	SHIP QTY at:	REC'D	PRICE	PM on:	EXTENDED	4/11/2007 by	TAX	Domino Process	NEED BY DATE	PROMISE DATE	STATUS

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
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MARY DONOHUE

68	80	0	3378.13	270,250.40	20-OCT-2010	Open
		SHIP TO	TEXT			
General Dynamics Land						
Systems Division						
1161 Buckeye Road Distribution 68: Qty 80, Project ABRAMS 2006 PROD BOA, Task SEP UPGRADE QTY 260, Contract Number						
Lima, OH 45804-1815 W56HZV-06-G-0006, DPAS Rating						
United States						

End of Contract

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

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MARY DONOHUE

**STANDARD PURCHASE
ORDER**

PO #PCL860001
PO Revision 38
Page 1 of 16

Ship To:	General Dynamics Land Systems	PO Creation Date:	09-JUL-2008 15:08:23
Bill to:	General Dynamics Land Systems	Revision Date:	24-MAR-2010 14:16:18
	1161 Buckeye Road	PO Status:	APPROVED
	Lima, OH 45804-1815	Freight Terms:	FCA-Seller's Dock (Incoterms 2000)
	United States	Freight Carrier:	REFER TO GDLS ROUTING GUI
		Total PO Value:	12,566,643.60
Payment Terms:	NET30	PO Award Code:	2A
PO Currency:	USD	PO Description:	Purchase Order

SUPPLIER

Company: Optex Systems Inc.
Supplier No.: 503610
Site: 1420 Presidential Drive
Address: Richardson, TX 75081
United States
Attn: Danny Schoening

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: 56 PCS DUE 2/20/09. (48 PCS ALREADY REC'D LEAVING BALANCE OF 12). NOW: 86 PCS DUE 3/10/09. (ALLOWS FOR 39 PIECES IN-TRANSIT PLUS 3 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 80 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 50 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 3 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 75 PIECES SHIP-TO LIM 11/20/09, NOW 56 PIECES SHIP-TO LIM 11/20/09 & 19 PIECES SHIP-TO AND (BLDG 136) 11/20/09. THIS CHANGE AT NO ADDITIONAL CHARGE TO GDLS.

*****Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 - 40 PIECES READY TO SHIP. BALANCE OF 21 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 - 76 PCS TO DEC 2010, JUL 2010 - 76 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 3 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 14 PIECES FROM LINE 1/SHIP#54 TO LINE 1/SHIP#53. THIS CHANGE COVERS THE 40 PIECES SHIPPED BY SUPPLIER 8/12/09.

ORACLE REVISION 20 ISSUED 9/23/09 TO MOVE DELIVERY IN BEGINNING WITH 10/20/10 DELIVERY (LINE 1/ SHIP#71). *****

ORACLE REVISION 21 ISSUED 9/28/09 TO MODIFY DELIVERY/QUANTITY ON LINE1/SHIP#54 & 55. MOVED 39 PIECES FROM SHIP#55 TO SHIP#54 TO REFLECT 50-PIECE SHIPMENT BY SUPPLIER ON 9/24/09.

ORACLE REVISION 22 ISSUED 10/15/09 TO MODIFY DELIVERY/QUANTITY ON LINE1/SHIP#55 & 56. MOVED 14 PIECES FROM SHIP#56 TO SHIP#55 TO REFLECT 25-PIECE SHIPMENT BY SUPPLIER ON 10/14/09.

ORACLE REVISION ISSUED 10/30/09 TO MOVE DELIVERY OF 3 PIECES ON LINE 1/SHIP#51 FROM 8/31/09 TO 11/13/09. *****

ORACLE REVISION 24 ISSUED 11/17/09 TO MOVE DELIVERY OF 19 PIECES FROM 11/20/09 TO 11/30/09 TO REFLECT SHIPMENT BY SUPPLIER 11/16.

ORACLE REVISION 25 ISSUED 11/17/09 TO MOVE 14 PIECES FROM LINE 1/SHIP#58 TO LINE 1/SHIP#56. DELIVERY DATE ON LINE 1/SHIP#56 MOVED TO 11/30/09. THIS CHANGE REFLECTS 18-PIECE SHIPMENT BY SUPPLIER 11/16/09.

ORACLE REVISION 26 ISSUED 11/23/09 TO REFLECT INCORPORATION OF THE FOLLOWING MATERIAL CHANGE

NOTICES(MCNs)/ENGINEERING CHANGES PREVIOUSLY SENT TO SUPPLIER. THE FOLLOWING MCN'S HAVE BEEN RETURNED/SIGNED BY SUPPLIER AND ARE INCORPORATED AT NO ADDITIONAL COST TO GDLS ON THIS ORDER: MCN(NO#)/GDMY3104 (NOR 12548771 & QAR), MCN(NO #)/GDMY3204 (NOR 12285860S), MCN08029/GDMY3114 (NOR 12285860S).

ORACLE REVISION 27 ISSUED 11/30/09 TO MOVE DELIVERY DATE ON LINE 1/SHIP#57 FROM 11/30/09 TO 12/7/09. THIS CHANGE

REFLECTS SHIPMENT OF 19 PIECES BY SUPPLIER 11/16/09. PARTS ARE ON-DOCK IN ANNISTON-BLDG 136 WAITING TO BE RECEIVED IN ORACLE.

ORACLE REVISION 28 ISSUED 12/2/09 TO MOVE DELIVERY IN FROM 12/20/09 TO 12/15/09 TO REFLECT 38 PC SHIPMENT BY SUPPLIER 12/1/09.

ORACLE REVISION 29 ISSUED 12/14/09 TO MOVE DELIVERY DATE ON LINE 1/SHIP#57 FROM 12/9/09 TO 12/18/09. THIS CHANGE REFLECTS SHIPMENT OF 19 PIECES BY SUPPLIER 11/16/09. Verified at: 3:22:16 PM on: 4/11/2007 by PARTS ARE STILL ON-DOCK IN ANNISTON-BLDG 136 WAITING TO BE Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

RECEIVED IN ORACLE. *****

ORACLE REVISION 30 ISSUED 12/15/09 TO ADJUST DELIVERY ON LINE 1 AS FOLLOWS: SHIP#69 WAS 80 DUE 10/20/10, NOW 80 DUE 10/1/10 SHIP#72 WAS 76 DUE 11/30/10, NOW 76 DUE 11/1/10 SHIP#73 WAS 76 DUE 11/30/10, NOW 76 DUE 11/15/10 THIS CHANGE AT NO ADDITIONAL CHARGE TO GDLS.

ORACLE REVISION 31 ISSUED 12/16/09 TO ADJUST QUANTITY/DELIVERY OF 14 PIECES AS FOLLOWS:

LINE 1/SHIP#58: WAS 61 PIECES DUE 12/15/09; NOW 75 PIECES DUE 12/23/09 (38 PIECES ALREADY RECEIVED) LINE 1/SHIP#59: WAS 75 PIECES DUE 1/20/10; NOW 61 PIECES DUE 1/20/10 THIS CHANGE REFLECTS SHIPMENT OF 37 PIECES BY SUPPLIER 12/15/09.

ORACLE REVISION 32 ISSUED 12/21/09 TO ADJUST DELIVERY DATES AS FOLLOWS: LINE 2/SHIP#3: 16 PCS DUE 5/22/09, MOVED TO DUE DATE 1/20/10

THESE 16 PCS ARE NOT LATE - LIMA CORRECTED AN OLD DUPLICATE RECEIPT OF 16 PCS 12/17/09, WHICH RE-OPENED A 16 PIECE REQUIREMENT ON THIS LINE.

LINE 1/SHIP#59: 61 PCS DUE 1/20/10, MOVED TO DUE DATE 1/4/10.

THIS CHANGE REFLECTS 38 PIECE SHIPMENT BY SUPPLIER 12/17/09. ONCE RECEIVED AT LIMA, THE DUE DATE ON BALANCE OF 23 PIECES DUE ON THIS SHIPMENT WILL BE MOVED BACK OUT TO 1/20/10.

ORACLE REVISION 33 ISSUED 12/29/09 TO ADJUST DELIVERY ON 23 PIECES STILL DUE ON LINE #1/SHIP#59 FROM 1/4/10 TO 1/20/10.
***** ORACLE REVISION 34 ISSUED 2/1/10 TO ADJUST DELIVERY AS FOLLOWS: LINE 2/SHIP#3 WAS 5 DUE 1/22/10, NOW 5 DUE 2/8/10. ***** ORACLE REVISION ISSUED 3/4/10 TO MOVE DELY ON LINE 1/SHIP#61 IN 4 DAYS.

ORACLE REVISION #36 ISSUED 3/8/10 TO MOVE DELY ON LINE 1/SHIP#61 BACK TO 3/22/10. *****

ORACLE REVISION 38 ISSUED 3/24/10 TO MOVE 5 PIECES FROM LINE 1/SHIPMENT#61 TO LINE 1/SHIPMENT#62. *****

ORACLE REVISION 39 ISSUED 3/24/10 TO REDUCE PURCHASE ORDER QUANTITY BY 870 PIECES: LINE 1/SHIPMENT #62-#69 & #71-#73. THIS QUANTITY IS BEING MOVED TO A NEW PURCHASE ORDER AT SUPPLIER REQUEST (REFERENCE R.RUTHERFORD-DRAKE EMAIL DATED 3/11/10 & TELECON OF 3/15/10 WITH: R.RUTHERFORD-DRAKE, K.HAWKINS, J.BROWN, M.DONOHUE) DUE TO PROGRESS PAYMENT/ORACLE/LIQUIDATION ISSUE. THE NEW PO IS BEING ISSUED AT THE SAME UNIT COST, SAME DELIVERIES, ETC. HOWEVER, THERE WILL BE NO PROGRESS PAYMENTS ON THE NEW ORDER. THIS CHANGE AT NO ADDITIONAL COST TO GDLS.

Purchase Order Revision 35, ONLY revises the ship to location from GDLS - Joint Sys Mfg Ctr - LIM to GDLS - Joint Sys Mfg Ctr - Menlo for all outstanding LIM shipments. Please view shipment section of purchase order to verify correct delivery address/location.

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.

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

SUPPLEMENT 001 ISSUED 6-26-07 TO INCREASE RELEASE QTY BY 301 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 1937 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.	QUANTITY
G0006 RP00	552
G0006 RQ00	323
G0006 RT00	720
G0006 RU00	64
G0006 RV00	712
G0006 RST3	74

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.

LINE PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1 12548774		PERISCOPE ASSEMBLY	3640	Each	3378.13000	12,296,393.20
		CONTRACT	MSDS		NOTE TO SUPPLIER	LINE STATUS

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

QK9Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

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www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 3499.86 EA TO THE NEGOTIATED PRICE OF 3378.13 EACH. 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
						12-APR-2008			
1	4	0	3378.13000	13,512.52		00:00:00			
			SHIP TO		TEXT				
			General Dynamics Land Systems 1161 Buckeye Road Lima, OH 45804-1815 United States						
			Distribution 1: Qty 4, Project , Task , Contract Number , DPAS Rating						

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						13-JUN-2008			
2	41	0	3378.13000	138,503.33		00:00:00			
			SHIP TO		TEXT				
			General Dynamics Land Systems 1161 Buckeye Road Lima, OH 45804-1815 United States						
			Distribution 2: Qty 41, Project , Task , Contract Number , DPAS Rating						

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						08-JUN-2008			
3	80	0	3378.13000	270,250.40		00:00:00			
			SHIP TO		TEXT				
			General Dynamics Land Systems 1161 Buckeye Road Lima, OH 45804-1815 United States						
			Distribution 3: Qty 80, Project , Task , Contract Number , DPAS Rating						

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						15-JUN-2008			
4	58	0	3378.13000	195,931.54		00:00:00			
			SHIP TO		TEXT				
			General Dynamics Land Systems 1161 Buckeye Road Lima, OH 45804-1815 United States						
			Distribution 4: Qty 58, Project , Task , Contract Number , DPAS Rating						

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						15-JUN-2008			
5	22	0	3378.13000	74,318.86		00:00:00			
			SHIP TO			TEXT			
General Dynamics Land Systems									
1161 Buckeye Road									
Lima, OH 45804-1815									
United States									
Distribution 5: Qty 22, Project , Task , Contract Number , DPAS Rating									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						20-JUN-2008			
6	3	0	3378.13000	10,134.39		00:00:00			
			SHIP TO			TEXT			
General Dynamics Land Systems									
1161 Buckeye Road									
Lima, OH 45804-1815									
United States									
Distribution 6: Qty 3, Project , Task , Contract Number , DPAS Rating									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						20-JUN-2008			
7	5	0	3378.13000	16,890.65		00:00:00			
			SHIP TO			TEXT			

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

**STANDARD PURCHASE
 ORDER**

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General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 7: Qty 5, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						20-JUN-2008			
8	22	0	3378.13000	74,318.86		00:00:00			
				SHIP TO		TEXT			

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 8: Qty 22, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						27-JUN-2008			
9	36	36	3378.13000	121,612.68		00:00:00			
				SHIP TO		TEXT			

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 9: Qty 36, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						22-JUN-2008			
10	20	0	3378.13000	67,562.60		00:00:00			
				SHIP TO		TEXT			

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 10: Qty 20, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						22-JUN-2008			
11	60	0	3378.13000	202,687.80		00:00:00			
				SHIP TO		TEXT			

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 11: Qty 60, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						14-JUL-2008			

12 105 0 3378.13000 354,703.65 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 12: Qty 105, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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29-JUN-2008

13 80 0 3378.13000 270,250.40 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 13: Qty 80, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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18-JUL-2008

14 50 0 3378.13000 168,906.50 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Verified Lima, OH at: 45804-1815 3:22:16 PM on: 4/11/2007 Distribution by Domino 14: Qty 50, Process Project , Task , Contract Number , DPAS Rating

Terms and Conditions

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MARY DONOHUE

**STANDARD PURCHASE
 ORDER**

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United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					15-JUL-2008			
15	20	0	3378.13000	67,562.60	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 15: Qty 20, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					15-JUL-2008			
16	35	0	3378.13000	118,234.55	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 16: Qty 35, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					25-JUL-2008			
17	30	0	3378.13000	101,343.90	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 17: Qty 30, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					22-JUL-2008			
18	40	0	3378.13000	135,125.20	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 18: Qty 40, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					01-AUG-2008			
19	50	0	3378.13000	168,906.50	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 19: Qty 50, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20	22	0	3378.13000	74,318.86	29-JUL-2008 12:00:00			
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SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 20: Qty 22, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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21	18	0	3378.13000	60,806.34	29-JUL-2008 00:00:00			
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SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 21: Qty 18, Project , Task , Contract Number , DPAS Rating

Verified	SHIP	QTY	at:	REC'D	PRICE	PM on:	EXTENDED	DATE	TAX	by	NEED BY	DATE	Process	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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Terms and Conditions

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MARY DONOHUE

**STANDARD PURCHASE
 ORDER**

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08-AUG-2008

22 30 0 3378.13000 101,343.90 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 22: Qty 30, Project , Task , Contract Number , DPAS Rating

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

07-AUG-2008

23 40 0 3378.13000 135,125.20 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 23: Qty 40, Project , Task , Contract Number , DPAS Rating

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

15-AUG-2008

24 58 0 3378.13000 195,931.54 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 24: Qty 58, Project , Task , Contract Number , DPAS Rating

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

14-AUG-2008

25 44 0 3378.13000 148,637.72 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 25: Qty 44, Project , Task , Contract Number , DPAS Rating

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

22-AUG-2008

26 18 0 3378.13000 60,806.34 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 26: Qty 18, Project , Task , Contract Number , DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
27	40	0	3378.13000	135,125.20		21-AUG-2008 00:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems 1161 Buckeye Road Lima, OH 45804-1815 United States									
Distribution 27: Qty 40, Project , Task , Contract Number , DPAS Rating									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
28	50	0	3378.13000	168,906.50		29-AUG-2008 00:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems 1161 Buckeye Road Lima, OH 45804-1815 United States									
Distribution 28: Qty 50, Project , Task , Contract Number , DPAS Rating									

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
29	40	0	3378.13000	135,125.20		28-AUG-2008 00:00:00			
SHIP TO					TEXT				
Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process									

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

34 108 0 3378.13000 364,838.04 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 34: Qty 108, Project , Task , Contract Number , DPAS Rating

United States

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

02-OCT-2008

35 12 0 3378.13000 40,537.56 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 35: Qty 12, Project , Task , Contract Number , DPAS Rating

United States

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

02-OCT-2008

36 40 0 3378.13000 135,125.20 02:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Verified Lima, OH at: 45804-1815 3:22:16 PM on: 4/11/2007 Distribution by Domino 36: Qty 40, Process Project , Task , Contract Number , DPAS Rating

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
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MARY DONOHUE

**STANDARD PURCHASE
ORDER**

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United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					09-OCT-2008			
37	40	0	3378.13000	135,125.20	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 37: Qty 40, Project , Task , Contract Number , DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					16-OCT-2008			
38	40	0	3378.13000	135,125.20	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 38: Qty 40, Project , Task , Contract Number , DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					23-OCT-2008			
39	40	0	3378.13000	135,125.20	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 39: Qty 40, Project , Task , Contract Number , DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					30-OCT-2008			
40	40	0	3378.13000	135,125.20	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 40: Qty 40, Project , Task , Contract Number , DPAS Rating

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					07-NOV-2008			
41	40	0	3378.13000	135,125.20	00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 41: Qty 40, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					14-NOV-2008			
42	28	0	3378.13000	94,587.64	00:00:00			
			SHIP TO		TEXT			

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 42: Qty 28, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					21-NOV-2008			
43	40	0	3378.13000	135,125.20	00:00:00			
			SHIP TO		TEXT			

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 43: Qty 40, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS		
Verified		at: 3:22:16 PM	on: EXTENDED	4/11/2007	TAX by Domino	NEED BY DATE	Process	PROMISE DATE	HAZARDOUS MATERIAL	STATUS

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

**STANDARD PURCHASE
 ORDER**

PO #PCL860001
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21-DEC-2008

44 62 0 3378.13000 209,444.06 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 44: Qty 62, Project , Task , Contract Number , DPAS Rating

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

10-MAR-2009

45 86 48 3378.13000 290,519.18 12:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 45: Qty 56, Project , Task , Contract Number , DPAS Rating

Distribution 46: Qty 30, Project , Task , Contract Number , DPAS Rating NONE

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

20-MAR-2009

46 5 0 3378.13000 16,890.65 00:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 46: Qty 5, Project , Task , Contract Number , DPAS Rating NONE

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

22-MAY-2009

47 72 67 3378.13000 243,225.36 12:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 47: Qty 72, Project , Task , Contract Number , DPAS Rating

SHIP QTY REC'D PRICE EXTENDED TAX NEED BY DATE PROMISE DATE HAZARDOUS MATERIAL STATUS

22-MAY-2009

48 67 25 3378.13000 226,334.71 12:00:00

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 48: Qty 67, Project , Task , Contract Number , DPAS Rating NONE

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						05-JUN-2009			
49	61	0	3378.13000	206,065.93		12:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 49: Qty 61, Project , Task , Contract Number , DPAS Rating NONE

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						20-JUL-2009			
50	61	43	3378.13000	206,065.93		00:00:00			

SHIP TO TEXT

General Dynamics Land Systems

1161 Buckeye Road

Lima, OH 45804-1815

Distribution 50: Qty 61, Project , Task , Contract Number , DPAS Rating NONE

United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						30-DEC-2009			
51	3	0	3378.13000	10,134.39		12:00:00			

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

**STANDARD PURCHASE
 ORDER**

PO #PCL860001
 PO Revision 38
 Page 12 of 16

SHIP TO TEXT

General Dynamics Land Systems Commander
 Anniston Army Depot 7 Frankford Ave. Bldg 136
 Attn: AIM & SEP Programs Distribution 1: Qty 3, Project , Task , Contract Number , DPAS Rating DOA4
 Anniston, AL 36201-4199
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						20-AUG-2009			
52	24	0	3378.13000	81,075.12		00:00:00			

SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815 Distribution 51: Qty 24, Project , Task , Contract Number , DPAS Rating
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						31-AUG-2009			
53	70	30	3378.13000	236,469.10		00:00:00			

SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815 Distribution 52: Qty 70, Project , Task , Contract Number , DPAS Rating NONE
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						02-OCT-2009			
54	100	50	3378.13000	337,813.00		12:00:00			

SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815 Distribution 53: Qty 100, Project , Task , Contract Number , DPAS Rating NONE
 United States

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						20-OCT-2009			
55	50	25	3378.13000	168,906.50		00:00:00			

SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815 Distribution 54: Qty 50, Project , Task , Contract Number , DPAS Rating NONE
 United States

**STANDARD PURCHASE
 ORDER**

PO #PCL860001
 PO Revision 38
 Page 13 of 16

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 56: Qty 75, Project , Task , Contract Number , DPAS Rating NONE

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					20-JAN-2010			
59	61	61	3378.13000	206,065.93	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 57: Qty 61, Project , Task , Contract Number , DPAS Rating NONE

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					18-FEB-2010			
60	100	100	3378.13000	337,813.00	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 58: Qty 100, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					22-MAR-2010			
61	95	95	3378.13000	320,922.35	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 59: Qty 95, Project , Task , Contract Number , DPAS Rating NONE

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
					20-APR-2010			
62	94	0	3378.13000	317,544.22	00:00:00			
					SHIP TO	TEXT		

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 60: Qty 94, Project , Task , Contract Number , DPAS Rating NONE

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
63	11	0	3378.13000	37,159.43	20-APR-2010 00:00:00			
SHIP TO					TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 61: Qty 11, Project , Task , Contract Number , DPAS Rating			

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
64	100	0	3378.13000	337,813.00	20-MAY-2010 00:00:00			
SHIP TO					TEXT			
General Dynamics Land Systems C/O Menlo Logistics, Inc 2050 N. Sugar Street Lima, OH 45801-3141 United States					Distribution 62: Qty 100, Project , Task , Contract Number , DPAS Rating DOA4			

Verified SHIP QTY at: REC'D 3:22:16 PM on: EXTENDED 4/11/2007 TAX by Domino NEED BY DATE Process PROMISE DATE HAZARDOUS MATERIAL STATUS

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

**STANDARD PURCHASE
 ORDER**

PO #PCL860001
 PO Revision 38
 Page 14 of 16

20-JUN-2010

65 100 0 3378.13000 337,813.00 00:00:00

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 64: Qty 100, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20-JUL-2010

66 100 0 3378.13000 337,813.00 00:00:00

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 65: Qty 100, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20-AUG-2010

67 80 0 3378.13000 270,250.40 00:00:00

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 66: Qty 80, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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20-SEP-2010

68 80 0 3378.13000 270,250.40 00:00:00

SHIP TO TEXT

General Dynamics Land Systems
 C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 67: Qty 80, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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01-OCT-2010

69 80 0 3378.13000 270,250.40 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 68: Qty 80, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
70	44	44	3378.13000	148,637.72		21-JUL-2008 00:00:00			
			SHIP TO		TEXT				

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 1: Qty 44, Project , Task , Contract Number , DPAS Rating

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
71	73	0	3378.13000	246,603.49		20-OCT-2010 12:00:00			
			SHIP TO		TEXT				

General Dynamics Land Systems
 C/O Menlo Logistics, Inc

Verified 2050 N. at: Sugar 3:22:16 Street PM on: 4/11/2007 Distribution by Domino 63: Qty 53, Process Project , Task , Contract Number , DPAS Rating

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

Lima, OH 45801-3141
United States

Distribution 64: Qty 20, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						01-NOV-2010			
72	76	0	3378.13000	256,737.88		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 76, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						15-NOV-2010			
73	76	0	3378.13000	256,737.88		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 76, Project , Task , Contract Number , DPAS Rating DOA4

LINE PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
2 12548774		PERISCOPE	80	Each	3378.13000	270,250.40
		CONTRACT	MSDS		NOTE TO SUPPLIER	LINE STATUS

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
						10-APR-2009			
1	15	0	3378.13000	50,671.95		12:00:00			

SHIP TO

TEXT

Verified General at: Dynamics 3:22:16 Land Systems PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

C/O Menlo Logistics, Inc
 2050 N. Sugar Street
 Lima, OH 45801-3141
 United States

Distribution 1: Qty 15, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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17-APR-2009

2	15	0	3378.13000	50,671.95		12:00:00			
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SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 1: Qty 15, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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12-MAR-2010

3	25	20	3378.13000	84,453.25		12:00:00			
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SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 1: Qty 25, Project , Task , Contract Number , DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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04-MAY-2009

4	25	0	3378.13000	84,453.25		12:00:00			
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SHIP TO TEXT

General Dynamics Land Systems
 1161 Buckeye Road
 Lima, OH 45804-1815
 United States

Distribution 1: Qty 25, Project , Task , Contract Number , DPAS Rating DOA4

End of Contract

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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
SHIP VIA: TRUCK
F.O.B.: RICHARDSON
TERMS: NET 30 DAYS

CATEGORY: S N
CRC2A
TX

INVOICE TO: GENERAL DYNAMICS
LAND SYSTEMS DIVISION
ACCOUNTING DEPARTMENT
1161 BUCKEYE ROAD
LIMA OH 45804-1815

ITEM	QUANTITY	PART-DESCRIPTION	PRICE F	UM-REV.
0001	2	12548774	\$3378.13	EA
\$6756.26				

PERISCOPE ASSEMBLY

SUPPLEMENT 001 ISSUED 2-08-08 TO CHANGE UNIT PRICE FROM 3499.86 TO 3378.13 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		1	G0006	RP00	
03/20/2009		1	GN001	RK00	

CONTRACT	SEG	PRIORITY	RATING	ACCUMULATIVE QUANTITY
DAAE07-01-G-N001	RK00		DXA4	1.000
W56HZV-06-G-0006	RP00		NONE	1.000

ACCOUNTS:	ORGANIZATION	ACCOUNT	CENTER
	DIV	79500	2313

TOTAL P.O. VALUE

\$6,756.26

BLANKET AMOUNT REMAINING

\$0.00

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

BUYER:

EXPEDITOR: E003

JULIE M. ADAMSON BUYER:B003

P:586-825-8756 F:586-268-7437

ORDER NO: PCL860003

EMAIL: ADAMSONJ@GDLS.COM

PAGE 1 OF 1

~~*~*~*~*~*~*~*~*

Verified at: 8:50:29 AM on: 2/8/2008 by Domino Process

~~*~*~*~*~*~*~*~*

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

STANDARD PURCHASE ORDER

Ship To: General Dynamics Land Systems PO Creation Date: **09-JUL-2008 15:08:50**
 Division Revision Date: **24-FEB-2009 13:12:39**

Bill to: General Dynamics Land Systems Division PO Status: **APPROVED**
 1161 Buckeye Road Freight Terms: **FCA SP**
 Lima, OH 45804-1815 Freight Carrier: **REFER TO GDLS ROUTING GUI**
 United States Total PO Value: **6,756.26**
 PO Award Code: **2A**

Payment Terms: NET30 PO Description: **Converted PO ETP-C088 PCL860003**
 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 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 2 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	2	Each	3378.13	6,756.26
		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 Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 3499.86 TO
3378.13 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
						10-MAR-2009			
1	1	0	3378.13	3,378.13		12:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Division									
1161 Buckeye Road									
Lima, OH		45804-1815		Distribution 1: Qty 1, Project ABRAMS 2006 PROD BOA, Task RP00NONWBS, Contract					
United States		Number W56HZV-06-G-0006, DPAS Rating DOA4							

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
						10-MAR-2009			
2	1	0	3378.13	3,378.13		12:00:00			
SHIP TO					TEXT				
General Dynamics Land Systems Division									
1161 Buckeye Road									
Lima, OH		45804-1815		Distribution 2: Qty 1, Project ABRAMS SPARES BOA 2002, Task SK73NONWBS,					
United States		Contract Number DAAE20-02-G-0009, DPAS Rating DXA5							

End of Contract

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860004

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET ORDER

DATE: 04/18/2007

ORDER NO: PCL8 60004

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	UM-REV.	EXT.PRICE
0001	15	12548774	\$3499.86	EA	\$52497.90
		PERISCOPE ASSEMBLY			

DELIVERY SCHEDULE:

DATE	ORIG PROM	QUANTITY
10/30/2007		15

CONTRACT:

ALIAS	SEG	WBS
GNOO1	RKOO	

CONTRACT	SEG	PRIORITY	RATING	ACCUMULATIVE QUANTITY
DAAE 07-01 -G-N 001	RKOO		DXA4	15.000

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

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

EMAIL: SCHNEIDJ@GDLS.COM

PAGE

1 OF

Verified at: 2:41:31 PM on:

4/18/2007

by Domino

Process

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

STANDARD PURCHASE ORDER

Ship To: General Dynamics Land Systems PO Creation Date: **09-JUL-2008 15:08:51**
 Division Revision Date: **19-FEB-2009 07:42:08**

Bill to: General Dynamics Land Systems Division PO Status: **APPROVED**
 1161 Buckeye Road Freight Terms: **FCA SP**
 Lima, OH 45804-1815 Freight Carrier: **REFER TO GDLS ROUTING GUI**
 United States Total PO Value: **50,671.95**
 PO Award Code: **2A**

Payment Terms: NET30 PO Description: **Converted PO ETP-C088 PCL860004**
 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 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.

LINE PART	REV	DESCRIPTION	QTY	UoM	PRICE	TOTAL
1 12548774		PERISCOPE ASSEMBLY	15	Each	3378.13	50,671.95
		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

Verified at: 3:22:16 PM on: 4/11/2007 by Domino FFP. Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

STANDARD PURCHASE ORDER

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
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02-MAR-2009

1	15	0	3378.13	50,671.95		12:00:00			
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SHIP TO TEXT

General Dynamics Land Systems Division

1161 Buckeye Road

Lima, OH 45804-1815

United States

Distribution 1: Qty 15, Project ABRAMS SPARES BOA 2002, Task SK73NONWBS,

Contract Number DAAE20-02-G-0009, DPAS Rating DXA5

End of Contract

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

ORIGINATOR: JULIE M SCHNEIDER
MESSAGE: B003 PCL860005

NUMBER: 9726800650

GENERAL DYNAMICS

RELEASE TO BLANKET ORDER

DATE: 06/26/2007

ORDER NO: PCL8 60005

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

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	57	12548774	\$3499.86 EA	\$199492.02
		PERISCOPE ASSEMBLY		

DELIVERY SCHEDULE:

DATE	ORIG	PROM	QUANTITY
03/20/2008			30
04 /20/2008			27

CONTRACT:

ALIAS	SEG	WBS
G0006		BDMT
G0006		BDMT

CONTRACT	W56HZV-	SEG	PRIORITY	RAT	ING	ACCUMULATIVE	QUANTITY
06-G-0006		BDMT		DOA4			57.000

ACCOUNTS:

ORGANIZATION	ACCOUNT	CENTER
DIV	79500	6513

TOTAL P.O. VALUE \$199,492.02

BLANKET AMOUNT REMAINING \$0.00

BUYER: _____ EXPEDITOR: _____ E003

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

JULIE M. SCHNEIDER BUYER:B003

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

STANDARD PURCHASE ORDER

Ship To: General Dynamics Land Systems PO Creation Date: **04-JUL-2008 12:57:17**
Commander Revision Date: **26-FEB-2009 11:09:14**

Bill to: General Dynamics Land Systems Division PO Status: **APPROVED**
1161 Buckeye Road Freight Terms: **FCA SP**
Lima, OH 45804-1815 Freight Carrier: **REFER TO GDLS ROUTING GUI**
United States Total PO Value: **405,375.60**
PO Award Code: **2A**

Payment Terms: NET30 PO Description: **Converted PO ETP-C088 PCL860005**
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 5 ISSUED 2/26/09 TO MOVE 46 PIECES FROM ANNISTON(AND -BLDG 136) DELIVERY TO LIMA (MENLO PARK) DELIVERY. DELIVERY DATE FOR 46 PIECES IS 3/20/09.

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 63 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	120	Each	3378.13	405,375.60
		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

QG5Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 2-08-08 CHANGES THIS ORDER FROM NTE, TO FFP. BASED ON AUDIT AND NEGOTIATIONS, THE PRICE DECREASES FROM 3499.86 TO

3378.13.

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

23-MAY-2008

1	25	25	3378.13	84,453.25		00:00:00			
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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 25, Project ABRAMS 2006 PROD BOA, Task BDMTNONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

30-MAY-2008

2	15	15	3378.13	50,671.95		00:00:00			
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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 15, Project ABRAMS 2006 PROD BOA, Task BDMTNONWBS,
 Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

06-JUN-2008

3	17	1	3378.13	57,428.21		00:00:00			
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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 1, Project ABRAMS 2006 PROD BOA, Task BDMTNONWBS, Contract
 Number W56HZV-06-G-0006, DPAS Rating DOA4
 Distribution 4: Qty 16, Project ABRAMS 2006 PROD BOA, Task PJ00NONWBS, Contract
 Number W56HZV-06-G-0006, DPAS Rating DXA4

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

04-MAR-2009

4	17	0	3378.13	57,428.21		14:00:00			
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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 17, Project ABRAMS 2006 PROD BOA, Task MTBDNONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating NONE

SHIP	QTY	REC'D	PRICE	EXTENDED	TAX	NEED BY DATE	PROMISE DATE	HAZARDOUS MATERIAL	STATUS
------	-----	-------	-------	----------	-----	--------------	--------------	--------------------	--------

20-MAR-2009

Verified 5⁴⁶ at: 3:22:160 3378.PM13 on:155,393.4/11/200798 by Domino 12:00:00 Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

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 46, Project ABRAMS 2006 PROD BOA, Task RST3NONWBS,
Contract Number W56HZV-06-G-0006, DPAS Rating DOA4

End of Contract

Verified at: 3:22:16 PM on: 4/11/2007 by Domino Process

Terms and Conditions

Please refer to the General Dynamics Land Systems website at
www.gdls.com for purchase order terms and conditions.

MARY DONOHUE

mc:

1420 Presidential
Richardson, TX 75081

Please fax signed copy of this Purchase Order Instructions to seller:
to: Purchasing Dept. 972.234.3544

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.

Phone: 972.644.0722
Fax: 972.234.3544

Attention:

FOB: ORIGIN
Order Date: 10/26/2009

TSP Inc

Due Date: See Below

2009 Glenn Parkway
Batavia, OH 45103
Phone: 513-732-8900
Fax: 513-732-6988

Ship Via: United Parcel Servic

Terms: Net 30 Days

Prime Contract #:

DM5 Rating:

Buyer: Peeples, Ronald E.

Notes ***NEED CERTS***

Ship UPS Collect Customer Acct#498653
RMA#2479
DMR#1 0573
NC ID#11342
PO#
S/O#2006

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems

TSP mc:

Purchase Order: 9D16861

page2of2

1420 Presidential

Please fax signed copy of this Purchase Order to

Purchasing Dept. 972.234.3544

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.
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<i>Line</i>	<i>Past ID</i>	<i>Rev</i>	<i>Past Description</i>	<i>U/M</i>	<i>Quantity</i>	<i>Unit Price</i>	<i>Extd Price]</i>
1	12548773		Window, JCWS	EA	10.00	33.28000	\$332.80
	Optex ECN No. 550		Due Date 1112512009	SO No: 2006/550400			

Accepted By

Authorized

OrderSub Total:

\$332.80

Oer Tol:

\$332.80

.....

9

1

1420 Presidential
Richardson, TX 75081

Please fax signed copy of this Purchase Order Instructions to seller:

to Purchasing Dept. 972.234.3544

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.

Phone: 972.644.0722
Fax: 972.234.3544

Attention: Tootie Hardman

FOB: ORIGIN
Order Date: 7120/2009

TSP Inc

2009 Glenn Parkway
Batavia, OH 45103
Phone: 513-732-8900
Fax: 513-732-6988

Due Date: See Below
Ship Via: United Parcel Servic
Terms: Net 30 Days
Prime Contract #: See Below
DM5 Rating: See Below
Buyer: Peeples, Ronald E.

Notes 1528-3OIDAAE2O-03-D-0052100301D0-A5
51 28-33/DAAE2O-03-D-0052/0030/DO-A5

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems

1420 Presidential

Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

TSP mc:

Please fax signed copy of this Purchase Order to

Purchasing Dept. 972.234.3544

Purchase Order: 9B16294

Page2of2

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	Window	EA	500.00	2.35000	\$1,175.00
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 812812009	SO No: 1528-33/550400			
2	12357796-3	F	Window	EA	250.00	2.35000	\$587.50
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 911812009	SO No: 1528-30/550400			
3	12357796-3	F	Window	EA	250.00	2.35000	\$587.50
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 1012312009	SO No: 1528-33/550400			
4	12357796-3	F	Window	EA	250.00	2.35000	\$587.50
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 1111 3/2009	SO No: 1528-30/550400			
5	12357796-3	F	Window	EA	250.00	2.35000	\$587.50
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 1211812009	SO No: 1528-33/550400			
6	12357796-3	F	Window	EA	250.00	2.35000	\$587.50
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 111512010	SO No: 1528-30/550400			
7	12357796-3	F	Window	EA	250.00	2.35000	\$587.50
Supplier to fab -3 detail complete to print per Drawing No. 12357796 Rev F.							
QC Codes: 3			Due Date 2/512010	SO No: 1528-33/550400			

Accepted By	Authorized By	Order Sub Total:	\$4,700.00
Vendor:	Optex:	7/	Tax: \$0.00
Date:	Date:	c/ \kl -cZ9z?	Order Total \$4,700.00

1420 Presidential
Richardson, TX 75081

Please fax signed copy of this Purchase Order Instructions to seller:

to: **Purchasing Dept. 972.234.3544**

Phone: 972.644.0722
Fax: 972.234.3544

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: Tootle Hardman

FOB: ORIGIN
Order Date: 7/20/2009

TSP Inc

2009 Glenn Parkway
Batavia, OH 45103

Phone: 513-732-8900
Fax: **513-732-6988**

Due Date: See Below
Ship Via: United Parcel Servic

Terms: Net 30 Days
Prime Contract #: See Below

DM5 Rating: See Below

Buyer: Peeples, Ronald E.

Notes 51 28-33JDAAE2O-03-D-0052/0033/Do-A5
1528-3OIDAAE2O-03-D-0052100301D0-A5

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

ax. r(17) .-A A-rAr

TSP mc:

Please fax signed copy of this Purchase Order to

Purchasing Dept. 972.234.3544

Purchase Order: 9B1.6292

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 3. contents
- 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	12285097	F	Window	EA	500.00	3.38000	\$1,690.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 812812009	SO No: 1528-33/550400			
2	12285097	F	Window	EA	250.00	3.38000	\$845.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 911812009	SO No: 1528-30/550400			
3	12285097	F	Window	EA	250.00	3.38000	\$845.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 1012i2009	SO No: 1528-33/550400			
4	12285097	F	Window	EA	250.00	3.38000	\$845.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 1013012009	SO No: 1528-30/550400			
5	12285097	F	Window	EA	250.00	3.38000	\$845.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 1112012009	SO No: 1528-33/550400			
6	12285097	F	Window	EA	250.00	3.38000	\$845.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 121412009	SO No: 1528-33/550400			
7	12285097	F	Window	EA	250.00	3.38000	\$845.00
Supplier to fab complete to print per Drawing No. 12285097			Rev. F.				
QC Codes: 3			Due Date 111512010	SO No: 1528-30/550400			

Accepted By	Authorized By	/	Order Sub Total:	\$6,760.00
Vendor:	Optex:			
Date:	Date:		Order Total:	\$6,760.00

Optex Systems TSP
mc:

Purchase Order: 9B16014

Page 1 of 2

1420 Presidential
Richardson, TX 75081

Please fax signed copy of this Purchase Order Instructions to seller:

to: **Purchasing Dept. 972.234.3544**

Phone: 972.644.0722

Fax: 972.234.3544

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

FOB:

ORIGIN

Order Date:

6/3/2009

DueDate:

8/7/2009

Ship Via:

United Parcel Servio

Terms:

Net 30 Days

Prime Contract #:

W56HZV-07-D-M112

VMS Rating:

Buyer:

Peeples, Ronald E.

Notes

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 mc:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B16014

e20f2

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/Fl	Quantity	Unit Price	Ext'd Price
1	LS1027712	A	Window, Lower	EA	200.00	2.35000	\$470.00
Supplier TO fab complete TO print with NOR		GDV1931					
QC Codes: 3			Due Date 81712009	SO No:	3008/550400		
2	LS1027712	A	Window, Lower	EA	190.00	2.35000	\$446.50
Supplier TO fab complete TO print with NOR		GDV1 931					
QC Codes: 3			Due Date 111612009	SO No:	3008/550400		

Accepted By

Authorized By

OrderSub Total:

\$916.50

Vendor:

Optex:

Tax:

\$0.00

Order Total:

\$916.50

Date:

Date:

-

/

**Optex Systems TSP
mc:**

Purchase Order: 9B16802

Page1of3

1420 Presidential

Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

Please fax signed copy of this Purchase Order Instructions 1. Purchase Order to seller: 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

FOB:

Order Date:

DueDate:

Ship Via:

Terms:

Prime Contract #:

DM5 Rating:

Buyer:

ORIGIN

10/12/2009

11/9/2009

United Parcel Servia

Net 30 Days

W56HZV-06-G-0006

DOA4

Peebles, Ronald E.

Notes

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems is an equal opportunity employer

Continued OVER

14)fil D I

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

InstructiOns to seller:

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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.

1

Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 111912009	SO No: 2077-1/550400			
2	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 1211412009	SO No: 2077-1/550400			
3	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 111112010	SO No: 2077-1/550400			
4	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 211 512010	SO No: 2077-1/550400			
5	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 311512010	SO No: 2077-1/550400			
6	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 411 912010	SO No: 2077-1/550400			
7	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 511712010	SO No: 2077-1/550400			
8	12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 612112010	SO No: 2077-1/550400			

Optex Systems

1420 PresidenUal

Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

TSP mc:

Please fax signed copy of this Purchase Order to

Purchasing Dept. 972.234.3544

Purchase Order: 9B16802

Page30f3

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.

-1

<i>Line Part ID</i>	<i>Rev</i>	<i>Part Description</i>	<i>U/M</i>	<i>Quantity</i>	<i>Unit Price</i>	<i>Extd Price</i>
9 12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 711912010	SO No:	2077-1/550400		
10 12285078-2	G	Window (Short Driver)	EA	100.00	4.37000	\$437.00
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 812312010	SO No:	2077-1/550400		

Accepted By

Authorized By

OrderSub Total:

\$4,370.00

Vendor:

Optex:

r

Tax:

\$0.00

Date:

Date:

//

Order Total:

\$4,370.00

Optex Systems SWS-Trimac mc:

Purchase Order: 9B16887

1420 Presidential
Richardson, TX 75081

Please fax signed copy of this Purchase Order Instructions to seller:
to: Purchasing Dept. 972.234.3544

Phone: 972.644.0722
Fax: 972.234.3544

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 Servic

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
2086-56HZV-06-G-0006 DOA4

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems

SWS-TrimacInc:

Purchase Order: 9B16887

1420 Presidential

Please fax signed copy of this Purchase Order to

Richardson, TX 75081

Purchasing Dept. 972.234.3544

Phone: 972.644.0722

Fax: 972.234.3544

Instructions to seller:

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<i>Line Part ID</i>	<i>Part Description</i>	<i>Quantity</i>			
7 12437254-2 D	Welding	EA	29.00	21.00000	\$609.00
QC Codes: 7	Job 2086-1-NOV-FEB Asm 0 Sei	Due Date 11/17/2009	SO No: 2086-1/550400		
8 0006B	Set Up	EA	1.00	150.00000	\$150.00
	Due Date 11/17/2009	SO No: /550500			

Accepted By

Authorized By

/

Order Sub Total:

\$759.00

Vendor:

Optex:

Tax:

\$0.00

Date:

Date:

j

Order Total:

\$759.00

SWS-Trimac mc:

1420 Presidential
Richardson, TX 75081

Please fax signed copy of this Purchase Order Instructions to seller:

to: Purchasing Dept. 972.2343544

Phone: 972.644.0722

Fax: 972.234.3544

1. Purchase Order number and Purchase Order item number must appear on all shipping documents, quality certifications, invoices and packages.

description 2. Packing sheets in detail must accompany each container showing complete 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-Trmac Inc

5225 Davis Road
Saginaw, MI 48604

Phone: 989-791-4595
Fax: 989-791-1339

Order Date: 10/9/2009

Due Date: 10/30/ 2009

Ship Via: United Parcel Servic

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 CON DITIONS APPLY

Optex Systems

SWS-TrimacInc:

Purchase Order: 9B16801

Page2Of2

1420 Presidential

Please fax signed copy of this Purchase Order to

Richardson, TX 75081

Purchasing Dept. 972.234.3544

Instructions to seller.

Phone: 972.644.0722

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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 herein and other specifications, reports, and documents duly referenced herein.

Fax: 972.234.3544

-d

Line	Part ID	Rev	Part Description	EA	Unit	PIké:*EidPfce
1	12548820K1	A	W&ding	EA	64.00	10.00000 \$640.00
C Codes: 7		Job 3025-12549839K1 Asm 4	Due Date 1013012009	SO No: 3025/550400		
2	0006B		Set Up	EA	1.00	150.00000 \$150.00
E-B Weld Set up			Due Date 10/30/2009	SO No: 3025/550500		

Accepted By	Authorized	Order Sub Total:	\$790.00
Vendor:	Optex:	T	so 00
Date:	Date:	Order Total:	\$790.00

mc:

1420 Presidential

Richardson, TX 75081

Please fax signed copy of this Purchase Order to: Purchasing Dept. 972.234.3544

Instructions 1. Purchase to Order seller: number and Purchase Order item number must shipping documents, quality certifications, invoices and packages. appear on all

Phone: 972.644.0722

Fax: 972.234.3544

description 2. Packing sheets in detail must accompany each container showing complete 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: 10/20/2009

Due Date: See Below

Ship Via: United Parcel Servic

Terms: Net 30 Days

Prime Contract #: W56HZV-06-G-0006

DM5 Rating: DOA4

Buyer: Ojeda, Elizabeth A.

Notes Please note CERTS and provide.
Parts to arrive on or before 10/23/09
2086- 56HZV-06-G-0006 DOA4
Please expedite

OSI-10087 TERMS AND CONDITIONS APPLY

Optex Systems

1420 Presidential

Richardson, TX 75081

Phone: 972.644.0722

Fax: 972.234.3544

SWSTrimacInc

Please fax signed copy of this Purchase Order to

Purchasing Dept. 972.234.3544

Purchase Order: 9B16834

Page2of2

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 herein and other specifications, reports, and documents duly referenced herein.

<i>Line</i>	<i>Part ID</i>	<i>Rev</i>	<i>Part Description</i>	<i>U/M</i>	<i>Quantity</i>	<i>Unit Price</i>	<i>Extd Price</i>
7	12437254-2	D	Welding	EA	40.00	21.00000	\$840.00
EB WELD UNIT PRICE							
QC Codes: 7		Job 2086-1-OCT-65 Asm 0 Seq		Due Date 111412009	SO No: 2086-1/550400		
8	0006B		Set Up	EA	100	150.00000	\$150.00
		Due Date 111412009		SO No: /550500			

Date: _____ Date: _____

Order Total: \$990.00

Accepted By

Authorized By

OrderSub Total: *ggci*

Vendor:

Optex:

Tax: \$0.00

Optex Systems is an equal opportunity employer

Continued over

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, Survee, 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**

REVISED
8-14-08

Purchase Order: 9B15760

Page 1 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.

FOB: ORIGIN
Order Date: 4/24/2009
Due Date: See Below
Ship Via:
Terms: Prepaid
Prime Contract #: W52H09-05-D-0260/
DMS Rating:
Buyer: VanDeCarr, Charlotte

OSI-10087 TERMS AND CONDITIONS APPLY

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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 cv

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.
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Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Ext Price
1	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	30.00	1,393.75000	\$41,812.50
Supplier to fab complete to print. Increasing Count Danaher PIN 153943-107 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
CC Codes: 18 Due Date 7/19/2009 SO No: 1795-21550400							
2	117411184	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	30.00	1,393.75000	\$41,100.00
Supplier to fab complete to print. Increasing Count Danaher PIN 153943-107 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
QC Codes: 1 Due Date 7/23/2009 SO No: 795-2IG50400							
3	117411181	B	Rotating, Fixed Mounting (6400 MU)	EA	60.00	1,111.00000	\$66,900.00
Supplier to fab complete to print. Increasing Count Danaher PIN 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 8/17/2009 SO No: 1795-21550400							
4	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	60.00	1,115.00000	\$66,900.00
Supplier to fab complete to print. Increasing Count Danaher PIN 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 10/22/2009 SO No: 1795-3/550400							

Continued over -->

Optex Systems

1420 Presidential
Richardson, TX 75081
Phone: 972.644.6722
Fax: 972.234.3544

Danaher Controls:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

REVISED
8-14-09 od

Purchase Order: 9815760

Page 3 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.
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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	Extd Price
5	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	60.00	1,115.00000	\$66,900.00
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: 1795-31550400							
6	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	30.00	1,393.75000	\$41,812.50
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: 11/9/2009 SO No: 1795-21550400							
7	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	30.00	1,393.70000	\$41,812.50
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 7/11/2009 SO No: 1795-21550400							
8	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	60.00	1,115.00000	\$66,900.00
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: 1795-21550400							

Optex Systems is an equal opportunity employer

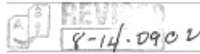
Continued over

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: 9B1.5760**

Page 4 of 7

Instructions to seller:
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Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Ext Price
9	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	60.00	1,115.00000	\$66,900.00
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 Mu)	EA	60.00	1,115.00000	\$66,900.00
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	30.00	342.50000	\$10,275.00
Supplier to fab complete to print and ECP No. H04A2084. Danaher PIN 176322-104 in accordance with Counter Assembly Check List							
Pricing includes a 25% expedite fee							
QC Codes: 18 Due Date 7/19/2009 SO No: 1795-2/550400							
12	11741119	D	Counter, Correction	EA	30.00	342.50000	\$10,275.00
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

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:

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Line	Part ID	Rev	Part Description	UOM	Quantity	Unit Price	Extd Price
13	11741119	D	Counter, Correction	EA	60.00	274.00000	\$16,440.00
Supplier to fab complete to print and ECP No. H04A2084. Danaher PIN 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 911712009		SO No: 1795-2/550400			
14	11741119	D	Counter, Correction	EA	60.00	274.00000	\$16,440.00
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 1012212009		SO No: 1795-3/550400			
15	11741119	D	Counter, Correction	EA	60.00	274.00000	\$16,440.00
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 1111912009		SO No: 1795-3/550400			
16	11741118-1	8	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	60.00	1,115.00000	\$66,900.00
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 1211712009		SO No: 1795-3/550400			

Optex Systems is an equal opportunity employer

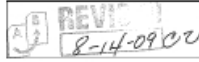
Continued over

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: 9B15760**

Page 6 of 7

Instructions to seller:

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Line	PartID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
17	11741118-1	B	Counter, Rotating, Fixed Mounting (6400 Mu)	EA	70.00	1,115.00000	\$78,050.00
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 70 sets on 31-Dec if shipment is made on Net 30 terms. QC Codes: 18 Due Date 1114/2010 SO No: 1795-31550400							
18	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mil)	EA	60.00	1,115.00000	\$66,900.00
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 12117/2009 SO No: 1795-3/550400							
19	11741118-2	B	Counter, Rotating, Fixed Mounting (6400 Mit)	EA	70.00	1,115.00000	\$78,050.00
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 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							

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: 9B15760**

Page

Instructions to seller:

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<u>Line</u>	<u>PartID</u>	<u>Rev</u>	<u>Part Description</u>	<u>UOM</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Ext Price</u>
20	11741119	D	Counter, Correction	EA	60.00	274.00000	\$16,440.00
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	70.00	274.00000	\$19,180.00
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 11/14/2010 SO No: 1795-3/550400							

Accepted By _____	Authorized By _____	Order Sub Total:	\$964,040.00
Vendor: _____	Optex _____	Tax:	\$0.00
Date: _____	Date _____	Order Total:	\$964,040.00

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: 9B16048

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.
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FOB: ORIGIN
Order Date: 6/9/2009
Due Date: See Below
Ship Via:
Terms: Prepaid
Prime Contract #: W52H09-05-D-0248/
DM5 Rating: D0-A5
Buyer: VanDeCarr, Charlotte

All terms and conditions of original PO apply

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Continued over

Optex Systems1420 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 2012

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	50.00	174.00000	\$8,700.00
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	50.00	174.00000	\$8,700.00
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	50.00	174.00000	\$8,700.00
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8							
Due Date 11/29/2010 SO No: 1792-3/550400							
4	8261839	J	Counter (Non Reset Direct Drive)	EA	50.00	174.00000	\$8,700.00
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8							
Due Date 3/13/2010 SO No: 1792-4/550400							
5	8261839	3	Counter (Non Reset Direct Drive)	EA	70.00	174.00000	\$12,180.00
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8							
Due Date 5/13/2010 SO No: 1792-4/550400							
6	8261839	3	Counter (Non Reset Direct Drive)	EA	70.00	174.00000	\$12,180.00
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	3	Counter (Non Reset Direct Drive)	EA	75.00	174.00000	\$13,050.00
Supplier to fab complete to print. Danaher P/N 726824-006 in accordance with Counter Assembly Check List.							
QC Codes: 8							
Due Date 9/13/2010 SO No: 1792-4/550400							

Accepted By _____	Authorized By _____	OrderSub Total: \$72,210.00
Vendor: _____	Optex: _____	Tax: \$0.00
Date: _____	Date: _____	Order Total: \$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.
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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 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

Order Date: 7/2/2009**Due Date:** See Below**Ship Via:****Terms:****Prime Contract****DM5 Rating:****Buyer:** Box, Gary

Notes RMA# 123718
DMR'S 10451,10449,10452,10453,145410405

All terms and conditions of original PC apply

Optex Systems is an equal opportunity employer

Continued over

C1#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: 9D1621.5

Page

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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 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	UOM	Quantity	Unit Price	Ext'd Price
1	11741118-1	B	Counter, Rotating	EA	1.00	1,062.00000	\$1,062.00
			Fixed Mounting (6400 MIL) Increasing Count Danaher P/N 153943-107 DMR#1 0451				
			Due Date 7/11/2009	SO No: 1795/550400			
2	11741118-2	B	Counter, Rotating	EA	4.00	1,062.00000	\$4,248.00
			Fixed Mounting (6400 MIL) Decreasing Count Danaher P/N 153933-101 RMA#123718 DMR#10453,1044 00				
			Due Date 7/2/2009	SO No: 1795/550400			
3	11741119	D	Counter, Correction	EA	4.00	242.00000	\$968.00
			w/NOR H04A2084 & Contract Danaher PIN 176322-104 RMA #123718 DMR's #10449, 10452				
			equirements-Rev A				
			Due Date 7/11/2009	SO No: 1795/550400			

Accepted By _____	Authorized By _____	Order Sub Total:	\$6,278.00
Vendor: _____	Optex: _____	Tax:	\$0.00
Date: _____	Date: _____	Order Total:	\$6,278.00

Lptex Systems

120 Presidential
Richardson, TX 75081

Phone: 972.644.0722
Fax: 972.234.3544

Spartech Polycast:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B15674

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/FI	Quantity	Unit Price	Ext'd Price
1	12285098U	G	Body, Cut Blank (Short Commander Top)	EA	750.00	17.85000	\$13,387.50
QC Codes: 2			Due Date: 5/18/2009		SO No: 1528-30/560400		
2	12285098U	G	Body, Cut Blank (Short Commander Top)	EA	500.00	17.85000	\$8,925.00
QC Codes: 2			Due Date: 6/12/2009		SO No: 1528-30/560400		
3	12285098U	G	Body, Cut Blank (Short Commander Top)	EA	500.00	17.85000	\$8,925.00
QC Codes: 2			Due Date: 7/13/2009		SO No: 1994/560400		
4	12285098U	G	Body, Cut Blank (Short Commander Top)	EA	250.00	17.85000	\$4,462.50
QC Codes: 2			Due Date: 8/12/2009		SO No: 1994/560400		

Accepted By
Vendor:

Date:

Authorized By / \
Optex:

Date:

Order Sub Total: \$35,700.00

Tax: \$0.00

Order Total: \$35,700.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**Spartech Polycast:**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**Purchase Order: 9B1.5773**

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: Doug Rogers**Spartech Polycast**2975 Collections Center Drive
Chicago, IL 60693
Phone: 800-243-9002
Fax: 203-323-2925

Notes 528-39/DAAE20-03-D-0052/DO-A5
 1528-41 /DAAE20-03-D-0052/DX-A5
 628-30/DAAE20-03-D-0052/DO-A5
 994/NONEIDO-A3

Order Date: 4/28/2009
Due Date: 5/8/2009
Ship Via: Truckline
Terms: Net 45
Prime Contract#: See Below
DM5 Rating: See Below
Buyer: Peebles, 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: 972.644.8722
Fax: 972.234.3544

Spartech Polycast:

Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B15773

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.
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Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12285099U	J	Body, Cut Blank (Commander Bottom) Due Date 7/20/2009 SO No: 1528401550400	EA	1,000.00	15.82000	\$15,820.00
QC Codes: 2							
2	12285099U	J	Body, Cut Blank (Commander Bottom) Due Date 10/19/2009 SO No: 1994/550400	EA	1,000.00	15.82000	\$15,820.00
QC Codes: 2							
3	12285099U	J	Body, Cut Blank (Commander Bottom) Due Date 11/20/2009 SO No: 528-30/550400	EA	1,000.00	15.82000	\$15,820.00
QC Codes: 2							
4	767492tJ		M17 Periscope Body, Cut Blank Due Date 10/23/2009 SO No: 1528-39/550400	LA	1,000.00	20.84000	20,840.00
Supplier to fab complete to print with Optex ECN No. 342							
QC Codes: 2							
5	i64971.1	D	M17 Periscope Body, Cut Blank Due Date 11/20/2009 SO No: 1528-39/550400	EA	1,000.00	20.84000	\$20,840.00
Supplier to fab complete to print with Optex ECN No. 342							
QC Codes: 2							
6	7674952U	D	M17 Periscope Body, Cut Blank Due Date 12/18/2009 SO No: 1528-41/550400	EA	1,000.00	20.84000	\$20,840.00
Supplier to fab complete to print with Optex ECN No. 342							
QC Codes: 2							

REVISED
Spartech

Accepted By Vendor: _____	Authorized By Optex: 	Order Sub Total: \$109,980.00
Date: _____	Date: 18-Jun-2009	Tax: \$0.00
		Order Total: \$109,980.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**Attention:** Doug Rogers**Spartech Polycast**2975 Collections Center Drive
Chicago, IL 60693
Phone: 800-243-9002
Fax: 203-323-2925**Notes** 301 8/W56HZV-07-D-M 112/D000026
3008/W56HZV-07-D-M1 12/NONE**Spartech Polycast:**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**Purchase Order: 9B15958**

Page1of2

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: 7/3/ 2009
ship Via: Truckline
Terms: Net 30 Days
Prime Contract#: See Below
DM5 Rating: See Below
Buyer: Peeples, Ronald E.

OSI-10087 TERMS AND CONDITIONS APPLY

Date: _____ Date: _____

Order Total: \$28,855.00

Optex Systems

1420 Presidential
 Richardson, TX 75081
 Phone: 972.644.0722
 Fax: 972.234.3544

Spartech Polycast:

Please fax signed copy of this Purchase Order to
 Purchasing Dept. 972.234.3544

Purchase Order: 9B15958

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.
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Line	Part ID	Rev	Part Description	U/M	Quantity	Unit Price	Extd Price
1	12308200-2U	K	Body (15° Periscope), Cut Blank	EA	100.00	47.80000	\$4,780.00
BODY (M40 15 Deg)							
QC Codes: 2			Due Date 6/15/2009	SO No: 3016/550400			
2	LS1027714U	A	Body, Acrylic, Cut Blank	EA	150.00	53.50000	\$8,025.00
Supplier to fab complete to print.							
QC Codes: 2			Due Date 7/12/2009	SO No: 3008/550400			
3	LS1027714U	A	Body, Acrylic, Cut Blank	EA	100.00	53.50000	\$5,350.00
Supplier to fab complete to print.							
QC Codes: 2			Due Date 10/12/2009	SO No: 3008/550400			
4	LS1027714U	A	Body, Acrylic, Cut Blank	EA	200.00	53.50000	\$10,700.00
Supplier to fab complete to print.							
QC Codes: 2			Due Date 11/11/2010	SO No: 30081550400			

Optex Systems is an equal opportunity employer

Continued over

Accepted By Vendor:	_____	Authorized By Optex:		Order Sub Total:	\$28,855.00
	_____		_____	Tax:	\$0.00

Date: _____ Date: _____ Order Total: \$28,855.00

Optex Systems1420 Presidential
Richardson, TX 75081Phone: 972.644.0722
Fax: 972.234.3544**Attention:****Spartech Polycast**2975 Collections Center Drive
Chicago, IL 60693
Phone: 800-243-9002
Fax: 203-323-2925**Notes**528-41/DAAE20-03-D-0052/DX-A5
528-33/DAAE20-03-D-0052/DO-A5
2077/W56HZV-06-G-0006/DO-A5**Spartech Polycast:**Please fax signed copy of this Purchase Order
to: Purchasing Dept. 972.234.3544**Purchase Order: 9B15992**

Page1of2

Instructions to seller:

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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 herein and other specifications, reports, and documents duly referenced herein.

FOB: ORIGIN
Order Date: 6/2/2009
Due Date: 6/26/2009
ship Via: Truckline
Terms: Net 45
Prime Contract#: See Below
VMS Rating: See Below
Buyer: Peebles, Ronald E.

Shelf Life and Material Certs required with shipment

This purchase order is EXEMPT from sales and use tax.

Optex Systems

reslue
Richardson, TX 75081
Phone: 972.644.0722
Fax: 972.234.3544

Spartech Polycast

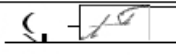
Please fax signed copy of this Purchase Order to
Purchasing Dept. 972.234.3544

Purchase Order: 9B15992

Page 2 of 2

Instructions to seller:
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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	7633133U	J	M27 Periscope Body, Cut Blank	EA	600.00	28.87000	\$17,322.00
QC Codes: 2 Due Date: 8/28/2009 SO No: 1528-41/550400							
2	7633133U	3	M27 Periscope Body, Cut Blank	EA	600.00	28.87000	\$17,322.00
QC Codes: 2 Due Date: 8/7/2009 SO No: 1528-41/550400							
3	7633133U	J	M27 Periscope Body, Cut Blank	EA	600.00	28.87000	\$17,322.00
QC Codes: 2 Due Date: 9/7/2009 SO No: 1528-41/550400							
4	12285105M	H	Body, (Tall Commanders Top) Milled	EA	250.00	41.28000	\$10,320.00
QC Codes: 2 Due Date: 7/16/2009 SO No: 1528-33/550400							
5	12285105M	H	Body, (Tall Commanders Top) Milled	EA	250.00	41.28000	\$10,320.00
QC Codes: 2 Due Date: 8/11/2009 SO No: 1528-33/550400							
6	12285088U	G	Body, Cut Blank (Short Driver)	EA	250.00	14.44000	\$3,610.00
QC Codes: 2 Due Date: 2/7/2009 SO No: 2077/550400							
7	12285088U	G	Body, Cut Blank (Short Driver)	EA	250.00	14.44000	\$3,610.00
QC Codes: 2 Due Date: 9/25/2009 SO No: 2077/550400							

Accepted By Vendor	Authorized By Optex:		Order Sub Total:	\$79,826.00
Date	Date	27	a :	\$0.00
			Order Total	\$79,826.00

THIRD AMENDMENT TO LEASE

This **THIRD AMENDMENT TO LEASE** (this "Amendment") is entered on and to be effective as of, although not necessarily executed on, _____ 2010 (the "Effective Date"), by and between **ACQUIPORT DFWLP, INC.**, a Delaware corporation, as landlord ("Landlord"), and **OPTEX SYSTEMS INC.**, a Delaware corporation ("Tenant").

WHEREAS, Landlord and Tenant entered into that certain Lease (bearing the Lease Reference Date of August 14, 2003) [as amended, the "Lease"], as amended by that certain First Amendment to Lease, dated November 26, 2003, and as further amended by that certain Second Amendment to Lease (the "Second Amendment"), dated January 7, 2005, pursuant to which Tenant leases from Landlord approximately 48,838 square feet of industrial space (the "Premises") being comprised of (i) 34,076 square feet of industrial space known as 1420 Presidential, Richardson, Texas 75081 and (ii) 14,762 square feet of industrial space known as Suite 120, 1400 Presidential, Richardson, Texas 75081; and

WHEREAS, Tenant has requested to extend the term of the Lease, and Landlord and Tenant desire to set forth the terms and conditions upon which the term of the Lease will be extended.

Now, THEREFORE, for and in consideration of the recitals hereinabove and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree that the Lease should be, and hereby is, amended as follows:

1. **TERM OF LEASE.** The Term of Lease is hereby extended to July 31, 2015, and the term Termination Date shall be amended to be July 31, 2015. As used herein, the term "Second Extended Term" shall mean the period from January 1, 2010 (the "Second Extended Term Commencement Date") through the Termination Date.

Any capitalized term used herein and not otherwise defined shall have the meaning ascribed thereto in the Lease.

2. **BASE RENT.** Annual Rent Per Square Foot, Annual Rent and the Monthly Installment of Rent shall be amended to mean, for each month of the Second Extended Term, the following:

Period		Rentable Square	Annual Rent Per		Monthly Installment
from	through	Footage	Square Foot	Annual Rent	of Rent
January 1, 2010	July 31, 2010	48,838	\$ 0.00	\$ 0.00	\$ 0.00
August 1, 2010	July 31, 2013	48,838	\$ 4.70	\$ 229,538.60	\$ 19,128.22
August 1, 2013	July 31, 2015	48,838	\$ 4.95	\$ 241,748.10	\$ 20,145.68

Annual Rent Per Square Foot, Annual Rent and Monthly Installments of Rent for the period of time prior to the Second Extended Term Commencement Date shall remain as currently set forth in the Lease.

The abatement of Monthly Installments of Rent set forth in the chart above is conditioned on Tenant's performance of its obligations under the Lease.

Notwithstanding the abatement of Monthly Installments of Rent set forth in the chart above, Tenant shall remain obligated to pay Tenant's Proportionate Share of Expenses and Taxes (as well as service and utility charges and all other additional rent required by the Lease) for the period during which such Monthly Installments of Rent are abated.

3. **IMPROVEMENTS TO PREMISES.** Tenant acknowledges that Tenant has been in occupancy of the Premises for several years and that it has inspected and is familiar with the Premises. Accordingly, Tenant shall take the Premises for the Second Extended Term in its "AS-IS" "WHERE IS" AND "WITH ALL FAULTS" condition as of the Second Extended Term Commencement Date, except that Landlord agrees to complete certain improvements to the Premises pursuant to this Section 3. Tenant agrees to submit to Landlord, for Landlord's written approval, detailed plans and specifications for Tenant's proposed improvements to the Premises (the improvements approved by Landlord in writing are collectively referred to herein as the "Leasehold Improvements"). Landlord shall complete the Leasehold Improvements by hiring a contractor (selected from a competitive bidding process involving not less than three (3) general contractors mutually acceptable to Landlord and Tenant) to install or construct the Leasehold Improvements. Provided Tenant has not received from Landlord written notice of Tenant's default of the terms of the Lease (unless such default has been cured), Landlord agrees to provide Tenant an allowance equal to **ONE HUNDRED MISETY FIVE THOUSAND THREE HUNDRED FIFTY TWO AND NOF100 DOLLARS (\$195,352.00)** (the "TI Allowance"), which TI Allowance is to be used solely to pay the costs of the Leasehold Improvements.

The costs of the Leasehold Improvements shall include, without limitation, all costs of designing, planning and constructing the Leasehold Improvements, including, without limitation, hard and soft costs, permit fees, costs of compliance with federal, state and municipal building codes, laws, rules and regulations, ADA and Texas Department of Licensing and Regulation compliance fees, architectural and engineering fees, and a construction management fee in the amount of five percent (5%) of the total costs of the Leasehold Improvements. The foregoing construction management fee shall be payable forty percent (40%) to Swearingen Realty Group ("SRG"), as Tenant's construction manager, and sixty percent (60%) to Bradford Companies as Landlord's construction manager.

Any work (labor or materials) outside the scope of the Leasehold Improvements or any costs of the Leasehold Improvements in excess of the TI Allowance shall be at Tenant's sole cost and expense. Any costs of the Leasehold Improvements in excess of the TI Allowance shall be paid to Landlord by Tenant upon demand within thirty (30) days from receipt of an invoice. Should Tenant fail to promptly pay to Landlord on demand any costs of the Leasehold Improvements in excess of the TI Allowance, Landlord may, at Landlord's sole option, in addition to any *other* remedies available to Landlord under the Lease, at law or in equity, as a result of such default by Tenant, refuse to commence or immediately halt construction of the Leasehold Improvements until payment is received and Tenant shall bear all costs attributable to the stopping and re-starting of construction and any delay in completion thereof Notwithstanding anything to the contrary contained herein, Landlord may, upon notice to Tenant, require such changes to the Leasehold Improvements as Landlord reasonably determines to be appropriate in order to comply with the provisions of the Lease and with all applicable building and safety codes and other governmental and insurance requirements, which costs shall be paid from the TI Allowance or paid by Tenant (if in excess of the TI Allowance). Notwithstanding anything to the contrary contained herein, any costs incurred to cause the exterior of the Building to comply with the aforementioned codes and requirements shall be solely at Landlord's expense. Any portion of the TI Allowance remaining upon that date (the "TI Allowance Forfeiture Date") which is the earlier to occur of (i) the completion of the Leasehold Improvements and (ii) twelve (12) months from the Second Extended Term Commencement Date shall be deemed forfeited by Tenant; provided, however, Landlord agrees to apply towards the next accruing Monthly installment(s) of Rent the lesser of (a) \$.50 per square foot of the Premises and (b) the amount of the TI Allowance remaining on the TI Allowance Forfeiture Date.

Upon Landlord's substantial completion of the Leasehold Improvements (as determined by Landlord's construction manager acting reasonably), Landlord and Tenant shall inspect the Leasehold Improvements, and Landlord and Tenant shall specify in writing the Punch-List Items (herein so called) which remain to be performed and/or corrected by Landlord. The completion of the inspection shall be deemed conclusive evidence, as against Tenant, that (i) Tenant has inspected the Leasehold Improvements (and has sufficient knowledge and expertise to make such inspection or has caused the Leasehold Improvements to be inspected on its behalf by one or more persons with such knowledge and expertise), (ii) Tenant accepts the Leasehold Improvements in their "AS-IS", "WHERE IS" **AND** "WITH ALL FAULTS" condition as of the date of such inspection (subject to Landlord's completion of the Punch-List Items), and (iii) that the Leasehold improvements comply fully with Landlord's covenants and obligations under this Amendment with respect to the construction of the Leasehold Improvements by Landlord (subject to the completion of the Punch-List Items). The foregoing provisions are a material part of the consideration for this Amendment. Landlord shall have the right to enter upon the Premises at all reasonable times to complete the Leasehold Improvements and Punch-List Items, provided that Landlord makes reasonable good faith efforts to cooperate with Tenant in connection therewith. **EXCEPT IN THE EVENT OF LANDLORD'S NEGLIGENCE, TENANT SHALL AND DOES HEREBY RELEASE, INDEMNIFY, DEFEND AND HOLD LANDLORD AND THE LANDLORD ENTITIES HARMLESS FROM ALL LIABILITIES, CLAIMS, INJURIES, LOSSES AND CAUSES OF ACTION RELATING TO OR ARISING FROM LANDLORD'S CAUSING THE CONSTRUCTION OF THE LEASEHOLD IMPROVEMENTS DURING TENANT'S OCCUPANCY OF THE PREMISES.**

4. **HVAC REPAIRS AND WARRANTY.**

(i) By no later than the expiration of the sixtieth (60th) day following the Second Extended Term Commencement Date, Landlord shall commence to cause, and thereafter cause to be diligently pursued to completion, (a) the existing HVAC units (excluding Split Systems #7) serving 1420 Presidential to be repaired in accordance with Polk Mechanical Company's report attached hereto as **Exhibit "A"**, and (b) the air handling unit for Split System #11 to be replaced. Landlord shall bear the cost of (a) and (b). All costs of (a) and (b) in excess of those repairs specified in Exhibit "A" (including sales tax) shall be borne by Tenant and paid by Tenant to Landlord, on demand, as additional rent under the Lease, failing which, Landlord's obligation to commence performance of (or continue to perform if the work has already commenced) the work described in (a) and (b) shall be deemed null and void.

(ii) By no later than the expiration of the sixtieth (60th) day following the Second Extended Term Commencement Date, Landlord shall commence, and thereafter cause to be diligently pursued to completion, to cause (i) the existing HVAC units serving 1400 Presidential to be repaired in accordance with Polk Mechanical Company's report attached hereto as **Exhibit "A-i"**. Landlord shall bear the cost of such repairs, (including sales tax). All costs of repairing the HVAC units serving 1400 Presidential in excess of those repairs specified in Exhibit "A-i" (including sales tax) shall be borne by Tenant and paid by Tenant to Landlord, on demand, as additional rent under the Lease, failing which, Landlord's obligation to commence performance of (or continue to perform if the work has already commenced) the repair of the HVAC units serving 1400 Presidential shall be deemed null and void.

(iii) During the Second Extended Term, Landlord shall cause to be performed, at Tenant's cost, the quarterly preventive maintenance on all HVAC units serving the Premises. Tenant, on demand, shall reimburse Landlord for the reasonable and customary costs incurred in connection with (a) such preventive maintenance and (b) any repairs made, or caused to be made, by Landlord to the HVAC units serving the Premises. Except as expressly set forth herein, Tenant remains obligated pursuant to the terms and conditions of Section 7.4 of the Lease.

(iv) Section 7 of the Second Amendment shall be and is hereby deleted in its entirety.

5. **RENT ADJUSTMENTS.**

(i) During the Second Extended Term, Expenses and Taxes shall be paid by Tenant on an absolute triple net basis, not based upon a "base year". As such:

(a) Section 4.2 of the Lease is hereby deleted in its entirety, and the following is hereby substituted therefor:

"4.2 Tenant shall pay as additional rent for each Lease Year Tenant's Proportionate Share of Expenses and Taxes incurred for such Lease Year."

(b) The fourth (**4th**) sentence of Section 4.3 of the Lease shall be and is hereby amended to delete the words "or Base Year";

- (c) The last sentence of Section 4.5.2 of the Lease shall be and is hereby deleted in its entirety;
 - (d) The words “Base Year (Expenses)” and “Base Year (Taxes)” shall be and are hereby deleted from the reference pages of the Lease and the words “(Base Year)” shall be and are hereby deleted from the title of the “Reference Page” of the Lease; and
 - (e) All other references in the Lease to “Base Year” or its equivalent shall be and hereby are deleted in their entirety.
- (ii) For purposes of calculating Tenant’s Proportionate Share of Expenses and Taxes for calendar year 2010 only, in no event shall the amount of Expenses and Taxes for calendar year 2010 used in such calculation exceed \$1.64 per square foot.
 - (iii) Section 4.7 of the Lease shall be and is hereby deleted in its entirety and substituted in lieu thereof shall be the following:

4.7 Notwithstanding anything contained herein or in this Lease to the contrary, it is understood and agreed that for purposes of calculating Tenant’s Proportionate Share of Expenses and Tenant’s Proportionate Share of Taxes in any Lease Year during the Second Extended Term, from and after January 1, 2011, Taxes and Expenses shall increase by no more than eight percent (8%) from the Taxes and Expenses for the immediately preceding calendar year.”

6. OPTION TO EXPAND. Provided Tenant has not received from Landlord written notice of Tenant's default of the terms of the Lease (unless such default has been cured), during the period of time commencing with the Second Extended Term Commencement Date and expiring on the last day of the twenty fourth (**24th**) month thereafter, Tenant shall have the right, but not the obligation, to expand the Premises upon and subject to the following terms and conditions (the "Expansion Option"). The Available Space (herein so called) is the square footage depicted on Exhibit "B" attached hereto and made a part hereof. The Expansion Option can be exercised by Tenant delivering to Landlord one hundred fifty (150) days prior written notice (the "Expansion Space Election Notice") of such exercise. The Expansion Space Election Notice must include the square footage (the "Expansion Space") of the Available Space Tenant is electing to expand in to, which square footage must either be (i) all of the Available Space or (ii) the approximately 6,000 square feet of Available Space immediately adjacent to the Premises. If Tenant exercises the Expansion Option on a timely basis, then Landlord shall have a period of sixty (60) days from its receipt of the Expansion Space Election Notice to notify Tenant, in writing (the "Landlord's Notice"), as to whether Landlord will accommodate Tenant's expansion request or not. Landlord's failure to notify Tenant in writing within such sixty (60) day period as to whether Landlord will accommodate Tenant's expansion request shall be deemed Landlord's notice, as of the last day of the sixty (60) day period, that Landlord will not accommodate Tenant's expansion request. If Landlord notifies Tenant within such sixty (60) day period that Landlord will accommodate Tenant's expansion request, then Tenant shall lease the Expansion Space, commencing with the Expansion Space Commencement Date (as hereinafter defined), upon the terms and conditions of the Lease (except as otherwise expressly set forth herein). Within five (**5**) days of Landlord notifying Tenant that Landlord will accommodate Tenant's expansion request, Landlord and Tenant shall execute an amendment to the Lease adjusting those provisions of the Lease which are affected by a change in square footage of the Premises, effective as of the Expansion Space Commencement Date. Tenant shall commence paying Base Rent and Tenant's Proportionate Share of Taxes and Expenses (as well as service and utility charges and all other additional rent required by the Lease with respect to the Expansion Space) commencing on the Expansion Space Commencement Date. The Expansion Space Commencement Date (herein so called) shall be the date upon which Landlord delivers the Expansion Space to Tenant, which date shall be no later than ninety (90) days from the date the Landlord's Notice is delivered to Tenant; provided, however, if the Expansion Space has not been delivered within such ninety (90) day period but Landlord is using commercially reasonable efforts in pursuing delivery, then Landlord shall have such additional period of time as is necessary to deliver the Expansion Space provided Landlord continues to use commercial] reasonable efforts in pursuing delivery, but in no event shall the delivery date exceed one- hundred fifty (150) days. Notwithstanding the provision as provided below, in such event that the Landlord fails to deliver the space on or before one hundred fifty (150) days after the date the Landlord's Notice is delivered, then Tenant, at its sole and exclusive remedy for such failure, shall have the right to terminate the Lease with thirty (30) days prior written notice if such notice is delivered prior to delivery of the Expansion Space. In the event Tenant elects to exercise its termination right as aforesaid, then Tenant, as a condition precedent to such exercise, shall pay to Landlord, at the time Tenant delivers the written notice of termination to Landlord, as an early termination fee, the sum of the (i) unamortized portion of the leasing commissions paid by Landlord in connection with this Amendment, plus, (ii) unamortized portion of the TI Allowance, each of (i) and (ii) being amortized at the Amortization Rate over months 8 — 67 of the Second Extended Term. The Expansion Space shall be delivered in its "AS-IS" "WHERE IS" AND "WITH ALL FAULTS" condition as of the Expansion Space Commencement Date.

Provided Tenant has not received from Landlord written notice of Tenant's default of the terms of the Lease (unless such default has been cured), the Expansion Space TI Allowance (herein so called) shall be equal to the product of \$4.00/60 multiplied by the number of months remaining in the term of the Lease after the Expansion Space Commencement Date multiplied by the number of square feet of rentable area in the Expansion Space. All work performed by Tenant in improving the Expansion Space shall be done in accordance with the terms and conditions of the Lease, including, without limitation, Article 6 of the Lease and Section 6 of the Second Amendment. Any portion of the Expansion Space TI Allowance remaining upon that date (the "Expansion Space TI Allowance Forfeiture Date") which is the earlier to occur of (i) the completion of Tenant's improvements, if any, to the Expansion Space, and (ii) twelve (12) months from the Expansion Space Commencement Date shall be deemed forfeited by Tenant. The Expansion Space TI Allowance shall be paid to Tenant in the same manner as the "Improvement Allowance" was contemplated to be paid pursuant to the first (1st) sentence of the third (**3d**) paragraph of Section 6 of the Second Amendment.

Except as provided above, if Tenant exercises the Expansion Option but Landlord notifies (or is deemed to have notified) Tenant that Landlord will not accommodate Tenant's expansion request, then Tenant, as its sole and exclusive remedy, shall have the right to terminate this Lease *effective* as of the ninetieth (90th) day after Landlord notifies (or is deemed to have notified) Tenant that Landlord will not accommodate Tenant's expansion request. Such termination option can be exercised by Tenant by delivering written notice to Landlord no later than thirty (30) days after the date upon which Landlord notifies (or is deemed to have notified) Tenant that Landlord will not accommodate Tenant's expansion request. If Tenant does not terminate the Lease as foreshad, the Tenant shall continue to lease the Premises through the expiration of the Term of the Lease. In the event Tenant elects to exercise its termination right as aforeshad, then Tenant, as a condition precedent to such exercise, shall pay to Landlord, at the time Tenant delivers the written notice of termination to Landlord, as an early termination fee, the sum of the (i) unamortized portion of the leasing commissions paid by Landlord in connection with this Amendment, plus, (ii) unamortized portion of the TI Allowance, each of (i) and (ii) being amortized at the Amortization Rate over months 8 — 67 of the Second Extended Term, plus, (iii) (a) if such termination occurs during the first (12) twelve (12) months of the Second Extended Term, the sum of five (5) months of Monthly Installments of Rent and five (5) month's of Tenant's Proportionate Share of Expenses and Taxes (at the rates which would have been due for the five (5) months immediately following the effective date of the termination) or (b) if such termination occurs after the first (1st) twelve (12) months of the Second Extended Term, the sum of four (4) months of Monthly Installments of Rent and four (4) month's of Tenant's Proportionate Share of Expenses and Taxes (at the rates which would have been due for the four (4) months immediately following the effective date of the termination).

The Expansion Option shall be personal to Tenant and shall not be transferred, encumbered, or assigned by Tenant or in any manner transferred to, or exercised by, any subtenant of Tenant.

7. TERMINATION OPTION. Provided Tenant has not received from Landlord written notice of Tenant's default of the terms of the Lease (unless such default has been cured), Tenant shall have the ongoing right (the "Early Termination Option") during the Second Extended Term to terminate the Lease effective as of the end of any month after the expiration of the last day of the twenty-fourth (24th) full month following the Second Extended Term Commencement Date by providing at least one hundred eighty (180) days advance written notice (the "Termination Notice") to Landlord of such election. In the event Tenant elects to exercise the Early Termination Option, Tenant, as a condition precedent to the exercise of the Early Termination Option, shall pay to Landlord, at the time Tenant delivers the Termination Notice, as an early termination fee, the sum of the (i) unamortized portion of the leasing commissions paid by Landlord in connection with this Amendment, plus, (ii) unamortized portion of the TI Allowance, each of (i) and (ii) being amortized at the Amortization Rate over months 8 — 67 of the Second Extended Term, plus, (iii) the sum of three (3) months of Monthly Installments of Rent and three (3) months of Tenant's Proportionate Share of Expenses and Taxes at the rates which would have been due for the three (3) months immediately following the effective date of the termination.

Notwithstanding anything to the contrary, this Termination Option shall be deemed null and void and of no further force or effect upon Tenant's exercise of the Expansion Option, provided Landlord will accommodate such expansion.

8. **INSURANCE.** Commencing with the Second Extended Term Commencement Date, Tenant shall keep in force throughout the Term of the Lease, in addition to the other insurance coverages required by the Lease, Umbrella Liability Insurance written on a Follow Form basis subject to a minimum limit of \$4,000,000 (being in excess of (i) SIR Amount \$10,000 and (ii) the Commercial General Liability insurance, Workers Compensation Insurance and Employers Liability and Business Auto liability coverages required by the Lease) and Workers Compensation Insurance and Employers' Liability Coverage as follows: \$500,000 per accident for each bodily injury by accident; \$500,000 each employee for bodily injury by disease; and \$500,000 policy limit for bodily injury by disease. No later than the Second Extended Term Commencement Date, Tenant shall deliver to Landlord evidence of the insurance required by this section.

9. **LANDLORD ENTITIES.** Landlord Entities shall be deemed to include, without limitation, Heitman Capital Management LLC, Bradford Realty Services, Inc., Bradford Development Company, Inc., Bradford Property Company, Inc., and Bradford Management Company of Dallas, Inc. d/b/a Bradford Management Company, Inc.

10. **RENEWAL OPTION.** The Renewal Option set forth in Section 11 of the Second Amendment remains in full force and effect except that the Renewal Option must be exercised no earlier than nine (9) months, and no earlier than six (6) months, prior to the expiration of the Second Extended Term.

11. **WAIVER OF WARRANTIES.** TENANT ACKNOWLEDGES THAT NEITHER LANDLORD NOR ANY AGENT OF LANDLORD HAS MADE AND TENANT IS NOT RELYING ON, AND TENANT HEREBY WAIVES AND LANDLORD HEREBY DISCLAIMS, ANY WARRANTY OR REPRESENTATION OF ANY KIND, EITHER EXPRESS OR IMPLIED AS TO THE HABITABILITY, FITNESS, QUALITY OR CONDITION OR THE SUITABILITY FOR TENANT'S INTENDED USE OF TILE PREMISES AND/OR TILE LEASEHOLD IMPROVEMENTS AND/OR THE AVAILABLE SPACE, AND TENANT WAIVES ANY AND ALL DEFECTS THEREIN.

12. **TENANT'S AUTHORITY.** If Tenant signs as a corporation, partnership, trust or other legal entity, each of the persons executing this Amendment on behalf of tenant represents and warrants that Tenant has been and is qualified to do business in the state in which Premises are located, that the entity has full right and authority to enter into this Amendment, and that all persons signing on behalf of the entity were authorized to do so by appropriate actions.

13. **BROKERAGE COMMISSIONS.** Tenant represents and warrants that Tenant has dealt with no broker except Swearingen Realty Group ("Tenant's Broker") representing Tenant, and Bradford Management Co., Inc. ("Landlord's Broker"), representing Landlord, and that, insofar as Tenant knows, no other broker negotiated this Lease or is entitled to any commission in connection herewith. Landlord agreed to pay a commission to Tenant's Broker and Landlord's Broker pursuant to the terms and provisions of separate written agreements executed by and between Landlord and Tenant's Broker and Landlord's Broker, respectively, on or before the date of Tenant's execution hereof, which written agreements are incorporated herein by reference for the specific purposes set forth in Section 62.022 (b) of the Texas Property Code. TENANT SHALL INDEMNIFY, DEFEND AND HOLD LANDLORD HARMLESS FROM AND AGAINST ALL CLAIMS (AND COSTS OF DEFENDING AGAINST AND INVESTIGATING SUCH CLAIMS INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEYS' FEES) OF ANY OTHER BROKER OR SIMILAR PARTIES CLAIMING UNDER TENANT IN CONNECTION WITH THIS LEASE.

14. **EFFECTIVENESS.** Except as expressly provided in this Amendment, the terms and provisions of the Lease, as previously executed by the parties, are hereby ratified and affirmed and shall continue to govern the rights and obligations of the parties and all provisions and covenants of the Lease, as herein amended, remain in full force and effect. The Lease, the First Amendment, the Second Amendment and this Amendment constitute the entire understanding and agreement between Landlord and Tenant regarding the subject matter thereof and supersede all other prior written or oral understandings and agreements between Landlord and Tenant with respect thereto and shall constitute but one instrument.

15. **TIME AND GOVERNING LAW.** Time is of the essence of this Amendment and all of its provisions. The laws of the State of Texas and the United State of America shall govern the rights, remedies, and duties of the parties hereto and the validity, construction, enforcement, and interpretation hereof.

16. **SUCCESSORS AND ASSIGNS.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

17. **ILLEGALITY.** If any provision of this Amendment is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable; this Amendment shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom.

18. **NO CLAIMS OR OFFSETS.** Tenant represents and warrants to Landlord that, as of the Effective Date, Tenant has (i) no claims against Landlord under the Lease, and (ii) no rights of offset or deduction with respect to Annual Rent, Tenant's Proportionate Share of Taxes or Expenses or any other additional rent to be paid under the Lease.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective as of Effective Date.

ACQUIPORT DFWIP, INC.,
a Delaware corporation

By: _____
Name: T e sa Ranck
Its: V President

TENANT:

OPTEX SYSTEMS INC.,
a Delaware corporation

By: _____
Name: _____
Its: _____

THIRD AMENDMENT TO LEASE

PAGE 10

Exhibit "A"

to Third Amendment to Lease
between Aequiport DFWIP, Inc., as Land'ord, and Optex Systems Inc., as Tenant

THIRD AMENDMENT TO LEASE

PAGE 11

Mechanical Company

M35613 TACLMOIIOC

C Service Company
425 Ditlard St.
Grand Prairie, Texas 75051
Drct: 972.339.1201
Direct Fax 972339.1662

HVAC Inspection Report

Bradford Management
3420 Presidential
Richardson, TX 75081

RE: Optek inspection report.

Attn: Claire Sharp

Thank you for the opportunity to be of service in regards to the HVAC equipment inspection at the above referred location. Below is a report of our findings on the equipment that was inspected.

Split system #1:

Condensing unit: Carrier Model # 38BA008630 Serial # 5183678409	Age: 1983	Tonnage 7.5
Mr handling unit: Carrier Model # 40RE008310 Serial # 4081G1 1820	Age: 1981	
1—4L5IOBelt 1-3Ox48x2flter		
Need to perform leak check and repair. Unit is low on charge.		
Price to perform leak echeck \$300.00		
Cannot price repairs due to not knowing the cxtent of the leaks at this time.		

Split system # 2:

Condensing unit: Lennox Model # 11529-653-16 Serial # 5895E66057	Age: 1995 .	Tonnage 5
Air Handling unit: Carrier Model # 40Q8060300 Serial # Z301997	Age: 1983	
Unit does not use a belt. 1—20125 xl fdter		
No problems listed with this unit at this time.		

Split System #3:

Condensing Unit: Carrier Model # 38AE016600 Serial # 1393774	Age: 1983	Tonnage 15
Air handling unit: Carrier Model # 40RE015610 Serial # 4283G76	Age: 1983	
2—AXSSbelts 1—3ox60x2fflter		
Need to perform leak cbeck and repair. Unit is low on charge.		
Price. toperformieak check: \$300.00		
Cannot price repairs due to not knowing the extent of the leaks at this time.		

Mechanical Company

Split System #4:

Condensing Unit: Carrier Model # 38AE01 6600 Serial # W393039

Age: 1983

Tonnage 15

Air Handling unit: Carrier Model # 4RE015610 Serial # 4283076

Age: 1983

2—AX55belts 1—30x60x2filter

Need to perform leak check and repair. Unit is low on charge.

Need to replace the condenser fan motor contactors.

Need to replace the compressor contactor. -

Need to replace the wire to the condenser fan motors.

Price to perform leak-check \$300.00

Cannot price repairs due to not knowing the extent of the leaks at this time.

Price to make other repairs to this unit: \$550.00

Split System # 5:

Condensing unit: Goodman Model # CK6O-4C Serial # 9811452207

Age: 1998

Tonnage 5

Air Handling unit: Carrier Model # 40QB060300 Serial # Z301994

Age: 1983

Unit does not use a belt. 1—20 x 25 x I filter

Unit has an inline dud heater that is operating properly.

Unit needs the thermostat replaced it is not operating properly.

Unit has low airflow problem due to dirty evaporator coil..

Price to-make repairs to this unit: \$620.00

Split System #6:

Condensing unit: Carrier Model # 38BA008630 Serial # 5183078

Age: 1983

Tonnage 7.5

Air Handling unit: Carrier Model # 40RE008310 Serial # 40810

Age: 1981

1—AX48 belt 1—3014812 Filter

Need to perform leak check and repair. Unit is low on charge.

Need to replace the filter drier and the sight glass.

Price to perform leak check: \$300.00

Cannot price repairs due to not knowing the extent of the leaks at this time.

Price to -replace filter drier and sight glass: \$385.00

Split System #7:

Condensing unit: Carrier Model # 38AR501261 1 Serial # 3303G30009

Age: 2003

Tonnage 10

Air Handling unit: Carrier Model # N/A Serial # N/A

Age: N/A

1 — ASS bell No filter in unit

No thermostat needs new one.

Compressor is grounded needs new one.

Drain pan needs to be replaced.

Price for repairs to-this unit: \$9,000.00

Mechanical Company

Split System #8:

Condensing Unit: Carrier Model # 38AD024620 Serial # Z393657
Mr Handling unit: Carrier Model # 40RR024530 Serial # Y392614
2—A43belts 6-20x25x2filters

Age: 1983 Tonnage 20
Age: 1983

Need to perform leak check and repair. Unit is low on charge.

Replace the discharge valve gasket.

Clean the condenser coil.

Secure the thermostat wire to the refrigerant lines.

Price :twpedomv leak dieclg '\$300;OP

Cannot price repairs due to not knowing the extent of the leaks at this time.

Price4.inak&otliàjmii:t&thii.unitiS425:00

Split System #9:

Condensing unit: Carrier Model # 38AD024620 Serial # 2393666
Air Handling unit: Carrier Model# 40RR024530 Serial # Y392615
2—AX43belts 4—16x20x2filtersaud4—20x20x2filters

Age: 1983 Tonnage 20
Age: 1983

Need to replace the blower pulley and the belts.

Need to replace the blower wheel, shaft, pulley and bearings.

Need to perform leak check and repair. Unit is low on charge.

Need to clean the evaporator coil and the condenser coil.

Priceto performleakcheck: '\$300.00

Cannot price repairs due to not knowing the extent of the leaks at this time.

Priceto make'ôtlie repairs to thWunit: \$1675.00

Split System # 10:

Condensing unit: Carrier Model # 388A008630 Serial # 5183G78376
Mr Handling unit: Carrier Model # 40RE008310 Serial # 4181 GI 1862
1—A48belt 1-4Sx3Oxlfilter

Age: 1983 Tonnage 7.5
Age: 1981

Need to perform leak check and repair. Unit is low on charge.

Price toperformleak check: \$300.00

Cannot price repairs due to not knowing the extent of the leaks at this time.

Mechanical Company

Split System # 11:

Condensing unit: Carrier Model # 38AD028630 Serial # Y394217
Air Handling unit: Carrier Model # 40RR028000 Serial # X392352
2— BX85 belts Filter N/A

Age: 1983 *Tonnage 25*
Age: 1983

Unit has an electric duct heater and it is operating normal.

Evaporator coil needs to be replaced.

Need to replace the return ductwork

Need to clean the condenser coil.

Unit is shut off at disconnect.

Price to perform repairs to this unit: \$12,500.00

Price to replace airhandler: \$18,500.00

Split System #12:

Condensing unit: N/A Model # H1DA060S464 Serial # ECBM076544
Air Handling unit: Goodman Model # A60-10 Serial # 9311005095

Age: N/A *Tonnage 5*
Age: 1993

Unit does not have a belt. 1 —20 x 25 i I filter

Unit has an electric duct heater that is operating normal.

No problems with this unit at this time.

Split System #13:

Condensing unit: Carrier Model # 38BA008630 Serial # 5183G78403
Air Handling unit: Carrier Model # 40RE008310 Serial # 4181 G11994
1—AX4Sbelt 1—30x48x2filter

Age: 1983 *Tonnage 7.5*
Age: 1981

Need to perform leak check and repair. Unit is low on charge.

Need to replace the compressor contactors.

Need to replace the condenser fan contactors.

Price to perform leak check: \$300.00

Cannot price repairs due to not knowing the extent of the leaks at this time.

Price to make other repairs to this unit: \$550.00

Split System # 14

Condensing unit: Carrier Model # 38BA008630 Serial # 5183G78406
Air Handling unit: Carrier Model # 40RE008310 Serial # 4181G11825
1—AX4Sbelt 1—30x48x2filter

Age: 1983 *Tonnage 7.5*
Age: 1981

Need to perform leak check and repair. Unit is low on charge.

Need to replace the compressor contactors.

Need to replace the condenser fan contactors.

Price to perform leak check: \$300.00

Cannot price repairs due to not knowing the extent of the leaks at this time.

Price to make other repairs to this unit: \$550.00

Mechanical Company

Split System # 15:

Condensing unit: Trane Model # 2TTA006OA4000AA Serial # 617518531?

Age: 2006

Tonnage 5

Air Handling unit: Carrier Model # FA4CNB06O Serial # 0406A81949

Age: 2006

Unit does not have a belt. 1 —20 x 24 x1 Filter

Unit has an electric duct heater that is operating normal.

Need to attach disconnect to the unit

Need to replace the thermostat wire.

Price to makerepairs to this unit: \$45000

All prices are plus applicable sales tax.

The above is a list of our findings for 1420 Presidential if you should have any questions or concerns please feel free to contact me.

Thank you

Steve Wilhite

Service Supervisor

Polk Mechanical Service

Office (972) 339-1265

Fax (972) 339-1465

Email: Steve.WilhitetPolkMeeIianical.com

Exhibit "A-i"

to Third Amendment to Lease
between Acquiport DFWIP, Inc., as Landlord, and Optex Systems Inc., as Tenant

THIRD AMENDMENT TO LEASE

PAGE 12

Mechanical Company

1135513 TACLAOOII09C

C Service Company
425 Dillard SL
Grand Prairie, Texas 75051
Direct: 972.339.1201
Direct Fax: 972.339.1662

HVAC Inspection Report

Bradford Management
1400 Presidential
Richardson, TX 75081

RE: Optek inspection report.

Attn: Claire Sharp

Thank you for the opportunity to be of service in regards to the RVAC equipment inspection at the above referred location. Below is a report of our findings on the equipment that was inspected.

Split system # 16:

Condensing unit: Carrier Model # 38BA012600 Serial # 394443	Age: 1983	Tonnage 10
Air handling unit: Carrier Model # 40RE010310 Serial # 4083G65173	Age: 1983	
1-A55Belt 1-30x48x2fdter		
Need to replace the loss of charge switch.		
Price to make repairs for this unit: \$325.00		

Split system # 17:

Condensing unit: Carrier Model # 38AE016600 Serial # T393782	Age: 1983	Tonnage 15
Mr Handling unit: Carrier Model # 4RE015610 Serial # N/A	Age: N/A	
Need to replace the loss of charge switch.		
Need to replace head gaskets on the compressor and charge the system.		
Price to make repairs for this unit: \$1,200.00		

Split System # 18:

Condensing Unit: Carrier Model # N/A Serial # N/A	Age: N/A	
Air handling unit: Carrier Model # 40QB0483000 Serial # Q317242	Age: 1983	Tonnage 4
Direct Drive Motor 1 —24 x24 x 1 filter		
No problems with this unit at this time.		

Split System # 19:

Condensing Unit: Carrier Model # 38AE012600 Serial # R394459	Age: 1983	Tonnage 10
Air Handling unit: Carrier Model # 4RE010610 Serial # 1083G65185	Age: 1983	
2—A5Sbelts 1—48z3Zx2fliter		
Need to replace the condenser fan motor.		
Need to replace the condenser fan motor contactor.		
Need to replace the evaporator fan contactor.		
Price to make repairs for this unit: \$1,175.00		

Mechanical Company

HVAC Inspection Report

Split System #20:

Condensing unit: Carrier Model # 38AE012600 Serial # R394463

Age: 1983

Tonnage 10

Air Handling unit: Carrier Model # 40RE019310 Serial # 1083G\$184

Age: 1983

Unit does not use a belt. 1 —20 x 24 , I filter

Drain pan is rusted.

Evaporator coil has a refrigerant leak.

Price to make repairs to this unit: \$4,033.33

Split System #21:

Condensing unit: Carrier Model # N/A Serial # N/A

Age: N/A

Tonnage S

Air Handling unit: Carrier Model # 40QB06030 Serial # N351181

Age: 1983

Unit does not use a belt. 1 —20 x 24 x 1 Filter

No problems with unit at this time.

The above is a list of our findings for 1400 Presidential if you should have any questions or concerns please feel free to contact me.

Thank you

Steve Wilhite

Service Supervisor

Polk Mechanical Service

Office (972) 339-1265

Fax (972) 339-1465

Email: Steve.Wilhiteca2PolkMeelianicai.com

Exhibit "B"

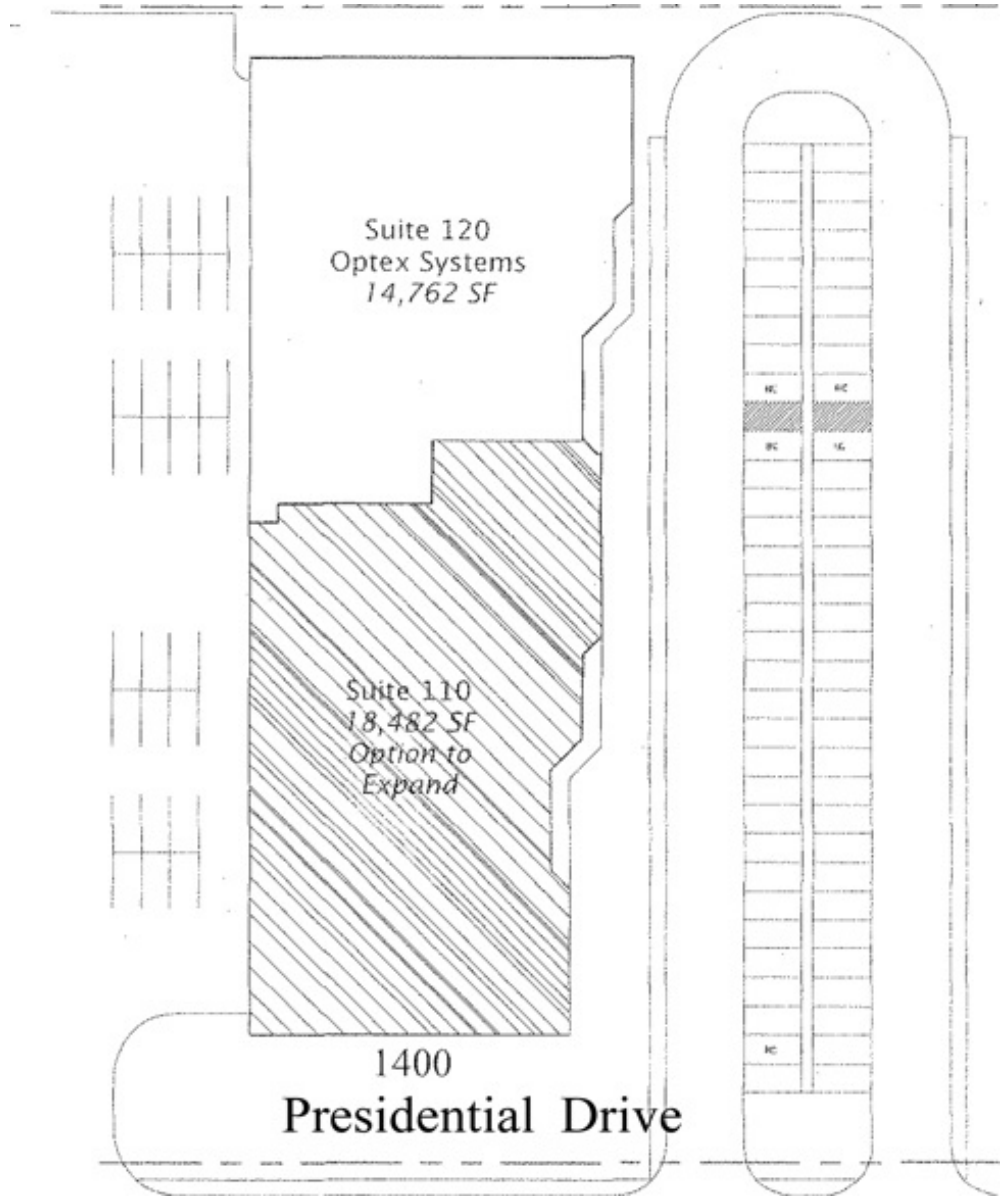
to Third Amendment to Lease
between Acquiport **DFWIP**, Inc., as Landlord, and Optex **Systems** Inc., as **Tenant**

THIRD AMENDMENT TO LEASE

PAGE 13

Exhibit "B"

to Third Amendment to Lease
between Acquiport **DFWIP**, Inc., as Landlord, and Optex **Systems** Inc., as **Tenant**



ADDENDUM TO LEASE AMENDMENT

This Addendum to Lease Amendment is, for all purposes, attached to and made a part of that certain Third Amendment to Lease, by and between Acquiport DFWLP, Inc., a Delaware corporation ("Landlord") and Optex Systems Inc., a Delaware corporation ("Tenant");

Tenant hereby covenants and agrees with, and represents and warrants to, Landlord that (a) Optex Systems Inc., a Texas corporation ("Prior Tenant"), assigned to Tenant all of Prior Tenant's right, title and interest under the Lease, and (b) Tenant assumed from Prior Tenant all responsibility and liability to Landlord for the payment of rental and for compliance with all of the other obligations of the tenant under the terms, provisions and covenants of the Lease, to the extent accruing from and after October 2008 (the "Assignment Date") [the "Assignment and Assumption"]. Tenant covenants and agrees to perform all of the covenants and obligations required to be performed by Prior Tenant under the Lease, *from* and after the Assignment Date, as if Tenant had been named as the tenant under the Lease. TENANT SHALL AND DOES HEREBY RELEASE, INDEMNIFY, DEFEND AND HOLD LANDLORD AND THE LANDLORD ENTITIES HARMLESS FROM ALL LIABILITIES, CLAIMS, INJURIES, LOSSES AND CAUSES OF ACTION RELATING TO OR ARISING FROM TENANT'S BREACH OF THE FOREGOING COVENANTS, AGREEMENTS, REPRESENTATIONS AND WARRANTIES, Landlord consents to the Assignment and Assumption. Nothing contained shall release Prior Tenant from liability under the Lease. The terms of this paragraph shall survive the termination or earlier expiration of the Lease.

Acquiport DFWLP, INC.,
a Delaware corporation

By: _____
Name: e 'esa Ranok
Its: Vice President

TENANT:

OPTEX SYSTEMS INC.,
a Delaware corporation

By: _____
Name: _____
Its: _____

PROMISSORY NOTE

\$250,000.00

October 27, 2009

FOR VALUE RECEIVED, the undersigned, Optex Systems Holdings, Inc, a Delaware company ("Debtor"), promises to pay to the order of LONGVIEW FUND, L.P., or its successors or assigns ("Lender"), on December 1st, 2009 or on demand ("Maturity Date") at 505 Sansome Street, Suite 1275, San Francisco, CA 94111, or at such other place as the Lender may designate from time to time in writing to the Debtor, in lawful money of the United States of America, the principal sum of Two Hundred and Fifty Thousand Dollars and No Cents (\$250,000.00.)

The maturity date may be extended at Lenders option.

The Note will bear interest at the rate of 9%, payable at maturity.

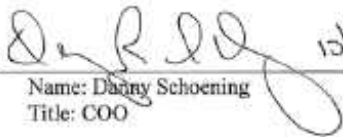
The delay or failure to exercise any right hereunder shall not waive such right. The undersigned hereby waives demand, presentment, protest, notice of dishonor or nonpayment, notice of protest, any and all delays or lack of diligence in collection hereof and assents to each and every extension or postponement of the time of payment or other indulgence.

In the event of default hereunder such that this Note is placed in the hands of an attorney for collection (whether or not suit is filed), or if this Note is collected by suit or legal proceedings or through bankruptcy proceedings, Debtor agrees to pay reasonable attorney's fees and expenses of collection.

This Note shall be governed by, and construed and interpreted in accordance with, the laws of the State of California. Exclusive jurisdiction relating to this Note shall vest in courts located in the State of California.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Note the date and year first above written.

Optex Systems Holdings, Inc.

By:  10/27/09
Name: Darryl Schoening
Title: COO

ALLONGE TO PROMISSORY NOTE

This Allonge ("Allonge") to Promissory Note ("Note"), dated October 27, 2009, by Optex Systems Holdings, Inc. ("Debtor") in favor of Longview Fund, L.P. (Lender").

WHEREAS, Debtor previously executed and delivered the Note to Lender; and

WHEREAS, the parties desire to amend the Note as set forth herein, and except as amended as set forth herein, the terms of the Note remain in full force and effect, if there is a conflict between the terms of the Note and this Allonge, the terms in the Allonge control and all capitalized terms used and not defined in the Allonge are used as defined in the Note.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to modify the Note as set forth below:

1. The Maturity Date is July 15, 2010.
2. The Note will bear interest at the rate of 10%.
3. All interest under the Note shall be accrued and shall be payable at maturity, except as otherwise set forth in paragraph 4 below.
4. If Debtor receives at least \$900,000 in net proceeds from a new credit facility or other financing during the term of the Note, it shall immediately make a prepayment, without premium or penalty, to Lender in the amount of: (i) 50% of the then outstanding principal amount of the Note and (ii) all accrued and unpaid interest through the date of the closing of the new credit facility or other financing.
5. In consideration of entering into the Allonge by Lender, Borrower shall issue to Lender a warrant to purchase 100,000 shares of its Common Stock, on a restricted basis, with an exercise price of \$0.15 per share and a term of three years.

IN WITNESS WHEREOF, the parties have executed this Allonge as of this 5th day of January, 2010.

LONGVIEW FUND, L.P.

By: Viking Asset Management, LLC, its investment advisor

By: /s/ S. Michael Rudolph
S. Michael Rudolph
Managing Member

OPTEX SYSTEMS HOLDINGS, INC.

By: /s/ Stanley Hirschman
Stanley Hirschman
President

INVESTOR RELATIONS AGREEMENT

This Agreement is made as of this 1st day of April 2009, by and between Optex Systems (the "Company" or "OPTX"), a corporation duly organized and existing under the laws of the State of Delaware, having its principal place of business at 1420 Presidential Drive, Richardson, TX. 75081 and American Capital Ventures, Inc. (the "Consultant"), a corporation duly organized and existing under the laws of the State of Florida, with offices at 2875 N.E. 191st Street, Suite 904, Aventura, Florida 33180.

WHEREAS, the Company manufactures optical sighting systems and assemblies primarily for Department of Defense (DOD) applications;

WHEREAS, the Consultant is experienced in providing consulting and investor relations advice to publicly-traded companies and;

WHEREAS, the Company wishes to retain the services of the Consultant on a non-exclusive basis on the following terms and conditions:

1. The Company hereby retains the services of the Consultant for a period of one year from date above.

2. In exchange for the Consulting Services (as that term is defined below) rendered during the Initial Term. The Consultant shall receive a monthly cash fee of \$5,000 (five thousand) payable upon the execution of this agreement and the 1st of every month for the next 11 months. The Consultant shall also receive a fee of 1,000,000 (one million) "Rule 144" restricted shares with 250,000 shares being released from escrow and due on the date of execution of this Agreement and then 68,190 shares being released from escrow on the one month anniversary of the date of execution thereof, and 68,181 released from escrow on each of the two through 11 month anniversaries of the date hereof. All shares are considered earned as due. The Consultant shall also be reimbursed actual reasonable travel and other out of pocket expenses which will be billed in arrears and are due payable within (15) days of the Company's receipt of the subject bill(s). All travel and other out of pocket expenses must be pre approved by the Company.

3. The Consultant shall utilize its best efforts to provide the following services to the Company: (a) assist the Company in making presentations to interested brokerage firms, hedge funds and institutional investors that buy and follow security and defense companies (b) coordinate meetings with analysts to cover the Company's stock and help disseminate the Company's investment profile to these analysts, as well as brokerage firms, hedge fund managers and institutional investors through a variety of electronic and manual sources, (c) a review of public relations and marketing materials that have been, or may be, distributed to the U.S. financial community and make appropriate suggestions as to how these materials can or should be changed, (d) advise the Company on symposium presentations, as well as investor conferences, (e) through media contacts, attempt to initiate interviews for the Company on news shows such as CNBC, CNN and Bloomberg. The services referred to in this paragraph shall be known as the "Consulting Services."

4. The Consultant shall be an independent contractor and shall have no right or authority to assume or create any obligations or responsibility, express or implied, on behalf of or in the name of the Company, unless specifically authorized in writing by the Company. No provision of this Agreement shall be construed to preclude the Consultant, or any officer, director, agent, assistant, affiliate or employee of the Consultant from engaging in any activity whatsoever, including, without limitation receiving compensation for managing investments, or acting as an advisor, broker or dealer to, or participate in, any corporation, partnership, trust or other business entity or from receiving compensation or profit therefore. The Consultant shall have no obligation to present any business combination to the Company and shall incur no liability for its failure to do so.

5. The Consultant (including any person or entity acting for or on behalf of the Consultant) shall not be liable for any mistakes of fact, errors of judgment, for losses sustained by the Company or any subsidiary or for any acts or omissions of any kind, unless caused by the gross negligence or intentional misconduct of the Consultant or any person or entity acting for or on behalf of the Consultant.

6. The Company and its present and future subsidiaries, jointly and severally, agree to indemnify and hold harmless the Consultant and its present and future shareholders as well as its and their officers, directors, affiliates, associates, employees, shareholders, attorneys and agents (“Indemnified Parties” or “Indemnified Party”) against any loss, claim, damage or liability whatsoever (including reasonable attorneys’ fees and expenses), to which such Indemnified Party may become subject as a result of performing any act (or omitting to perform any act) contemplated to be performed by the Consultant pursuant to this Agreement if such act or omission did not violate the provisions of Section 4 of this Agreement and was not otherwise due to the Consultant’s negligence, gross negligence or intentional misconduct or failure to act when action was required. So long as the Company has not provided counsel to the Indemnified Party in accordance with the terms of this Agreement, the Company and its subsidiaries agree to reimburse the defense of any action or investigation (including reasonable attorneys’ fees and expenses) subject to an understanding from such Indemnified Party to repay the Company or its subsidiaries if it is ultimately determined that such Indemnified Party is not entitled to such indemnity. In case any action, suit or proceeding shall be brought or threatened, in writing, against any Indemnified Party, it shall notify the Company within twenty (20) days after the Indemnified Party receives notice of such action, suit or such threat. The Company shall have the right to appoint the Company’s counsel to defend such action, suit or proceeding. The Indemnified Party, or its co-counsel, shall promptly supply the Company’s counsel with copies of all documents, pleadings and notices that are filed, served or submitted in any of the aforementioned. No Indemnified Party shall enter into any settlement without the prior written consent of the Company.

7. This Agreement shall be binding upon the Company and the Consultant and their respective successors and assigns.

8. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever; (i) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (ii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held, invalid illegal or unenforceable.

9. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both parties hereto. No waiver of any other provisions hereof (whether or not similar) shall be binding unless executed in writing by both parties hereto nor shall such waiver constitute a continuing waiver.

10. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which shall constitute one and the same Agreement.

11. This Agreement shall be governed by the laws of the State of Florida. The parties agree that, should any dispute arise in the administration of this Agreement, the dispute shall be resolved through arbitration under the rules of the American Arbitration Association, with its location in Miami, Florida.

12. This Agreement contains the entire agreement between the parties with respect to the services to be provided to the Company by the Consultant and supersedes any and all prior understandings, agreement or correspondence between the parties.

13. Consultant agrees to keep all information provided to it by the Company confidential. CONSULTANT AGREES TO NOT TRADE IN THE COMPANY'S STOCK WHILE IN POSSESSION OF ANY MATERIAL INSIDE INFORMATION UNTIL THREE BUSINESS DAYS AFTER SUCH INFORMATION IS MADE PUBLIC BY THE COMPANY.

IN WITNESS WHEREOF, the Company and the Consultant have caused this Agreement to be signed by their duly authorized representatives as of the day and year first above written.

Optex Systems, Inc.

By: /s/ Stanley A. Hirschman
Name: Stanley A. Hirschman
Title: President

American Capital Ventures, Inc.

By: /s/ Howard Gostfrand
Name: Howard Gostfrand
Title: President

Optex System
Merrick Okamoto
mokamoto@cox.net

CONSULTING AGREEMENT between **OPTEX SYSTEMS INCORPORATED** and **ECON Corporate Services, Inc. (ECON)**, owner of www.InvestorIdeas.com

2009 SHOWCASE AGREEMENT

Effective date on the 1st **day** of April, **2009** by OPTEX SYSTEMS HOLDINGS, INC., a corporation with an office located in Richardson, Texas (the "Company") and ECON Corporate Services, Inc. and www.InvestorIdeas.com PRIVATE corporations (the "Consultant"), with offices in Delta B.C. and Point Roberts WA respectively.

Showcase Services:

Full Program – Company to be featured on:

Investorideas.com, Homelanddefensestocks.com and affiliated Defense site

<http://www.nationalhomelandsecurityknowledgebase.com> (NHSK)

Investorideas.com currently has over 400,000 unique visitors per month and NHSK has an audience of over 1 million unique visitors per month

Featured Company Services:

The Company hereby retains InvestorIdeas.com™, a global investor and industry internet portal, and related industry specific sub portal(s) to render services with respect to the following, including but not limited to:

Corporate Showcase:

Develop corporate pages on our site to include your news, management profile, corporate profile, regulatory links and other pertinent corporate information including audio and video and Flash Media Corporate Presentations on the home page of the InvestorIdeas.com™ Hub and your defense sector portal home page as well as the stock directory page for your sector(s).

Maintain and update your company section to be current on the portal pages, with all news releases to be posted the day of your release.

In addition, Investor Ideas features a section on our site where interested investors are able to request additional information regarding your company; these investors are automatically added to ongoing distribution.

Your Company News Release Distribution: The Investor Ideas Newswire – *All of your company news will be featured on our newswire and sent to our data base*

Investor Ideas Newswire is fast becoming a valuable news source for investors and industry leaders. Investor Ideas Newswire is indexed by Google News, My Yahoo! and other leading news sources.

Examples of additional Investor Ideas Newswire Distribution:

ABC News 7
About.com - -
Boston Herald -
Daily Herald -
Denver Post -
Salt Lake Tribune -
Street IQ.com -
Finance-investing.com -
Kiplinger.com - -
CNET News.com -
PaidContent.org -
Syndic8.com -

We also distribute your company news to our current and growing database of media, industry, shareholders, analysts, fund managers, investors and brokers specifically related to your sector.

News Distribution to National Homeland Security Knowledgebase Newswire: Security and Defence News Feed

<http://nationalhomelandsecurityknowledgebase.com/Feeds/main.xml>

News we create - - Initiate coverage on your sector portal with an introductory portal news release announcing your company as a new "featured company" via a major wire service as well as to our data base and online distribution partners. Additionally we will feature your company in portal news related to your sector, and include the company in all relevant general news, promotions and interviews when possible. A company's visibility expands significantly through inclusion in the professional portal releases with well-known industry experts or larger companies in the sector. We receive full permission and 'sign off' by all participants; therefore news is picked up under the stock symbols of all participating companies.

Industry Articles and feature stories – Sector and Industry Specific

Additionally we will feature your company in portal news related to your sector, and include the company in all relevant general news, promotions and interviews when possible. A company's visibility expands significantly through inclusion in the professional portal releases with well-known industry experts or larger companies in the sector. We receive full permission and 'sign off' by all participants; therefore news is picked up under the stock symbols of all participating companies.

Consulting Services

We will also work directly with the company's in-house IR contacts to assist with news release writing, creation, distribution channels and provide input for SEO and increased visibility.

We will also work with the IR contact to direct investor, analyst and broker leads on behalf of OPTEx.

Terms

The Consultant hereby accepts such retention on the terms and conditions herein set forth and agree to use its best efforts to perform these services at the request of the Company.

Consultant recognizes and confirms that some of the information to be provided by the Company is non-public, confidential or proprietary in nature. Consultant hereby agrees that such information will be kept confidential and will not, without the prior consent of the Company, be disclosed by them, their agents or employees, except as otherwise required by law.

Term

The term of this Agreement shall commence on April 1, 2009 for twelve months with an option to renew.

Compensation

In full consideration and compensation for the consulting services to be rendered to the Company by the Consultant, the Consultant shall be remunerated as follows:

The Company shall pay ECON, a cash fee of \$3000 per month for the services rendered by ECON on the Company's behalf due in arrears by the 30th day of each month following the month in which services are rendered. First month and last month are due upon signing of agreement.

In addition to the fees set out above, the Company has issued a total of 250,000 shares of its Common Stock, restricted as to transfer under Rule 144, promulgated pursuant to the Securities Act of 1933 ("Rule 144"), to the Consultant, under the following terms and conditions: Shares are to be released from escrow as follows: 83,334 shares on the date of this agreement, and 83,333 shares on each of the 60th and 90th day following the date of execution of this contract..

If Rule 144 is available, required 144 opinion letters will be provided by the company at the time of clearing.

Consultant agrees to disclose its compensation in disclaimer as required by U.S., Canadian, and "Blue Sky" Securities Laws and other laws and regulations or as mandated by any forum in which the Company's securities are traded.

In the event, 3rd Party Collection becomes necessary, the signee is responsible for all reasonable attorney and collection fees, up to and including litigation.

EXPENSES

The Company agrees to pay portal news releases distributed including Market Wire and other comparable wires. The average wire cost is \$200 - \$300 per release (total cost). Investorideas.com does not mark up the costs, you will be billed direct cost from market wires.

COMPANY'S OBLIGATIONS

The Company shall make best efforts to comply with all disclosure and regulatory policies.

The Company shall make available to the Consultant all information concerning the business, assets, operations and financial condition of the Company, which the Consultant reasonably requests in connection with the performance of its obligations.

The Consultant may rely on the accuracy of all such information without independent verification.

The Company shall provide the personnel and materials necessary to prepare and send information to investors and brokers as required by the Consultant.

CONSULTANT'S OBLIGATIONS

The Consultant warrants that it has all the applicable licenses and qualifications to do business in the United States and Canada. The Consultant agrees to comply with all Laws and regulations of the United States of America and of the specific states and Canada and provinces regarding all of its activities in representing the Company, including but not limited to, general public relations activities, advertising, and communications with stockholders, investors and consumers. The Consultant agrees to comply with all disclosure laws, regulations and opinions enforced by the Securities and Exchange Commission, any other applicable Federal, state, or provincial agency, self-regulatory organization, or any forum in which the Company's securities are traded. ECON complies with all disclosure laws on its disclaimer at <http://www.investorideas.com/About/Disclaimer.asp>

CONFIDENTIALITY

The Consultant hereby agrees to maintain in the strictest confidence all such information provided to it by the Company,. ECON agrees to sign a separate confidentiality agreement at the Company's request. ECON AGREES TO NOT TRADE IN THE COMPANY'S STOCK WHILE IN POSSESSION OF ANY MATERIAL INSIDE INFORMATION UNTIL THREE BUSINESS DAYS AFTER SUCH INFORMATION IS MADE PUBLIC BY THE COMPANY.

INDEMNIFICATION

The Company shall indemnify and hold harmless the Consultant against any and all loss, liability, damage, cost or expense arising out of any claim or lawsuit, actual or threatened, which the Consultant may suffer, sustain or become subject to, as a result of, or in connection with, the performance of their obligations under this Agreement, except for any loss, liability or expense which is suffered as the result of, or in connection with, the Consultant's willful misconduct, or negligent, reckless or grossly negligent conduct, provided that the Consultant shall give prompt written notice to, and shall cooperate with and render assistance to, the Company regarding any such claim or lawsuit, and provided further the Company shall have the option to undertake and conduct the defence of any such claim or law suit.

Consultant agrees to indemnify and hold harmless the Company from any and all loss, liability, damages, cost or expense arising out of any claim or lawsuit, actual or threatened, which the Company may suffer, sustain or become subject to, as a result of or in connection with Consultant's willful misconduct, negligent, reckless or grossly negligent conduct or failure to act where action was warranted.

The Company shall make best efforts to comply with all SEC disclosure and regulatory policies.

The Company agrees in the event of their contracting additional third party IR firm campaigns, not related to ECON, to not use ECON's contact info (email or phone #) or ECON URL's in any form of spam or illegal redistribution by the retained IR firm. Any direct violation will result in the company and the said IR firm responsible for any damages to ECON.

ASSIGNMENT

No interest of any party under this Agreement may be assigned or otherwise transferred except with the written consent of the other party.

ARBITRATION AND GOVERNING LAW

The Parties agree that any claim or dispute between them or against any agent, employee, successor, or assign of the other, whether related to this agreement or otherwise, and any claim or dispute related to this agreement or the relationship or duties contemplated under this contract, including the validity of this arbitration clause, shall be resolved by binding arbitration by the American Arbitration Association, under the Arbitration Rules then in effect. Any award of the arbitrator(s) may be entered as a judgment in any court of competent jurisdiction. Information may be obtained and claims may be filed at any office of the American Arbitration Association or at Corporate Headquarters, 335 Madison Avenue, Floor 10, New York, New York 10017-4605. Telephone: 212-716-5800, Fax: 212-716-5905, Website: www.adr.org. This agreement shall be interpreted under the Federal Arbitration Act.

This Agreement shall be governed by and construed in accordance with Delaware law.

Please fax copy to our office via fax: 866 735 3518 or by email

ECON CORPORATE SERVICES

Investorideas.com

/s/ Dawn Van Zant

Ms. Dawn Van Zant, Director

Canadian Address

ECON Corporate Services, Inc.

5134 Cliff Drive

Delta, B.C. Canada

V4M - 2C3

US Address

ECON US , Inc.

Suite 102 - - 1385 Gulf Road

Pt. Roberts, WA

98281 - USA

OPTEX SYSTEMS INCORPORATED

/s/ Merrick D. Okamoto

Merrick D. Okamoto

Consulting Agreement

Agreement made on the 29th day of June by and between ZA Consulting, Inc, of 116 West 23rd Street, New York, NY, 10011 (hereinafter referred to as "Consultant") and Optex Systems, Inc. ("the Company or Optex"), a Delaware company with its principal offices at 1420 Presidential Drive, Richardson, TX 75801.

Whereas, Optex desires to engage Consultant to assist Optex in its investor relations; and
Whereas, Consultant desires to assist Optex and Consultant has the expertise which is required to assist Optex; and
Whereas, Optex and Consultant desire to enter into a consulting relationship under the terms and conditions hereinafter set forth.
Now, therefore, with the foregoing recital incorporated hereinafter by reference and in consideration of the mutual covenants and promises herein set forth, the parties to this Agreement intending to be legally bound hereby agree as follows:

1. Consulting Services

The Consultant shall render consulting services to Optex in those areas of the Consultant's professional competence and at times mutually convenient to the parties.

The Company hereby engages Consultant to provide investor and public relations services as agreed by both parties. The plan may include, but not by way of limitation, the following services:

Consulting with the Company's management concerning, 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, assistance in the preparation and dissemination of press releases and stockholder communications.

Product and Brand Awareness to Include:

- Company product website review and recommendations
- Review Company product-oriented literature
- Introduction to industry trade publications

Corporate Communications to Include:

- Investor call response
- Press Release management, drafting, editing, dissemination
- Management and hosting of quarterly conference calls/web casts
- Database Management

- Financial Package Management
- Investor Website review and recommendations
- Presentation assessment and revisions
- Quarterly written assessments to management and Board of Directors

Corporate Awareness to Include:

- Institutional road shows – Region specific and as needed
- Best efforts to obtain speaking presentation at Investment Banking Conferences and other sell-side or sponsored conferences

Program Management to Include:

- Introduction to the sell-side including Institutional Research Teams, and Sales and Trading Departments
- Introduction to ZA Consulting proprietary Broker and Retail Investor network
- Analysis of DTC sheets, Nobo lists and Transfer Agent Sheets
- Ongoing outreach with current shareholders including stakeholders of record and in street name via Nobo list mailings and phone communications

2. Term

This Agreement shall remain in full force as of the date first above written and continue through June 30, 2010, (hereinafter referred to as the “service period”). The Agreement will automatically renew in six month intervals. The Agreement is cancelable by either party after six months with 30 days written notice.

3. Compensation of Consultant

The Consultant shall be paid according to the terms and sums set forth below.

Consultant shall be paid:

- \$150,000 to paid on the execution of this agreement
- 40,000 shares of restricted common stock per month
- \$5,000 per month beginning July 1, 2009
- Company agrees to pay for all out of pocket expenses reasonably incurred by the Consultant, including pre-approved travel (not to exceed \$250 without written consent)

4. Available Time

The Consultant shall make available such time as it, in its sole discretion, shall deem appropriate for the performance of its obligations under this Agreement. The Consultant performs similar services for other clients and will continue to hereafter.

5. Relationship

Nothing herein shall constitute Consultant as an employee or agent of Moqizone, except as might hereinafter be expressly agreed, Consultant shall not have the authority to obligate or commit Optex in any manner whatsoever.

6. Confidentiality

Consultant will execute the Company's standard form of confidentiality agreement if needed.

7. Assignment

This Agreement shall not be assigned by any party, except to successors to all or substantially all of the business of either party for any reason whatsoever, without the prior written consent of the other party, which consent may not be unreasonably withheld by the party whose consent is required.

8. Arbitration

Any dispute arising between the parties hereto shall be subject to binding arbitration under the rules then in effect and under the auspices of the American Arbitration Association or other mutually agreeable arbitrator.

9. Indemnification Clause

(a) The Company agrees to indemnify and hold harmless the Consultant and its agents and employees against any losses, claims, damages or liabilities, joint or several, to which Consultant or any such other person may become subject under the Securities Act of 1933 ("the Act") or otherwise, insofar as such losses, claims, damages or liabilities (or actions, suits or proceedings in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in written material provided to Consultant by the Company and authorized by the Company to be further distributed by the Consultant; or arise out of or are based upon the omission or alleged omission to state therein a material fact or necessary to make the statements in such written material not misleading; and will reimburse the Consultant or any such other person for any legal or other expenses reasonably incurred by the Consultant or any such other person in connection with investigating or defending any such loss, claim, damage, liability, or action, suit or proceeding; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission, from such written materials, in reliance upon and in conformity with written information furnished to the Company by the Consultant specifically for use in the preparation thereof. This indemnity agreement will be in addition to any liability that the Company may otherwise have.

(b) Consultant agrees to indemnify and hold harmless the Company and its agents and employees against any losses, claims, damages or liabilities, joint or several, to which the Company or any such other person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions, suits or proceedings in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in written material distributed by Consultant without the Company's authorization; or arise out of or are based upon the omission or alleged omission to state in such written material a material fact necessary to make the statements in such written materials not misleading; and will reimburse the Company or any such other person for any legal or other expenses reasonably incurred by the Company or any such person in connection with investigation or defending any such loss, claim, damage, liability or action, such or proceeding.

Wherefore the undersigned have been dully authorized to execute the within Agreement on behalf of their respective parties.

Optex Systems, Inc.

ZA Consulting Inc

/s/ Stanley A. Hirschman

/s/ David P. Zazoff

Stanley A. Hirschman,
President

David P Zazoff
President

OPTEX SYSTEMS, INC.

**PENINSULA BANK BUSINESS FUNDING,
A DIVISION OF THE PRIVATE BANK OF THE PENINSULA**

LOAN AND SECURITY AGREEMENT

This **Loan And Security Agreement** is entered into as of March 4, 2010, by and between **Peninsula Bank Business Funding, a division of The Private Bank of the Peninsula** (“Bank”) and **OPTEX SYSTEMS, INC.** a Delaware corporation (“Borrower”).

Recitals

Borrower wishes to obtain credit from time to time from Bank, and Bank desires to extend credit to Borrower. This Agreement sets forth the terms on which Bank will advance credit to Borrower, and Borrower will repay the amounts owing to Bank.

Agreement

The parties agree as follows:

1. Definitions and Construction.

1.1 Definitions. As used in this Agreement, the following terms shall have the following definitions:

“Accounts” means all presently existing and hereafter arising accounts, contract rights, payment intangibles, and all other forms of obligations owing to Borrower arising out of the sale or lease of goods (including, without limitation, the licensing of software and other technology) or the rendering of services by Borrower, whether or not earned by performance, and any and all credit insurance, guaranties, and other security therefor, as well as all merchandise returned to or reclaimed by Borrower and Borrower’s Books relating to any of the foregoing.

“Advance” or “Advances” means a cash advance or cash advances under the Revolving Facility.

“Affiliate” means, with respect to any Person, any Person that owns or controls directly or indirectly such Person, any Person that controls or is controlled by or is under common control with such Person, and each of such Person’s senior executive officers, directors, and/or partners.

“Bank Expenses” means all: reasonable costs or expenses (including reasonable attorneys’ fees and expenses) incurred in connection with the preparation, negotiation, administration, and enforcement of the Loan Documents; reasonable Collateral audit fees; and Bank’s reasonable attorneys’ fees and expenses incurred in amending, enforcing (excluding fees and expenses incurred by Bank if it is not the prevailing party in any litigation), or defending the Loan Documents (including fees and expenses of appeal), incurred before, during and after an Insolvency Proceeding, whether or not suit is brought.

“Borrower’s Books” means all of Borrower’s books and records including: ledgers; records concerning Borrower’s assets or liabilities, the Collateral, business operations or financial condition; and all computer programs, or tape files, and the equipment, containing such information.

“Borrowing Base” means an amount equal to the sum of the following, in each case as determined by Bank with reference to the most recent client summary using Bank’s Factor SQL system: (i) eighty percent (80%) of Eligible Accounts and Eligible Foreign Accounts, plus (ii) seventy percent (70%) of Eligible Canadian Accounts, plus (iii) an amount equal to the lesser of (x) sixty percent (60%) of the Eligible TACOM Accounts, or (y) Three Hundred Fifty Thousand Dollars (\$350,000). For purposes of calculating the Borrowing Base under clause (iii) of the preceding definition (i.e., regarding Eligible TACOM Accounts), it shall not be a requirement that the payment rights with respect to such Accounts have been assigned to Bank under the Assignment of Claims Act of 1940 (31 U.S.C. Section 3727).

“Business Day” means any day that is not a Saturday, Sunday, or other day on which banks in the State of California are authorized or required to close.

“Change in Control” shall mean a transaction in which any “person” or “group” (within the meaning of Section 13(d) and 14(d)(2) of the Securities Exchange Act of 1934) becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, of a sufficient number of shares of all classes of stock then outstanding of Borrower ordinarily entitled to vote in the election of directors, empowering such “person” or “group” to elect a majority of the Board of Directors of Borrower, who did not have such power before such transaction.

“Closing Date” means the date of this Agreement.

“Code” means the California Uniform Commercial Code.

“Collateral” means the property described on **Exhibit A** attached hereto.

“Contingent Obligation” means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to (i) any indebtedness, lease, dividend, letter of credit or other obligation of another; (ii) any obligations with respect to undrawn letters of credit, corporate credit cards, or merchant services issued or provided for the account of that Person; and (iii) all obligations arising under any agreement or arrangement designed to protect such Person against fluctuation in interest rates, currency exchange rates or commodity prices; provided, however, that the term “Contingent Obligation” shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determined amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by Bank in good faith; provided, however, that such amount shall not in any event exceed the maximum amount of the obligations under the guarantee or other support arrangement.

“Copyrights” means any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof.

“Credit Extension” means each Advance or any other extension of credit by Bank for the benefit of Borrower hereunder.

“Current Assets” means, as of any applicable date, all amounts that should, in accordance with GAAP, be included as current assets on the consolidated balance sheet of Borrower and its Subsidiaries as at such date.

“Current Liabilities” means, as of any applicable date, all amounts that should, in accordance with GAAP, be included as current liabilities on the consolidated balance sheet of Borrower and its Subsidiaries, as at such date, plus, to the extent not already included therein, all outstanding Credit Extensions made under this Agreement.

“Daily Balance” means the amount of the Obligations owed at the end of a given day.

“EBITDA” means, for a given period, all earnings of the Borrower before all (a) interest and tax obligations, (b) depreciation and (c) amortization for such period, all determined in accordance with GAAP on a consistent basis with the latest financial statements of the Holding Company and its consolidated Subsidiaries, but excluding the effect of extraordinary and/or non-reoccurring gains or losses for such period.

“Eligible Accounts” means those Accounts that arise in the ordinary course of Borrower’s business that are not subject to any offset by the account debtor and comply with all of Borrower’s representations and warranties to Bank set forth in Section 5.4; provided, that standards of eligibility may be fixed and revised from time to time by Bank in Bank’s reasonable judgment and upon notification thereof to Borrower in accordance with the provisions hereof. Unless otherwise agreed to by Bank, Eligible Accounts shall not include the following:

- (a) Accounts that the account debtor has failed to pay within ninety (90) days of invoice date;

(b) Accounts with respect to an account debtor, twenty-five percent (25%) of whose Accounts the account debtor has failed to pay within ninety (90) days of invoice date;

(c) [Intentionally omitted];

(d) Accounts with respect to which goods are placed on consignment, guaranteed sale, sale or return, sale on approval, bill and hold, or other terms by reason of which the payment by the account debtor may be conditional;

(e) Accounts with respect to which the account debtor is an Affiliate of Borrower or an officer, employee, or agent of Borrower;

(f) Accounts with respect to which the account debtor does not have its principal place of business in the United States, except for Eligible Canadian Accounts and Eligible Foreign Accounts;

(g) Accounts with respect to which the account debtor is the United States or any department, agency, or instrumentality of the United States, except for Accounts of the United States if the payee has assigned its payment rights to Bank, the assignment has been acknowledged under the Assignment of Claims Act of 1940 (31 U.S.C. Section 3727), and such assignment otherwise complies with the Assignment of Claims Act to Bank's reasonable satisfaction in the exercise of its reasonable credit judgment;

(h) Accounts with respect to which (i) Borrower has invoiced the account debtor for goods and/or services that have not been rendered or delivered to the account debtor, or (ii) Borrower is liable to the account debtor for goods sold or services rendered by the account debtor to Borrower or for deposits or other property of the account debtor held by Borrower, but only to the extent of any amounts owing to the account debtor against amounts owed to Borrower;

(i) Accounts with respect to any account debtor (other than General Dynamics Land Systems), including Subsidiaries and Affiliates of the account debtor, (x) whose total obligations to Borrower exceed thirty percent (30%) of all Accounts, and (y) Accounts with respect to General Dynamics Land Systems (including Subsidiaries and Affiliates of General Dynamics Land Systems), whose total obligations to Borrower exceed the lesser of (i) fifty percent (50%) of all Accounts or (ii) the aggregate sum of One Million Dollars (\$1,000,000), in each case to the extent the obligations referred to in the immediately preceding clauses (x) and (y) exceed the aforementioned percentages or dollar amounts, as the case may be, except as approved in writing by Bank;

(j) Accounts with respect to which the account debtor disputes liability or makes any claim with respect thereto as to which Bank believes, in its reasonable credit judgment, that there may be a basis for dispute (but only to the extent of the amount subject to such dispute or claim), or is subject to any Insolvency Proceeding, or becomes insolvent, or goes out of business; and

(k) Accounts the collection of which Bank determines its reasonable credit judgment are likely to be uncollectible in whole or in part.

"Eligible Canadian Accounts" means Accounts that satisfy the requirements of the definition of Eligible Accounts but with respect to which the account debtor has its principal place of business in Canada.

"Eligible Foreign Accounts" means Accounts that satisfy the requirements of the definition of Eligible Accounts but with respect to which the account debtor does not have its principal place of business in the United States or Canada but that (i) are supported by a credit insurance policy naming Bank as an additional insured (including the declarations page, policy form, and all endorsements) issued by a carrier acceptable to Bank and having account debtor limits, deductibles, and other terms and conditions as may be satisfactory to Bank in its sole and absolute discretion or (ii) Bank approves in writing on a case-by-case basis.

"Eligible TACOM Accounts" means Accounts with respect to which Tank-Automotive and Armaments Command is the account debtor and that satisfy all the conditions and requirements of the definition of "Eligible Accounts" set forth in this Agreement other than the conditions and requirements set forth in paragraph (g) of that definition.

“Equipment” means all present and future machinery, equipment, tenant improvements, furniture, fixtures, vehicles, tools, parts and attachments in which Borrower has any interest.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

“Event of Default” has the meaning assigned in Article 8.

“GAAP” means generally accepted accounting principles as in effect from time to time.

“Holding Company” means Optex Systems Holdings, Inc., a Delaware corporation.

“Indebtedness” means (a) all indebtedness for borrowed money or the deferred purchase price of property or services, including without limitation reimbursement and other obligations with respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar instruments, (c) all capital lease obligations and (d) all Contingent Obligations.

“Insolvency Proceeding” means any proceeding commenced by or against any person or entity under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, including assignments for the benefit of creditors, formal or informal moratoria, compositions, extension generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

“Intellectual Property Collateral” means all of Borrower’s right, title, and interest in and to the following: Copyrights, Trademarks and Patents; all trade secrets, all design rights, claims for damages by way of past, present and future infringement of any of the rights included above, all licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights; all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents; and all proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

“Inventory” means all inventory in which Borrower has or acquires any interest, including work in process and finished products intended for sale or lease or to be furnished under a contract of service, of every kind and description now or at any time hereafter owned by or in the custody or possession, actual or constructive, of Borrower, including such inventory as is temporarily out of its custody or possession or in transit and including any returns upon any accounts or other proceeds, including insurance proceeds, resulting from the sale or disposition of any of the foregoing and any documents of title representing any of the above, and Borrower’s Books relating to any of the foregoing.

“Investment” means any beneficial ownership of (including stock, partnership interest or other securities) any Person, or any loan, advance or capital contribution to any Person.

“IRC” means the Internal Revenue Code of 1986, as amended, and the regulations thereunder.

“Lien” means any mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

“Loan Documents” means, collectively, this Agreement, any note or notes executed by Borrower, and any other agreement entered into in connection with this Agreement, all as amended or extended from time to time.

“Material Adverse Effect” means a material adverse effect on (i) the business operations, condition (financial or otherwise) or prospects of Borrower and its Subsidiaries taken as a whole or (ii) the ability of Borrower to repay the Obligations or otherwise perform its obligations under the Loan Documents or (iii) the value or priority of Bank’s security interests in the Collateral.

“Material Contract” shall mean (a) any contract or other agreement written or oral, of Borrower involving monetary liability of or to any Person in an amount in excess of \$50,000 in any fiscal year and (b) any other contract or other agreement, whether written or oral, to which any Borrower is a party as to which the breach, nonperformance, cancellation or failure to renew by any party thereto would have a material adverse effect on the business, assets, condition (financial or otherwise) or results of operations or prospects of Borrower or the validity or enforceability of this Agreement, or any of the rights and remedies of Bank under this Agreement.

“Negotiable Collateral” means all letters of credit of which Borrower is a beneficiary, notes, drafts, instruments, securities, documents of title, and chattel paper, and Borrower’s Books relating to any of the foregoing.

“Obligations” means all debt, principal, interest, Bank Expenses and other amounts owed to Bank by Borrower pursuant to this Agreement or any other agreement, whether absolute or contingent, due or to become due, now existing or hereafter arising, including any interest that accrues after the commencement of an Insolvency Proceeding and including any debt, liability, or obligation owing from Borrower to others that Bank may have obtained by assignment or otherwise.

“Patents” means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

“Periodic Payments” means all installments or similar recurring payments that Borrower may now or hereafter become obligated to pay to Bank pursuant to the terms and provisions of any instrument, or agreement now or hereafter in existence between Borrower and Bank.

“Permitted Indebtedness” means:

- (a) Indebtedness of Borrower in favor of Bank arising under this Agreement or any other Loan Document;
- (b) Indebtedness existing on the Closing Date and disclosed in the Schedule;
- (c) Indebtedness secured by a lien described in clause (c) of the defined term “Permitted Liens,” provided (i) such Indebtedness does not exceed the lesser of the cost or fair market value of the equipment financed with such Indebtedness and (ii) such Indebtedness does not exceed Five Hundred Thousand Dollars (\$500,000) in the aggregate at any given time;
- (d) Subordinated Debt; and
- (e) Indebtedness to trade creditors in the ordinary course of business in connection with obtaining goods and services.

“Permitted Investment” means:

- (a) Investments existing on the Closing Date disclosed in the Schedule; and
- (b) (i) marketable direct obligations issued or unconditionally guaranteed by the United States of America or any agency or any State thereof maturing within one (1) year from the date of acquisition thereof, (ii) commercial paper maturing no more than one (1) year from the date of creation thereof and currently having rating of at least A-2 or P-2 from either Standard & Poor’s Corporation or Moody’s Investors Service, (iii) certificates of deposit maturing no more than one (1) year from the date of investment therein issued by Bank and (iv) Bank’s money market accounts.

“Permitted Liens” means the following:

- (a) Any Liens existing on the Closing Date and disclosed in the Schedule or arising under this Agreement or the other Loan Documents;

(b) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings, provided the same have no priority over any of Bank's security interests;

(c) Liens (i) upon or in any equipment which was not financed by Bank acquired or held by Borrower or any of its Subsidiaries to secure the purchase price of such equipment or indebtedness incurred solely for the purpose of financing the acquisition of such equipment, or (ii) existing on such equipment at the time of its acquisition, provided that the Lien is confined solely to the property so acquired and improvements thereon, and the proceeds of such equipment;

(d) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by Liens of the type described in clauses (a) through (c) above, provided that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness being extended, renewed or refinanced does not increase; and

(e) Liens in favor of Borrower's account debtors respecting specific items of equipment that have been ordered by such account debtors and whose contracts with Borrower expressly permit Borrower to obtain progress payments for such items prior to the final delivery of such items to the account debtor, but only to the extent (i) such items of equipment are specifically described in the portion of the Schedule captioned "Permitted Customer Liens," (ii) such Liens are limited to the account debtors and in the amounts specified in such definition, and (iii) Borrower is not in breach or default of Borrower's obligations to such account debtors.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or governmental agency.

"Prime Rate" means the variable rate of interest, per annum, that appears in The Wall Street Journal from time to time, whether or not such announced rate is the lowest rate available from Bank.

"Responsible Officer" means each of the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer and the Controller of Borrower.

"Revolving Facility" means the facility under which Borrower may request Bank to issue Advances, as specified in Section 2.1(a) hereof.

"Revolving Line" means a credit extension of up to Two Million Dollars (\$2,000,000).

"Revolving Maturity Date" means March 4, 2011.

"Schedule" means the schedule of exceptions attached hereto and approved by Bank, if any.

"Subordinated Debt" means any debt incurred by Borrower that is subordinated to the debt owing by Borrower to Bank on terms acceptable to Bank (and identified as being such by Borrower and Bank).

"Subsidiary" means any corporation, company or partnership in which (i) any general partnership interest or (ii) more than 50% of the stock or other units of ownership which by the terms thereof has the ordinary voting power to elect the Board of Directors, managers or trustees of the entity, at the time as of which any determination is being made, is owned by Borrower, either directly or through an Affiliate.

"Trademarks" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

1.2 Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with GAAP and all calculations made hereunder shall be made in accordance with GAAP. When used herein, the terms "financial statements" shall include the notes and schedules thereto.

2. **Loan and Terms Of Payment.**

2.1 **Credit Extensions.**

Borrower promises to pay to the order of Bank, in lawful money of the United States of America, the aggregate unpaid principal amount of all Credit Extensions made by Bank to Borrower hereunder. Borrower shall also pay interest on the unpaid principal amount of such Credit Extensions at rates in accordance with the terms hereof.

(a) **Revolving Advances.**

(i) Subject to and upon the terms and conditions of this Agreement, Borrower may request Advances in an aggregate outstanding amount not to exceed the lesser of (i) the Revolving Line or (ii) the Borrowing Base. Subject to the terms and conditions of this Agreement, amounts borrowed pursuant to this Section 2.1(a) may be repaid and re-borrowed at any time prior to the Revolving Maturity Date, at which time all Advances under this Section 2.1(a) shall be immediately due and payable. Borrower may prepay any Advances without penalty or premium.

(ii) Whenever Borrower desires an Advance, Borrower will notify Bank by facsimile transmission or telephone no later than 11:00 a.m. Pacific time, on the Business Day that is one (1) day before the Advance is to be made. Each such notification shall be promptly confirmed by a Payment/Advance Form in substantially the form of **Exhibit B** hereto. Borrower will deliver copies of invoices in connection with any Advance request and all supporting documents, plus transaction files for all invoices and payment application in an electronic format acceptable to Bank for processing. Documents received by 11:00 a.m. California time on accounts acceptable to Bank will be processed on the same Business Day. Documents received after then will be processed on the next Business Day. Bank is authorized to make Advances under this Agreement, based upon instructions received from a Responsible Officer or a designee of a Responsible Officer, or without instructions if in Bank's discretion such Advances are necessary to meet Obligations which have become due and remain unpaid. Bank shall be entitled to rely on any telephonic notice given by a person who Bank reasonably believes to be a Responsible Officer or a designee thereof, and Borrower shall indemnify and hold Bank harmless for any damages or loss suffered by Bank as a result of such reliance. Bank will credit the amount of Advances made under this Section to Borrower's deposit account.

2.2 Overadvances. If the aggregate amount of the outstanding Advances exceeds the lesser of the Revolving Line or the Borrowing Base at any time, Borrower shall immediately pay to Bank, in cash, the amount of such excess.

2.3 **Interest Rates, Payments, and Calculations.**

(a) **Interest Rates.**

(i) **Advances.** Except as set forth in Section 2.3(b), and subject to Section 2.3(a)(ii) below, the Advances shall bear interest, on the outstanding Daily Balance thereof, at a rate equal to three and one-half percent (3.5%) above the Prime Rate (the "Advance Rate"). In no event, however, shall the Advance Rate be less than eight and one-half percent (8.5%) per annum, irrespective of the Prime Rate.

(ii) **Minimum Interest.** Irrespective of the amount of Advances outstanding from time to time, Borrower shall pay Bank a minimum interest payment of not less than Sixteen Thousand Dollars (\$16,000) per quarter (the "Minimum Interest Payment"). Any payments of interest actually made by Borrower during each calendar quarter shall be credited to the Minimum Interest Payment required to be paid for such quarter.

(b) **Late Fee; Default Rate.** If any payment is not made within ten (10) Business Days after the date such payment is due, Borrower shall pay Bank a late fee equal to the lesser of (i) five percent (5%) of the amount of such unpaid amount or (ii) the maximum amount permitted to be charged under applicable law. All Obligations shall bear interest, from and after the occurrence and during the continuance of an Event of Default, at a rate equal to five (5) percentage points above the interest rate applicable immediately prior to the occurrence of the Event of Default.

(c) **Payments.** Interest hereunder shall be due and payable on the last Business Day of each month during the term hereof. Minimum Interest Payments shall be due and payable on the last Business Day of each quarter during the term hereof. Bank shall, at its option, charge such interest, all Minimum Interest Payments, all Bank Expenses, and all Periodic Payments against any of Borrower's deposit accounts or against the Revolving Line, in which case those amounts shall thereafter accrue interest at the rate then applicable hereunder. Any interest not paid when due shall be compounded by becoming a part of the Obligations, and such interest shall thereafter accrue interest at the rate then applicable hereunder. All payments shall be free and clear of any taxes, withholdings, duties, impositions or other charges, to the end that Bank will receive the entire amount of any Obligations payable hereunder, regardless of source of payment.

(d) **Lockbox.** Immediately after the Closing, Borrower shall require all account debtors (by, among other things, instructing the account debtors) to wire any amounts owing to Borrower to such account (the "Collateral Account") as Bank shall specify, and to mail all payments made by check to a post office box under Bank's control. All invoices shall specify such post office box as the payment address. Bank shall have sole authority to collect such payments and deposit them to the Collateral Account. If Borrower receives any amount despite such instructions, Borrower shall immediately deliver such payment to Bank in the form received, except for an endorsement to the order of Bank and, pending such delivery, shall hold such payment in trust for Bank. One (1) Business Day after clearance of any checks, Bank shall credit all amounts paid into the Collateral Account first, against any amounts outstanding under the Revolving Line, and then, of any remaining balance of such amount, to Borrower's operating account. Borrower shall enter into such lockbox agreement as Bank shall reasonably request from time to time. Bank will provide reports of invoice entry and payment to Borrower on each Business Day, and will from time to time deliver a detailed aging of open invoices upon Borrower's request.

(e) **Computation.** In the event the Prime Rate is changed from time to time hereafter, the applicable rate of interest hereunder shall be increased or decreased, effective as of the day the Prime Rate is changed, by an amount equal to such change in the Prime Rate. All interest chargeable under the Loan Documents shall be computed on the basis of a three hundred sixty (360) day year.

2.4 Crediting Payments. Prior to the occurrence of an Event of Default, Bank shall credit a wire transfer of funds, check or other item of payment to such deposit account or Obligation as Borrower specifies. After the occurrence of an Event of Default, the receipt by Bank of any wire transfer of funds, check, or other item of payment shall be immediately applied to conditionally reduce Obligations, but shall not be considered a payment on account unless such payment is of immediately available federal funds or unless and until such check or other item of payment is honored when presented for payment. Notwithstanding anything to the contrary contained herein, any wire transfer or payment received by Bank after 12:00 noon Pacific time shall be deemed to have been received by Bank as of the opening of business on the immediately following Business Day. Whenever any payment to Bank under the Loan Documents would otherwise be due (except by reason of acceleration) on a date that is not a Business Day, such payment shall instead be due on the next Business Day, and additional fees or interest, as the case may be, shall accrue and be payable for the period of such extension.

2.5 Fees.

(a) **Facility Fee.** On the Closing Date, Borrower shall pay to Bank a Facility Fee equal to Twenty Thousand Dollars (\$20,000) which shall be nonrefundable. Bank acknowledges receipt of an application fee of Five Thousand Dollars (\$5,000), which is fully earned and non-refundable and which shall not be credited to the Facility Fee.

(b) **Bank Expenses.** On the Closing Date, Borrower shall pay to Bank all Bank Expenses incurred through the Closing Date, including reasonable attorneys' fees and expenses and, after the Closing Date, Borrower shall pay to Bank all Bank Expenses, including reasonable attorneys' fees and expenses, as and when they are incurred by Bank.

2.6 Term. This Agreement shall become effective on the Closing Date and, subject to Section 12.7, shall continue in full force and effect for so long as any Obligations remain outstanding or Bank has any obligation to make Credit Extensions under this Agreement. Notwithstanding the foregoing, Bank shall have the right to terminate its obligation to make Credit Extensions under this Agreement immediately and without notice upon the occurrence and during the continuance of an Event of Default. Notwithstanding termination, Bank's Lien on the Collateral shall remain in effect for so long as any Obligations are outstanding.

3. Conditions of Loans.

3.1 Conditions Precedent to Initial Credit Extension. The obligation of Bank to make the initial Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, the following:

- (a) this Agreement;
- (b) a certificate of the Secretary of Borrower with respect to incumbency and resolutions authorizing the execution and delivery of this Agreement;
- (c) UCC National Form Financing Statement;
- (d) an intellectual property security agreement;
- (e) one or more warrants executed by the Holding Company granting Bank the right to purchase stock pursuant to the terms and conditions set forth in such warrant(s);
- (f) a certificate of insurance naming Bank as loss payee and additional insured;
- (g) payment of the fees and Bank Expenses then due specified in Section 2.5 hereof;
- (h) current financial statements of Borrower;
- (i) an audit of the Collateral, the results of which shall be satisfactory to Bank;
- (j) copies of all contracts between Borrower and Borrower's account debtors;
- (k) an Unconditional Guaranty in form and substance acceptable to Bank executed and delivered by the Holding Company;
- (l) a certificate of the Secretary of the Holding Company with respect to incumbency and resolutions authorizing the execution and delivery of the Unconditional Guaranty referred to in the subsection immediately above; and
- (m) such other documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate.

3.2 Conditions Precedent to all Credit Extensions. The obligation of Bank to make each Credit Extension, including the initial Credit Extension, is further subject to the following conditions:

- (a) timely receipt by Bank of the Payment/Advance Form as provided in Section 2.1; and

(b) the representations and warranties contained in Section 5 shall be true and correct in all material respects on and as of the date of such Payment/Advance Form and on the effective date of each Credit Extension as though made at and as of each such date, and no Event of Default shall have occurred and be continuing, or would exist after giving effect to such Credit Extension. The making of each Credit Extension shall be deemed to be a representation and warranty by Borrower on the date of such Credit Extension as to the accuracy of the facts referred to in this Section 3.2.

4. Creation of Security Interest.

4.1 Grant of Security Interest. Borrower grants and pledges to Bank a continuing security interest in all presently existing and hereafter acquired or arising Collateral in order to secure prompt repayment of any and all Obligations and in order to secure prompt performance by Borrower of each of its covenants and duties under the Loan Documents. Except as set forth in the Schedule, such security interest constitutes a valid, first priority security interest in the presently existing Collateral, and will constitute a valid, first priority security interest in Collateral acquired after the date hereof.

4.2 Delivery of Additional Documentation Required. Borrower shall from time to time execute and deliver to Bank, at the request of Bank, all Negotiable Collateral, all financing statements and other documents that Bank may reasonably request, in form satisfactory to Bank, to perfect and continue the perfection of Bank's security interests in the Collateral and in order to fully consummate all of the transactions contemplated under the Loan Documents. Borrower from time to time may deposit with Bank specific time deposit accounts to secure specific Obligations. Borrower authorizes Bank to hold such balances in pledge and to decline to honor any drafts thereon or any request by Borrower or any other Person to pay or otherwise transfer any part of such balances for so long as the Obligations are outstanding.

4.3 Right to Inspect. Bank (through any of its officers, employees, or agents) shall have the right, upon reasonable prior notice, from time to time during Borrower's usual business hours but no more than twice a year (unless an Event of Default has occurred and is continuing), to inspect Borrower's Books and to make copies thereof and to check, test, and appraise the Collateral in order to verify Borrower's financial condition or the amount, condition of, or any other matter relating to, the Collateral.

5. Representations and Warranties.

Borrower represents and warrants as follows:

5.1 Due Organization and Qualification. Borrower and each Subsidiary is a corporation duly existing under the laws of its state of incorporation and qualified and licensed to do business in any state in which the conduct of its business or its ownership of property requires that it be so qualified.

5.2 Due Authorization; No Conflict. The execution, delivery, and performance of the Loan Documents are within Borrower's powers, have been duly authorized, and are not in conflict with nor constitute a breach of any provision contained in Borrower's Articles of Incorporation or Bylaws, nor will they constitute an event of default under any Material Contract to which Borrower is a party or by which Borrower is bound. Borrower is not in default under any Material Contract to which it is a party or by which it is bound.

5.3 No Prior Encumbrances. Borrower has good and marketable title to its property, free and clear of Liens, except for Permitted Liens.

5.4 Bona Fide Eligible Accounts. The Eligible Accounts are bona fide existing obligations. The property and services giving rise to such Eligible Accounts has been delivered or rendered to the account debtor or to the account debtor's agent for immediate and unconditional acceptance by the account debtor. Borrower has not received notice of actual or imminent Insolvency Proceeding of any account debtor that is included in Bank's Factor SQL system (or in any Borrowing Base Certificate delivered by Borrower to Bank) as an Eligible Account.

5.5 Merchantable Inventory. All Inventory is in all material respects of good and marketable quality, free from all material defects, except for Inventory for which adequate reserves have been made and/or obsolete Inventory.

5.6 Intellectual Property Collateral. Borrower is the sole owner of the Intellectual Property Collateral, except for non-exclusive licenses granted by Borrower to its customers in the ordinary course of business. Borrower owns or licenses or otherwise has the right to use all Patents, Trademarks and Copyrights necessary for the operation of its business as presently conducted. As of the date hereof, Borrower has no Intellectual Property Collateral registered, or subject to pending applications, in the United States Patent and Trademark Office, the United States Copyright Office, or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country. Each of the Patents is valid and enforceable, and no part of the Intellectual Property Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Intellectual Property Collateral violates the rights of any third party. Except as set forth in the Schedule, Borrower's rights as a licensee of intellectual property do not give rise to more than five percent (5%) of its gross revenue in any given month, including without limitation revenue derived from the sale, licensing, rendering or disposition of any product or service. Except as set forth in the Schedule, Borrower is not a party to, or bound by, any agreement that restricts the grant by Borrower of a security interest in Borrower's rights under such agreement.

5.7 Name; Location of Chief Executive Office. Except as disclosed in the Schedule, Borrower has not done business under any name other than that specified on the signature page hereof. The chief executive office of Borrower is located at the address indicated in Section 10 hereof. All Borrower's Inventory and Equipment is located only at the location set forth in Section 10 hereof.

5.8 Litigation. Except as set forth in the Schedule, there are no actions or proceedings pending by or against Borrower or any Subsidiary before any court or administrative agency in which an adverse decision could have a Material Adverse Effect, or a material adverse effect on Borrower's interest or Bank's security interest in the Collateral.

5.9 No Material Adverse Change in Financial Statements. All consolidated and consolidating financial statements related to Borrower and any Subsidiary that Bank has received from Borrower fairly present in all material respects Borrower's financial condition as of the date thereof and Borrower's consolidated and consolidating results of operations for the period then ended. There has not been a material adverse change in the consolidated or the consolidating financial condition of Borrower since the date of the most recent of such financial statements submitted to Bank.

5.10 Solvency, Payment of Debts. Borrower is solvent and able to pay its debts (including trade debts) as they mature.

5.11 Regulatory Compliance. Borrower and each Subsidiary have met the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA, and no event has occurred resulting from Borrower's failure to comply with ERISA that could result in Borrower's incurring any material liability. Borrower is not an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940. Borrower is not engaged principally, or as one of the important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T and U of the Board of Governors of the Federal Reserve System). Borrower has complied with all the provisions of the Federal Fair Labor Standards Act. Borrower has not violated any statutes, laws, ordinances or rules applicable to it, violation of which could have a Material Adverse Effect.

5.12 Environmental Condition. Except as disclosed in the Schedule, none of Borrower's or any Subsidiary's properties or assets has ever been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous owners or operators, in the disposal of, or to produce, store, handle, treat, release, or transport, any hazardous waste or hazardous substance other than in accordance with applicable law; to the best of Borrower's knowledge, none of Borrower's properties or assets has ever been designated or identified in any manner pursuant to any environmental protection statute as a hazardous waste or hazardous substance disposal site, or a candidate for closure pursuant to any environmental protection statute; no lien arising under any environmental protection statute has attached to any revenues or to any real or personal property owned by Borrower or any Subsidiary; and neither Borrower nor any Subsidiary has received a summons, citation, notice, or directive from the Environmental Protection Agency or any other federal, state or other governmental agency concerning any action or omission by Borrower or any Subsidiary resulting in the releasing, or otherwise disposing of hazardous waste or hazardous substances into the environment.

5.13 Taxes. Borrower and each Subsidiary have filed or caused to be filed all tax returns required to be filed, and have paid, or have made adequate provision for the payment of, all taxes reflected therein.

5.14 Subsidiaries. Borrower does not own any stock, partnership interest or other equity securities of any Person, except for Permitted Investments.

5.15 Government Consents. Borrower and each Subsidiary have obtained all material consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all governmental authorities that are necessary for the continued operation of Borrower's business as currently conducted.

5.16 Accounts. None of Borrower's nor any Subsidiary's property is maintained or invested with a Person other than Bank.

5.17 Full Disclosure. No representation, warranty or other statement made by Borrower in any certificate or written statement furnished to Bank contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained in such certificates or statements not misleading.

6. Affirmative Covenants.

Borrower shall do all of the following:

6.1 Good Standing. Borrower shall maintain its and each of its Subsidiaries' corporate existence and good standing in its jurisdiction of incorporation and maintain qualification in each jurisdiction in which it is required under applicable law. Borrower shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals and agreements, the loss of which could have a Material Adverse Effect.

6.2 Government Compliance. Borrower shall meet, and shall cause each Subsidiary to meet, the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA. Borrower shall comply, and shall cause each Subsidiary to comply, with all statutes, laws, ordinances and government rules and regulations to which it is subject, noncompliance with which could have a Material Adverse Effect.

6.3 Financial Statements, Reports, Certificates. Borrower shall deliver the following to Bank: (a) as soon as available, but in any event within forty-five (45) days after the end of each of Borrower's fiscal quarters, a consolidated balance sheet, income, and cash flow statement as contained in the Holding Company's 10-Q report filed with the Securities and Exchange Commission covering Borrower's and the Holding Company's consolidated operations during such period, prepared in accordance with GAAP, consistently applied, in a form acceptable to Bank and certified by a Responsible Officer; (b) as soon as available, but in any event within ninety (90) days after the end of Borrower's fiscal year, audited consolidated financial statements of Borrower and the Holding Company prepared in accordance with GAAP, consistently applied, together with an unqualified opinion on such financial statements of an independent certified public accounting firm reasonably acceptable to Bank; (c) copies of all statements, reports and notices sent or made available generally by Borrower or the Holding Company to its security holders or to any holders of Subordinated Debt and, if applicable, all reports on Forms 10-K and 10-Q filed with the Securities and Exchange Commission; (d) promptly upon receipt of notice thereof, a report of any legal actions pending or threatened against Borrower, the Holding Company or any Subsidiary that could result in damages or costs to Borrower, the Holding Company, or any Subsidiary of One Hundred Thousand Dollars (\$100,000) or more; and (e) such budgets, sales projections, operating plans, other financial information including information related to the verification of Borrower's Accounts as Bank may reasonably request from time to time.

Promptly upon request by Bank, Borrower shall deliver to Bank a Borrowing Base Certificate signed by a Responsible Officer in substantially the form of **Exhibit C** hereto or in such other form required by Bank, together with aged listings of accounts receivable and accounts payable.

Borrower shall deliver to Bank with the quarterly financial statements a Compliance Certificate signed by a Responsible Officer in substantially the form of **Exhibit D** hereto.

Bank shall have a right from time to time hereafter to audit Borrower's Accounts and appraise Collateral at Borrower's expense, provided that such audits will be conducted no more often than every six (6) months unless an Event of Default has occurred and is continuing.

6.4 Inventory; Returns. Borrower shall keep all Inventory in good and marketable condition, free from all material defects except for Inventory for which adequate reserves have been made. Returns and allowances, if any, as between Borrower and its account debtors shall be on the same basis and in accordance with the usual customary practices of Borrower, as they exist at the time of the execution and delivery of this Agreement. Borrower shall promptly notify Bank of all returns and recoveries and of all disputes and claims, where the return, recovery, dispute or claim involves more than One Hundred Thousand Dollars (\$100,000).

6.5 Taxes. Borrower shall make, and shall cause each Subsidiary to make, due and timely payment or deposit of all material federal, state, and local taxes, assessments, or contributions required of it by law, and will execute and deliver to Bank, on demand, appropriate certificates attesting to the payment or deposit thereof; and Borrower will make, and will cause each Subsidiary to make, timely payment or deposit of all material tax payments and withholding taxes required of it by applicable laws, including, but not limited to, those laws concerning F.I.C.A., F.U.T.A., state disability, and local, state, and federal income taxes, and will, upon request, furnish Bank with proof satisfactory to Bank indicating that Borrower or a Subsidiary has made such payments or deposits; provided that Borrower or a Subsidiary need not make any payment if the amount or validity of such payment is contested in good faith by appropriate proceedings and is reserved against (to the extent required by GAAP) by Borrower.

6.6 Insurance.

(a) Borrower, at its expense, shall keep the Collateral insured against loss or damage by fire, theft, explosion, sprinklers, and all other hazards and risks, and in such amounts, as ordinarily insured against by other owners in similar businesses conducted in the locations where Borrower's business is conducted on the date hereof. Borrower shall also maintain insurance relating to Borrower's business, ownership and use of the Collateral in amounts and of a type that are customary to businesses similar to Borrower's.

(b) All such policies of insurance shall be in such form, with such companies, and in such amounts as are reasonably satisfactory to Bank. All such policies of property insurance shall contain a lender's loss payable endorsement, in a form satisfactory to Bank, showing Bank as an additional loss payee thereof, and all liability insurance policies shall show the Bank as an additional insured and shall specify that the insurer must give at least twenty (20) days notice to Bank before canceling its policy for any reason. Upon Bank's request, Borrower shall deliver to Bank certified copies of such policies of insurance and evidence of the payments of all premiums therefor. All proceeds payable under any such policy shall, at the option of Bank, be payable to Bank to be applied on account of the Obligations.

6.7 Accounts. Within ninety (90) days after the Closing, Borrower shall establish (and shall cause each of its Subsidiaries to establish) and thereafter maintain its primary depository, operating, and investment accounts with Bank.

6.8 EBITDA. Borrower shall maintain EBITDA of not less than the following amounts as of the following dates: (a) as of the last day of Borrower's second fiscal quarter ending March 28, 2010, Two Hundred Fifty Thousand Dollars (\$250,000); (b) as of the last day of Borrower's third fiscal quarter ending June 27, 2010, Three Hundred Fifty Thousand Dollars (\$350,000); (c) as of the last day of Borrower's fourth fiscal quarter ending September 26, 2010, Four Hundred Fifty Thousand Dollars (\$450,000); and (d) as of the last day of Borrower's first fiscal quarter ending December 26, 2010, an amount to be mutually agreed upon by Borrower and Bank not later than September 30, 2010. In the event that Borrower and Bank cannot mutually agree upon an amount, then the amount for Borrower's first fiscal quarter ending December 26, 2010, shall be Four Hundred Fifty Thousand Dollars (\$450,000).

6.9 Minimum Cash. Borrower shall maintain at all times an unencumbered cash balance of not less than Five Hundred Thousand Dollars (\$500,000), measured on a quarterly basis as of the end of each of Borrower's fiscal quarters.

6.10 Intellectual Property Rights.

(a) Borrower shall promptly give Bank written notice of any applications or registrations of intellectual property rights filed with the United States Patent and Trademark Office, including the date of such filing and the registration or application numbers, if any. Borrower shall (i) give Bank not less than 30 days prior written notice of the filing of any applications or registrations with the United States Copyright Office, including the title of such intellectual property rights to be registered, as such title will appear on such applications or registrations, and the date such applications or registrations will be filed, and (ii) prior to the filing of any such applications or registrations, shall execute such documents as Bank may reasonably request for Bank to maintain its perfection in such intellectual property rights to be registered by Borrower, and upon the request of Bank, shall file such documents simultaneously with the filing of any such applications or registrations. Upon filing any such applications or registrations with the United States Copyright Office, Borrower shall promptly provide Bank with (i) a copy of such applications or registrations, without the exhibits, if any, thereto, (ii) evidence of the filing of any documents requested by Bank to be filed for Bank to maintain the perfection and priority of its security interest in such intellectual property rights, and (iii) the date of such filing.

(b) Bank may audit Borrower's Intellectual Property Collateral to confirm compliance with this Section, provided such audit may not occur more often than twice per year, unless an Event of Default has occurred and is continuing. Bank shall have the right, but not the obligation, to take, at Borrower's sole expense, any actions that Borrower is required under this Section to take but which Borrower fails to take, after 15 days' notice to Borrower. Borrower shall reimburse and indemnify Bank for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section.

6.11 Further Assurances. At any time and from time to time Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Bank to effect the purposes of this Agreement.

7. Negative Covenants.

Borrower will not do any of the following:

7.1 Dispositions. Convey, sell, lease, transfer or otherwise dispose of (collectively, a “Transfer”), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, other than: (i) Transfers of Inventory in the ordinary course of business; (ii) Transfers of non-exclusive licenses and similar arrangements for the use of the property of Borrower or its Subsidiaries in the ordinary course of business; or (iii) Transfers of worn-out or obsolete Equipment which was not financed by Bank.

7.2 Change in Business; Change in Control or Executive Office. Engage in any business, or permit any of its Subsidiaries to engage in any business, other than the businesses currently engaged in by Borrower and any business substantially similar or related thereto (or incidental thereto); or cease to conduct business in the manner conducted by Borrower as of the Closing Date; or suffer or permit a Change in Control; or without thirty (30) days prior written notification to Bank, relocate its chief executive office or state of incorporation or change its legal name; or without Bank’s prior written consent, change the date on which its fiscal year ends.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with or into any other business organization, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person.

7.4 Indebtedness. Create, incur, assume or be or remain liable with respect to any Indebtedness, or permit any Subsidiary so to do, other than Permitted Indebtedness.

7.5 Encumbrances. Create, incur, assume or suffer to exist any Lien with respect to any of its property, or assign or otherwise convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries so to do, except for Permitted Liens, or agree with any Person other than Bank not to grant a security interest in, or otherwise encumber, any of its property, or permit any Subsidiary to do so.

7.6 Distributions. Pay any dividends or make any other distribution or payment on account of or in redemption, retirement or purchase of any capital stock, or permit any of its Subsidiaries to do so, except that Borrower may repurchase the stock of former employees pursuant to stock repurchase agreements as long as an Event of Default does not exist prior to such repurchase or would not exist after giving effect to such repurchase.

7.7 Investments. Directly or indirectly acquire or own, or make any Investment in or to any Person, or permit any of its Subsidiaries so to do, other than Permitted Investments; or maintain or invest any of its property with a Person other than Bank or permit any of its Subsidiaries to do so unless such Person has entered into an account control agreement with Bank in form and substance satisfactory to Bank; or suffer or permit any Subsidiary to be a party to, or be bound by, an agreement that restricts such Subsidiary from paying dividends or otherwise distributing property to Borrower.

7.8 Transactions with Affiliates. Except as set forth in Schedule 7.8, directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower except for transactions that are in the ordinary course of Borrower’s business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm’s length transaction with a non-affiliated Person.

7.9 Subordinated Debt. Make any payment in respect of any Subordinated Debt, or permit any of its Subsidiaries to make any such payment, except in compliance with the terms of such Subordinated Debt, or amend any provision contained in any documentation relating to the Subordinated Debt without Bank’s prior written consent.

7.10 Inventory and Equipment. Store the Inventory or the Equipment with a bailee, warehouseman, or other third party unless the third party has been notified of Bank’s security interest and Bank (a) has received an acknowledgment from the third party that it is holding or will hold the Inventory or Equipment for Bank’s benefit or (b) is in pledge possession of the warehouse receipt, where negotiable, covering such Inventory or Equipment. Store or maintain any Equipment or Inventory at a location other than the location set forth in Section 10 of this Agreement.

7.11 Compliance. Become an “investment company” or be controlled by an “investment company,” within the meaning of the Investment Company Act of 1940, or become principally engaged in, or undertake as one of its important activities, the business of extending credit for the purpose of purchasing or carrying margin stock, or use the proceeds of any Credit Extension for such purpose. Fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur, fail to comply with the Federal Fair Labor Standards Act or violate any law or regulation, which violation could have a Material Adverse Effect, or a material adverse effect on the Collateral or the priority of Bank’s Lien on the Collateral, or permit any of its Subsidiaries to do any of the foregoing.

8. Events of Default.

Any one or more of the following events shall constitute an Event of Default by Borrower under this Agreement:

8.1 Payment Default. If Borrower fails to pay (a) any of the principal or interest when due or (b) any of the other Obligations within ten (10) Business Days of the date due, provided that no Credit Extensions shall be made during such ten (10) Business Day period;

8.2 Covenant Default.

(a) If Borrower fails to perform any obligation under Sections 6.2, 6.3, 6.5, 6.6, 6.7, 6.8, or 6.9 if Borrower violates any of the covenants contained in Article 7 of this Agreement; or

(b) If Borrower fails or neglects to perform or observe any other material term, provision, condition, covenant contained in this Agreement, in any of the Loan Documents, or in any other present or future agreement between Borrower and Bank and as to any default under such other term, provision, condition or covenant that can be cured, has failed to cure such default within ten days after Borrower receives notice thereof or any officer of Borrower becomes aware thereof; provided, however, that if the default cannot by its nature be cured within the ten day period or cannot after diligent attempts by Borrower be cured within such ten day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed 30 days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default but no Credit Extensions will be made.

8.3 Material Adverse Effect. If there occurs any circumstance or circumstances that could have a Material Adverse Effect;

8.4 Attachment. If any portion of Borrower’s assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity and such attachment, seizure, writ or distress warrant or levy has not been removed, discharged or rescinded within ten (10) Business Days, or if Borrower is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of Borrower’s assets, or if a notice of lien, levy, or assessment is filed of record with respect to any of Borrower’s assets by the United States Government, or any department, agency, or instrumentality thereof, or by any state, county, municipal, or governmental agency, and the same is not paid within ten (10) Business Days after Borrower receives notice thereof, provided that none of the foregoing shall constitute an Event of Default where such action or event is stayed or an adequate bond has been posted pending a good faith contest by Borrower (provided that no Credit Extensions will be required to be made during such cure period);

8.5 Insolvency. If Borrower becomes insolvent, or if an Insolvency Proceeding is commenced by Borrower, or if an Insolvency Proceeding is commenced against Borrower and is not dismissed or stayed within sixty (60) days (provided that no Credit Extensions will be made prior to the dismissal of such Insolvency Proceeding);

8.6 Other Agreements. If there is a default or other failure to perform in any agreement to which Borrower is a party or by which it is bound resulting in a right by a third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount in excess of One Hundred Thousand Dollars (\$100,000) or which could have a Material Adverse Effect;

8.7 Judgments. If a judgment or judgments for the payment of money in an amount, individually or in the aggregate, of at least One Hundred Thousand Dollars (\$100,000) shall be rendered against Borrower and shall remain unsatisfied and unstayed for a period of thirty (30) days (provided that no Credit Extensions will be made prior to the satisfaction or stay of such judgment); or

8.8 Misrepresentations. If any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth herein or in any certificate delivered to Bank by any Responsible Officer pursuant to this Agreement or to induce Bank to enter into this Agreement or any other Loan Document.

8.9 Guaranty. If any guaranty of all or a portion of the Obligations (a "Guaranty") ceases for any reason to be in full force and effect, or any guarantor fails to perform any obligation under any Guaranty or a security agreement securing any Guaranty (collectively, the "Guaranty Documents"), or any event of default occurs under any Guaranty Document or any guarantor revokes or purports to revoke a Guaranty, or any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth in any Guaranty Document or in any certificate delivered to Bank in connection with any Guaranty Document, or if any of the circumstances described in Sections 8.3 through 8.8 occur with respect to any guarantor or any guarantor dies or becomes subject to any criminal prosecution, or any circumstances arise causing Bank, in good faith, to become insecure as to the satisfaction of any of any guarantor's obligations under the Guaranty Documents.

9. Bank's Rights and Remedies.

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Bank may, at its election, without notice of its election and without demand, do any one or more of the following, all of which are authorized by Borrower:

(a) Declare all Obligations, whether evidenced by this Agreement, by any of the other Loan Documents, or otherwise, immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 8.5, all Obligations shall become immediately due and payable without any action by Bank);

(b) Cease advancing money or extending credit to or for the benefit of Borrower under this Agreement or under any other agreement between Borrower and Bank;

(c) Settle or adjust disputes and claims directly with account debtors for amounts, upon terms and in whatever order that Bank reasonably considers advisable;

(d) Make such payments and do such acts as Bank considers necessary or reasonable to protect its security interest in the Collateral. Borrower agrees to assemble the Collateral if Bank so requires, and to make the Collateral available to Bank as Bank may designate. Borrower authorizes Bank to enter the premises where the Collateral is located, to take and maintain possession of the Collateral, or any part of it, and to pay, purchase, contest, or compromise any encumbrance, charge, or lien which in Bank's determination appears to be prior or superior to its security interest and to pay all expenses incurred in connection therewith. With respect to any of Borrower's owned premises, Borrower hereby grants Bank a license to enter into possession of such premises and to occupy the same, without charge, in order to exercise any of Bank's rights or remedies provided herein, at law, in equity, or otherwise;

(e) Set off and apply to the Obligations any and all (i) balances and deposits of Borrower held by Bank, or (ii) indebtedness at any time owing to or for the credit or the account of Borrower held by Bank;

(f) Ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell (in the manner provided for herein) the Collateral. Bank is hereby granted a license or other right, solely pursuant to the provisions of this Section 9.1, to use, without charge, Borrower's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements shall inure to Bank's benefit;

(g) Dispose of the Collateral by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including Borrower's premises) as Bank determines is commercially reasonable, and apply any proceeds to the Obligations in whatever manner or order Bank deems appropriate;

(h) Bank may credit bid and purchase at any public sale; and

(i) Any deficiency that exists after disposition of the Collateral as provided above will be paid immediately by Borrower.

9.2 Power of Attorney. Effective only upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably appoints Bank (and any of Bank's designated officers, or employees) as Borrower's true and lawful attorney to: (a) send requests for verification of Accounts or notify account debtors of Bank's security interest in the Accounts; (b) endorse Borrower's name on any checks or other forms of payment or security that may come into Bank's possession; (c) sign Borrower's name on any invoice or bill of lading relating to any Account, drafts against account debtors, schedules and assignments of Accounts, verifications of Accounts, and notices to account debtors; (d) dispose of any Collateral; (e) make, settle, and adjust all claims under and decisions with respect to Borrower's policies of insurance; (f) settle and adjust disputes and claims respecting the accounts directly with account debtors, for amounts and upon terms which Bank determines to be reasonable; and (g) to file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral. The appointment of Bank as Borrower's attorney in fact, and each and every one of Bank's rights and powers, being coupled with an interest, is irrevocable until all of the Obligations have been fully repaid and performed and Bank's obligation to provide Credit Extensions hereunder is terminated.

9.3 Accounts Collection. At any time after the occurrence of an Event of Default, Bank may notify any Person owing funds to Borrower of Bank's security interest in such funds and verify the amount of such Account. Borrower shall collect all amounts owing to Borrower for Bank, receive in trust all payments as Bank's trustee, and immediately deliver such payments to Bank in their original form as received from the account debtor, with proper endorsements for deposit.

9.4 Bank Expenses. If Borrower fails to pay any amounts or furnish any required proof of payment due to third persons or entities, as required under the terms of this Agreement, then Bank may do any or all of the following after reasonable notice to Borrower: (a) make payment of the same or any part thereof; (b) set up such reserves under a loan facility in Section 2.1 as Bank deems necessary to protect Bank from the exposure created by such failure; or (c) obtain and maintain insurance policies of the type discussed in Section 6.6 of this Agreement, and take any action with respect to such policies as Bank deems prudent. Any amounts so paid or deposited by Bank shall constitute Bank Expenses, shall be immediately due and payable, and shall bear interest at the then applicable rate hereinabove provided, and shall be secured by the Collateral. Any payments made by Bank shall not constitute an agreement by Bank to make similar payments in the future or a waiver by Bank of any Event of Default under this Agreement.

9.5 Bank's Liability for Collateral. So long as Bank complies with reasonable banking practices, Bank shall not in any way or manner be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage thereto occurring or arising in any manner or fashion from any cause; (c) any diminution in the value thereof; or (d) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other person whomsoever. All risk of loss, damage or destruction of the Collateral shall be borne by Borrower.

9.6 Remedies Cumulative. Bank's rights and remedies under this Agreement, the Loan Documents, and all other agreements shall be cumulative. Bank shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by Bank of one right or remedy shall be deemed an election, and no waiver by Bank of any Event of Default on Borrower's part shall be deemed a continuing waiver. No delay by Bank shall constitute a waiver, election, or acquiescence by it. No waiver by Bank shall be effective unless made in a written document signed on behalf of Bank and then shall be effective only in the specific instance and for the specific purpose for which it was given.

9.7 Demand; Protest. Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees at any time held by Bank on which Borrower may in any way be liable.

10. Notices.

Unless otherwise provided in this Agreement, all notices or demands by any party relating to this Agreement or any other agreement entered into in connection herewith shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by a recognized overnight delivery service, certified mail, postage prepaid, return receipt requested, or by telefacsimile to Borrower or to Bank, as the case may be, at its addresses set forth below:

If to Borrower:	OPTEX SYSTEMS, INC. 1420 Presidential Drive Richardson, TX 75081 Attn: Stanley Hirschman, President FAX: (972) 680-0650
If to Bank:	Peninsula Bank Business Funding, a division of The Private Bank of the Peninsula 400 Emerson Street Palo Alto, CA 94301 Attn: Mike Hansen FAX: (650) 289-0124

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other.

11. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of California, without regard to principles of conflicts of law. Each of Borrower and Bank hereby submits to the exclusive jurisdiction of the state and Federal courts located in the County of Santa Clara, State of California. BORROWER AND BANK EACH HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

If the jury waiver set forth in this Section is not enforceable, then any dispute, controversy or claim arising out of or relating to this Agreement, the Loan Documents or any of the transactions contemplated therein shall be settled by judicial reference pursuant to Code of Civil Procedure Section 638 et seq. before a referee sitting without a jury, such referee to be mutually acceptable to the parties or, if no agreement is reached, by a referee appointed by the Presiding Judge of the California Superior Court for Santa Clara County. This Section shall not restrict a party from exercising remedies under the Code or from exercising pre-judgment remedies under applicable law. The prevailing party in any proceeding under this Section 11 shall be entitled to recover, in addition to any award, all costs of such proceeding, including reasonable attorneys' fees as determined by the judge or referee in such proceeding.

12. General Provisions.

12.1 Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Borrower without Bank's prior written consent, which consent may be granted or withheld in Bank's sole discretion. Bank shall have the right without the consent of or notice to Borrower to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights and benefits hereunder.

12.2 Indemnification. Borrower shall defend, indemnify and hold harmless Bank and its officers, employees, and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement; and (b) all losses or Bank Expenses in any way suffered, incurred, or paid by Bank as a result of or in any way arising out of, following, or consequential to transactions between Bank and Borrower whether under this Agreement, or otherwise (including without limitation reasonable attorneys' fees and expenses), except for losses caused by Bank's gross negligence or willful misconduct.

12.3 Time of Essence. Time is of the essence for the performance of all obligations set forth in this Agreement.

12.4 Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

12.5 Amendments in Writing, Integration. Neither this Agreement nor the Loan Documents can be amended or terminated orally. All prior agreements, understandings, representations, warranties, and negotiations between the parties hereto with respect to the subject matter of this Agreement and the Loan Documents, if any, are merged into this Agreement and the Loan Documents.

12.6 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement.

12.7 Survival. All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any Obligations remain outstanding or Bank has any obligation to make Credit Extensions to Borrower. The obligations of Borrower to indemnify Bank with respect to the expenses, damages, losses, costs and liabilities described in Section 12.2 shall survive until all applicable statute of limitations periods with respect to actions that may be brought against Bank have run.

12.8 Confidentiality. In handling any confidential information Bank and all employees and agents of Bank, including but not limited to accountants, shall exercise the same degree of care that it exercises with respect to its own proprietary information of the same types to maintain the confidentiality of any non-public information thereby received or received pursuant to this Agreement except that disclosure of such information may be made (i) to the subsidiaries or affiliates of Bank in connection with their present or prospective business relations with Borrower, (ii) to prospective transferees or purchasers of any interest in the Loans, provided that they have entered into a comparable confidentiality agreement in favor of Borrower and have delivered a copy to Borrower, (iii) as required by law, regulations, rule or order, subpoena, judicial order or similar order, (iv) as may be required in connection with the examination, audit or similar investigation of Bank and (v) as Bank may determine in connection with the enforcement of any remedies hereunder. Confidential information hereunder shall not include information that either: (a) is in the public domain or in the knowledge or possession of Bank when disclosed to Bank, or becomes part of the public domain after disclosure to Bank through no fault of Bank; or (b) is disclosed to Bank by a third party, provided Bank does not have actual knowledge that such third party is prohibited from disclosing such information.

12.9 Patriot Act Notice. Bank hereby notifies Borrower that, pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law on October 26, 2001) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes names and addresses and other information that will allow Bank, as applicable, to identify the Borrower in accordance with the Patriot Act.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

OPTEX SYSTEMS, INC., a Delaware corporation

By: _____

Title: _____

**Peninsula Bank Business Funding,
a division of The Private Bank of the Peninsula**

By: _____

Title: _____

DEBTOR: OPTEX SYSTEMS, INC.

**SECURED PARTY: PENINSULA BANK BUSINESS FUNDING,
A DIVISION OF THE PRIVATE BANK OF THE PENINSULA**

EXHIBIT A

**COLLATERAL DESCRIPTION ATTACHMENT
TO LOAN AND SECURITY AGREEMENT**

All personal property of Borrower (herein referred to as "Borrower" or "Debtor") whether presently existing or hereafter created or acquired, and wherever located, including, but not limited to:

(a) all accounts (including health-care-insurance receivables), chattel paper (including tangible and electronic chattel paper), deposit accounts, documents (including negotiable documents), equipment (including all accessions and additions thereto), general intangibles (including payment intangibles and software), goods (including fixtures), instruments (including promissory notes), inventory (including all goods held for sale or lease or to be furnished under a contract of service, and including returns and repossessions), investment property (including securities and securities entitlements), letter of credit rights, money, and all of Debtor's books and records with respect to any of the foregoing, and the computers and equipment containing said books and records;

(b) any and all cash proceeds and/or noncash proceeds of any of the foregoing, including, without limitation, insurance proceeds, and all supporting obligations and the security therefor or for any right to payment. All terms above have the meanings given to them in the California Uniform Commercial Code, as amended or supplemented from time to time.



PENINSULA BANK BUSINESS FUNDING
A Division of The Private Bank of the Peninsula

EXHIBIT B

ADVANCE REQUEST FORM

Date: _____

Client: OPTEX SYSTEMS, INC.

Client ID:

Line Limit:

- 1. Availability (from Client Summary): _____
- 2. \$25 Wire Fee (if applicable): _____
- 3. Advance Request: _____
- 4. Ending Availability (1- 2-3): _____

The Undersigned Represents and warrants that the foregoing is true, complete and correct, and that the information reflected in this Borrowing Base Certificate complies with the representations and warranties set forth in the Loan and Security Agreement between the undersigned and The Private Bank of the Peninsula.

Client: _____

Authorized Signor: _____

Bank Use Only	
Received by: _____	Date: _____
AUTHORIZED SIGNER	
Approved by: _____	Date: _____
AUTHORIZED SIGNER	

IF FUNDING TODAY PLEASE FAX BACK OR E-MAIL PDF BY 11:00 AM

Technology & Asset Based Lending For Emerging Growth Companies

400 Emerson Street, Palo Alto, CA 94301 Telephone (650) "The Bank" 843-2265 Fax: (650) 323-6527
www.The-Private-Bank.com

EXHIBIT C

BORROWING BASE CERTIFICATE

Borrower: OPTEX SYSTEMS, INC.

Bank: Peninsula Bank Business Funding,
a division of The Private Bank of the Peninsula

Commitment Amount: \$2,000,000

ACCOUNTS RECEIVABLE

1.	Accounts Receivable Book Value as of ____	\$ _____
2.	Additions (please explain on reverse)	\$ _____
3.	TOTAL ACCOUNTS RECEIVABLE	\$ _____

ACCOUNTS RECEIVABLE DEDUCTIONS (without duplication)

4.	Amounts over 90 days due	\$ _____
5.	Balance of 25% over 90 day accounts	\$ _____
6.	Concentration Limits	
7.	Foreign Accounts	\$ _____
8.	Governmental Accounts	\$ _____
9.	Contra Accounts	\$ _____
10.	Demo Accounts	\$ _____
11.	Intercompany/Employee Accounts	\$ _____
12.	Other (please explain on reverse)	\$ _____
13.	TOTAL ACCOUNTS RECEIVABLE DEDUCTIONS	\$ _____
14.	Eligible Accounts (#3 minus #13)	\$ _____
15.	LOAN VALUE OF ACCOUNTS (___% of #14)	\$ _____

BALANCES

16.	Maximum Loan Amount	\$ _____
17.	Total Funds Available [Lesser of #16 or #15]	\$ _____
18.	Present balance owing on Line of Credit	\$ _____
19.	Outstanding under Sublimits (if any)	\$ _____
20.	RESERVE POSITION (#17 minus #18 and #19)	\$ _____

The undersigned represents and warrants that the foregoing is true, complete and correct, and that the information reflected in this Borrowing Base Certificate complies with the representations and warranties set forth in the Loan and Security Agreement between the undersigned and Peninsula Bank Business Funding, a division of The Private Bank of the Peninsula.

OPTEX SYSTEMS, INC.

By: _____
Authorized Signer

**EXHIBIT D
COMPLIANCE CERTIFICATE**

TO: PENINSULA BANK BUSINESS FUNDING, A DIVISION OF THE PRIVATE BANK OF THE PENINSULA

FROM: OPTEX SYSTEMS, INC.

The undersigned authorized officer of OPTEX SYSTEMS, INC. hereby certifies that in accordance with the terms and conditions of the Loan and Security Agreement between Borrower and Bank (the "Agreement"), (i) Borrower is in complete compliance for the period ending _____ with all required covenants except as noted below and (ii) all representations and warranties of Borrower stated in the Agreement are true and correct as of the date hereof. Attached herewith are the required documents supporting the above certification. The Officer further certifies that these are prepared in accordance with Generally Accepted Accounting Principles (GAAP) and are consistently applied from one period to the next except as explained in an accompanying letter or footnotes.

Please indicate compliance status by circling Yes/No under "Complies" column.

<u>Reporting Covenant</u>	<u>Required</u>	<u>Complies</u>		
CPA-reviewed financial statements & compliance certificate	Quarterly within 45 days of quarter-end	Yes	No	
Annual financial statements (CPA Audited) 10K and 10Q	FYE within 90 days (as applicable)	Yes	No	
A/R & A/P Agings, Borrowing Base Cert.	Monthly within 20 days	Yes	No	
A/R Audit	Initial and Semi-Annual	Yes	No	
IP Report	Quarterly within 30 days	Yes	No	
<u>Financial Covenant</u>	<u>Required</u>	<u>Actual</u>	<u>Complies</u>	
EBITDA	\$_____	\$_____	Yes	No
Minimum Cash	\$500,000	\$_____	Yes	No

Comments Regarding Exceptions: See Attached.

Sincerely,

SIGNATURE

TITLE

DATE

BANK USE ONLY		
Received by:	_____ AUTHORIZED SIGNER	
Date:	_____	
Verified:	_____ AUTHORIZED SIGNER	
Date:	_____	
Compliance Status	Yes	No

SCHEDULE OF EXCEPTIONS

Permitted Indebtedness (Section 1.1)

None

Permitted Investments (Section 1.1)

None

Permitted Liens (Section 1.1)

Permitted Customer Liens (Section 1.1) The following Permitted Customer Liens:

None

Inbound Licenses (Section 5.6)

None

Prior Names (Section 5.7)

None

Litigation (Section 5.8)

None

Transactions with Affiliates (Section 7.8)

None

Warrants. To issue Bank warrants to purchase the Corporation's capital stock.

Letters of Credit. To execute letter of credit applications and other related documents pertaining to Bank's issuance of letters of credit.

Corporate Credit Cards. To execute corporate credit card applications and agreements and other related documents pertaining to Bank's provision of corporate credit cards.

Further Acts. In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances thereunder, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements as they may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of these Resolutions.

BE IT FURTHER RESOLVED, that any and all acts authorized pursuant to these resolutions and performed prior to the passage of these resolutions are hereby ratified and approved, that these Resolutions shall remain in full force and effect and Bank may rely on these Resolutions until written notice of their revocation shall have been delivered to and received by Bank. Any such notice shall not affect any of the Corporation's agreements or commitments in effect at the time notice is given.

I FURTHER CERTIFY that the officers, employees, and agents named above are duly elected, appointed, or employed by or for the Corporation, as the case may be, and occupy the positions set forth opposite their respective names; that the foregoing Resolutions now stand of record on the books of the Corporation; and that the Resolutions are in full force and effect and have not been modified or revoked in any manner whatsoever.

IN WITNESS WHEREOF, I have hereunto set my hand on March 4, 2010, and attest that the signatures set opposite the names listed above are their genuine signatures.

CERTIFIED AND ATTESTED BY:

X

2.

UNCONDITIONAL GUARANTY

For and in consideration of the loan by **Peninsula Bank Business Funding, a division of The Private Bank of the Peninsula** (“Bank”), to Optex Systems, Inc., a Delaware corporation (“Borrower”), which loan is made pursuant to a Loan and Security Agreement between Borrower and Bank dated of even date (the “Agreement”), and acknowledging that Bank would not enter into the Agreement without the benefit of this Guaranty, the undersigned guarantor (“Guarantor”) hereby unconditionally and irrevocably guarantees the prompt and complete payment of all amounts that Borrower owes to Bank and performance by Borrower of the Agreement and any other agreements between Borrower and Bank, as amended from time to time (collectively referred to as the “Agreements”), in strict accordance with their respective terms, including without limitation all debt, principal, interest, Bank Expenses and other amounts owed to Bank by Borrower pursuant to the Agreements, whether absolute or contingent, due or to become due, now existing or hereafter arising, including any interest that accrues after the commencement of an Insolvency Proceeding affecting Borrower, and including any debt, liability, or obligation owing from Borrower to others that Bank may have obtained for valid consideration by assignment or otherwise (collectively, the “Obligations” or the “obligations”). All terms used without definition in this Guaranty shall have the meaning assigned to them in the Agreement.

1. **Guaranty.** If Borrower does not pay any amount or perform its obligations in strict accordance with the Agreements, Guarantor shall immediately pay all amounts due thereunder (including, without limitation, all principal, interest, fees, and reasonable attorneys’ costs and fees) and otherwise to proceed to complete the same and satisfy all of Borrower’s obligations under the Agreements.
2. **Enforceability.** If there is more than one guarantor, the obligations hereunder are joint and several, and whether or not there is more than one guarantor, the obligations hereunder are independent of the obligations of Borrower and any other person or entity, and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought against Borrower or whether Borrower be joined in any such action or actions. Guarantor waives the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof, to the extent permitted by law. Guarantor’s liability under this Guaranty is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Agreements.
3. **Powers of Bank.** Guarantor authorizes Bank, without notice or demand and without affecting its liability hereunder, from time to time to (a) renew, extend, or otherwise change the terms of the Agreements or any part thereof; (b) take and hold security for the payment of this Guaranty or the Agreements, and exchange, enforce, waive and release any such security; and (c) apply such security and direct the order or manner of sale thereof as Bank in its sole discretion may determine.
4. **Waivers.** Guarantor waives any right to require Bank to (a) proceed against Borrower, any guarantor or any other person; (b) proceed against or exhaust any security held from Borrower; or (c) pursue any other remedy in Bank’s power whatsoever. Bank may, at its election, exercise or decline or fail to exercise any right or remedy it may have against Borrower or any security held by Bank, including without limitation the right to foreclose upon any such security by judicial or nonjudicial sale, without affecting or impairing in any way the liability of Guarantor hereunder. To the maximum extent permitted by law, Guarantor waives any defense arising by reason of any disability or other defense of Borrower or by reason of the cessation from any cause whatsoever of the liability of Borrower. Guarantor waives any setoff, defense or counterclaim that Borrower may have against Bank. Guarantor waives any defense arising out of the absence, impairment or loss of any right of reimbursement or subrogation or any other rights against Borrower. Until all of the amounts that Borrower owes to Bank have been paid in full, Guarantor shall have no right of subrogation or reimbursement, contribution or other rights against Borrower, and Guarantor waives any right to enforce any remedy that Bank now has or may hereafter have against Borrower. Guarantor waives all rights to participate in any security now or hereafter held by Bank. Guarantor waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new or additional indebtedness. Guarantor assumes the responsibility for being and keeping itself informed of the financial condition of Borrower and of all other circumstances bearing upon the risk of nonpayment of any indebtedness or nonperformance of any obligation of Borrower, warrants to Bank that it will keep so informed, and agrees that absent a request for particular information by Guarantor, Bank shall not have any duty to advise Guarantor of information known to Bank regarding such condition or any such circumstances. Until the Obligations have been satisfied in full, Guarantor waives the benefits of California Civil Code Sections 2799, 2808, 2809, 2810, 2815, 2819, 2820, 2821, 2822, 2838, 2839, 2845, 2847, 2848, 2849, 2850, and 3433.

5. Waivers Regarding Subrogation and Election of Remedies. Guarantor acknowledges that, to the extent Guarantor has or may have certain rights of subrogation or reimbursement against Borrower for claims arising out of this Guaranty, those rights may be impaired or destroyed if Bank elects to proceed against any real property security of Borrower by non-judicial foreclosure. That impairment or destruction could, under certain judicial cases and based on equitable principles of estoppel, give rise to a defense by Guarantor against its obligations under this Guaranty. Guarantor waives that defense and any others arising from Bank's election to pursue non-judicial foreclosure. Without limiting the generality of the foregoing, Guarantor waives any and all benefits and defenses under California Code of Civil Procedure Sections 580a, 580b, 580d and 726, to the extent they are applicable. The undersigned understands that, absent this waiver, Bank's election of remedies, including but not limited to its decision to proceed to non-judicial foreclosure on any real property securing the Obligations, could preclude Bank from obtaining a deficiency judgment against Borrower and the undersigned pursuant to California Code of Civil Procedure sections 580a, 580b, 580d or 726 and could also destroy any subrogation rights which the undersigned has against Borrower. The undersigned further understands that, absent this waiver, California law, including without limitation, California Code of Civil Procedure sections 580a, 580b, 580d or 726, could afford the undersigned one or more affirmative defenses to any action maintained by Bank against the undersigned on this Guaranty. The undersigned waives any and all rights and provisions of California Code of Civil Procedure sections 580a, 580b, 580d and 726, including, but not limited to any provision thereof that: (i) may limit the time period for Bank to commence a lawsuit against Borrower or the undersigned to collect any Obligations owing by Borrower or the undersigned to Bank; (ii) may entitle Borrower or the undersigned to a judicial or nonjudicial determination of any deficiency owed by Borrower or the undersigned to Bank, or to otherwise limit Bank's right to collect a deficiency based on the fair market value of such real property security; (iii) may limit Bank's right to collect a deficiency judgment after a sale of any real property securing the Obligations; (iv) may require Bank to take only one action to collect the Obligations or that may otherwise limit the remedies available to Bank to collect the Obligations. Guarantor waives all rights and defenses that Guarantor may have because Borrower's debt is secured by real property. This means, among other things: (1) Bank may collect from Guarantor without first foreclosing on any real or personal property collateral pledged by Borrower. (2) If Bank forecloses on any real property collateral pledged by Borrower: (A) The amount of the debt may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price. (B) Bank may collect from Guarantor even if Bank, by foreclosing on the real property collateral, has destroyed any right Guarantor may have to collect from Borrower. This is an unconditional and irrevocable waiver of any rights and defenses Guarantor may have because Borrower's debt is secured by real property. These rights and defenses include, but are not limited to, any rights or defenses based upon Section 580a, 580b, 580d, or 726 of the Code of Civil Procedure. Guarantor waives all rights and defenses arising out of an election of remedies by Bank, even though that election of remedies, such as a non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed the Guarantor's rights of subrogation and reimbursement against the principal by the operation of Section 580d of the Code of Civil Procedure or otherwise.

6. Borrower's Insolvency. If Borrower becomes insolvent or is adjudicated bankrupt or files a petition for reorganization, arrangement, composition or similar relief under any present or future provision of the United States Bankruptcy Code, or if such a petition is filed against Borrower, and in any such proceeding some or all of any indebtedness or obligations under the Agreements are terminated or rejected or any obligation of Borrower is modified or abrogated, or if Borrower's obligations are otherwise avoided for any reason, Guarantor agrees that Guarantor's liability hereunder shall not thereby be affected or modified and such liability shall continue in full force and effect as if no such action or proceeding had occurred. This Guaranty shall continue to be effective or be reinstated, as the case may be, if any payment must be returned by Bank upon the insolvency, bankruptcy or reorganization of Borrower, Guarantor, any other guarantor, or otherwise, as though such payment had not been made.

7. Reinstatement. Notwithstanding any prior revocation, termination, surrender or discharge of this Guaranty (or of any lien, pledge or security interest securing this Guaranty) in whole or part, the effectiveness of this Guaranty, and of all liens, pledges and security interests securing this Guaranty, shall automatically continue or be reinstated, as the case may be, in the event that any payment received or credit given by the Bank in respect of the Obligations is returned, disgorged or rescinded as a preference, impermissible setoff, fraudulent conveyance, or diversion of trust funds under any applicable state or federal law, including, without limitation, laws pertaining to bankruptcy or insolvency, in which case this Guaranty, and all liens, pledges and security interests securing this Guaranty, shall be enforceable against the undersigned as if the returned, disgorged or rescinded payment or credit had not been received or given by the Bank, and whether or not the Bank relied upon this payment or credit or changed its position as a consequence of it. In the event of continuation or reinstatement of this Guaranty and the liens, pledges and security interests securing it, the undersigned agree(s) upon demand by the Bank to execute and deliver to the Bank those documents which the Bank determines are appropriate to further evidence (in the public records or otherwise) this continuation or reinstatement, although the failure of the undersigned to do so shall not affect in any way the reinstatement or continuation. If the undersigned do(es) not execute and deliver to the Bank upon demand such documents, the Bank and each Bank officer is irrevocably appointed (which appointment is coupled with an interest) the true and lawful attorney of the undersigned (with full power of substitution) to execute and deliver such documents in the name and on behalf of the undersigned.



8. Subordination. Any indebtedness of Borrower now or hereafter held by Guarantor is hereby subordinated to any indebtedness of Borrower to Bank; and such indebtedness of Borrower to Guarantor shall be collected, enforced and received by Guarantor as trustee for Bank and be paid over to Bank on account of the indebtedness of Borrower to Bank but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty.

9. Representations and Warranties. Guarantor represents and warrants to Bank that (i) Guarantor has taken all necessary and appropriate action to authorize the execution, delivery and performance of this Guaranty and has obtained all consents (including any shareholder consents) required for the execution of this Guaranty and Borrower's execution of the Loan Documents; (ii) execution, delivery and performance of this Guaranty do not conflict with or result in a breach of or constitute a default under Guarantor's certificate/articles of incorporation or bylaws or other organizational documents or agreements to which it is party or by which it is bound, and (iii) this Guaranty constitutes a valid and binding obligation, enforceable against Guarantor in accordance with its terms.

10. Affirmative Covenants. Guarantor covenants and agrees that Guarantor shall do all of the following:

10.1. Guarantor shall maintain its corporate existence, remain in good standing in the jurisdiction of its incorporation, and continue to qualify in each jurisdiction in which the failure to so qualify could have a material adverse effect on the financial condition, operations or business of Guarantor. Guarantor shall maintain in force all licenses, approvals and agreements, the loss of which could have a material adverse effect on its financial condition, operations or business.

10.2. Guarantor shall maintain its and each of its Subsidiaries' corporate existence and good standing in its jurisdiction of incorporation and maintain qualification in each jurisdiction in which it is required under applicable law. Guarantor shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals and agreements, the loss of which could have a Material Adverse Effect.

10.3. Guarantor shall meet, and shall cause each Subsidiary to meet, the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA. Guarantor shall comply, and shall cause each Subsidiary to comply, with all statutes, laws, ordinances and government rules and regulations to which it is subject, noncompliance with which could have a Material Adverse Effect.

10.4. Guarantor shall comply with all statutes, laws, ordinances, directives, orders, and government rules and regulations to which it is subject if non-compliance with such laws could materially adversely affect the financial condition, operations or business of Guarantor.

10.5. At any time and from time to time Guarantor shall execute and deliver such further instruments and take such further action as may reasonably be requested by Bank to effect the purposes of this Guaranty.

10.6. All payments made by Guarantor hereunder will be made free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any governmental authority or by any political subdivision or taxing authority thereof or therein with respect to such payments (but excluding any tax imposed on or measured by the net income or profits of a Bank pursuant to the laws of the jurisdiction in which it is organized or the jurisdiction in which the principal office or applicable lending office of such Bank is located or any subdivision thereof or therein) and all interest, penalties or similar liabilities with respect thereto (all such non-excluded taxes, levies, imposts, duties, fees, assessments or other charges being referred to collectively as "Taxes"). If any Taxes are so levied or imposed, Guarantor agrees to pay the full amount of such Taxes, and such additional amounts as may be necessary so that every payment of all amounts due under this Guaranty, after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein and in the Loan Documents.

11. Miscellaneous. Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by Bank in the enforcement of this Guaranty. No terms or provisions of this Guaranty may be changed, waived, revoked or amended without Bank's prior written consent. Should any provision of this Guaranty be determined by a court of competent jurisdiction to be unenforceable, all of the other provisions shall remain effective. This Guaranty, together with any agreements (including without limitation any security agreements or any pledge agreements) executed in connection with this Guaranty, embodies the entire agreement among the parties hereto with respect to the matters set forth herein, and supersedes all prior agreements among the parties with respect to the matters set forth herein. No course of prior dealing among the parties, no usage of trade, and no parol or extrinsic evidence of any nature shall be used to supplement, modify or vary any of the terms hereof. There are no conditions to the full effectiveness of this Guaranty. Bank may assign this Guaranty without in any way affecting Guarantor's liability under it. This Guaranty shall inure to the benefit of Bank and its successors and assigns. This Guaranty is in addition to the guaranties of any other guarantors and any and all other guaranties of Borrower's indebtedness or liabilities to Bank.

12. Applicable Law; Waiver of Jury Trial. This Guaranty shall be governed by the laws of the State of California, without regard to conflicts of laws principles. **GUARANTOR WAIVES ANY RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS GUARANTY OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.** Guarantor submits to the exclusive jurisdiction of the state and federal courts located in Santa Clara County, California for purposes of this Guaranty and the Agreement. If the jury waiver set forth in this Section is not enforceable, then any dispute, controversy or claim arising out of or relating to this Agreement or any of the transactions contemplated herein shall be settled by judicial reference pursuant to Code of Civil Procedure Section 638 et seq. before a referee sitting without a jury, such referee to be mutually acceptable or, if no referee is mutually acceptable, then as appointed by the Presiding Judge of the California Superior Court for Santa Clara County. This provision shall not restrict any person from exercising nonjudicial remedies under applicable law.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty as of March 4, 2010.

OPTEX SYSTEMS HOLDINGS, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF OR IN ACCORDANCE WITH APPLICABLE LAW.

WARRANT TO PURCHASE STOCK

Company: Optex Systems Holdings, Inc.
Initial Number of Shares: 1,000,000
Class of Stock: Common
Exercise Price: \$0.10
Issue Date: March 4, 2010
Expiration Date: March 3, 2016

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, PENINSULA BANK HOLDING CO. or registered assignee (“Holder”) is entitled to purchase the number of fully paid and nonassessable shares (the “Shares”) of Common Stock of Optex Systems Holdings, Inc. (the “Company”), in the number, at the price, and for the term specified above, subject to the provisions and upon the terms and conditions set forth in this warrant.

ARTICLE 1. EXERCISE

1.1 Method of Exercise. Holder may exercise this Warrant for up to the number of Shares set forth above by delivering this Warrant and a duly executed Notice of Exercise in substantially the form attached as Appendix 1 to the principal office of the Company. Unless Holder is exercising the conversion right set forth in Section 1.2, Holder shall also deliver to the Company a check for the aggregate price for the Shares being purchased (the “Warrant Price”).

1.2 Conversion Right. This Warrant may also be exercised at any time or times on or after the Issue Date, in whole or in part by means of a “cashless exercise” in which the Holder shall be entitled to receive a certificate for the number of Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the VWAP (as defined below) on the Trading Day immediately preceding the date of such election;

(B) = the Exercise Price of this Warrant, as adjusted; and

(X) = the number of Shares issuable upon exercise of this Warrant in accordance with the terms of this Warrant by means of a cash exercise rather than a cashless exercise.

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg Financial L.P. (based on a Trading Day from 9:30 a.m. Eastern Time to 4:02 p.m. Eastern Time); (b) if the Common Stock is not then listed or quoted on a Trading Market and if prices for the Common Stock are then quoted on the OTC Bulletin Board, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board; (c) if the Common Stock is not then listed or quoted on the OTC Bulletin Board and if prices for the Common Stock are then reported in the “Pink Sheets” published by the Pink Sheets, LLC (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (c) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser or investment banking firm selected in good faith by the Company and Holder.

1.3 Delivery of Certificate and New Warrant. Promptly after Holder exercises or converts this Warrant, the Company shall deliver to Holder certificates for the Shares acquired and, if this Warrant has not been fully exercised or converted and has not expired, a new Warrant representing the Shares not so acquired.

1.4 Replacement of Warrants. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of mutilation, or surrender and cancellation of this Warrant, the Company at its expense shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor.

ARTICLE 2. ADJUSTMENTS TO THE SHARES.

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend on its common stock payable in common stock, or other securities, subdivides the outstanding common stock into a greater amount of common stock, then upon exercise of this Warrant, for each Share acquired, Holder shall receive, without cost to Holder, the total number and kind of securities to which Holder would have been entitled had Holder owned the Shares of record as of the date the dividend or subdivision occurred.

2.2 Reclassification, Exchange or Substitution. Upon any reclassification, exchange, substitution, or other event that results in a change of the number and/or class of the securities issuable upon exercise or conversion of this Warrant, Holder shall be entitled to receive, upon exercise or conversion of this Warrant, the number and kind of securities and property that Holder would have received for the Shares if this Warrant had been exercised immediately before such reclassification, exchange, substitution, or other event. Upon the closing of any sale, license, or other disposition of all or substantially all of the assets (including intellectual property) of the Company, or any reorganization, consolidation, or merger of the Company where the holders of the Company's securities before the transaction beneficially own less than 50% of the outstanding voting securities of the surviving entity after the transaction, the successor entity shall assume the obligations of this Warrant, and this Warrant thereafter shall be exercisable for the same securities, cash, and property as would be payable for the Shares issuable upon exercise of the unexercised portion of this Warrant as if such Shares were outstanding on the record date for the Acquisition and subsequent closing. The Exercise Price shall be adjusted accordingly. The Company or its successor shall promptly issue to Holder a new Warrant for such new securities or other property. The new Warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 2 including, without limitation, adjustments to the Exercise Price and to the number of securities or property issuable upon exercise of the new Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, substitutions, or other events.

2.3 Adjustments for Combinations, Etc. If the outstanding Shares are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Exercise Price shall be proportionately increased.

2.4 No Impairment. The Company shall not, by amendment of its Certificate of Incorporation or through a reorganization, transfer of assets, consolidation, merger, dissolution, issue, or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed under this Warrant by the Company, but shall at all times in good faith assist in carrying out all the provisions of this Article 2 and in taking all such action as may be necessary or appropriate to protect Holder's rights under this Article against impairment. If the Company takes any action affecting the Shares other than as described above that adversely affects Holder's rights under this Warrant, the Exercise Price shall be adjusted downward and the number of Shares issuable upon exercise of this Warrant shall be adjusted upward in such a manner that the aggregate Warrant Price of this Warrant is unchanged.

2.5 Certificate as to Adjustments. Upon each adjustment of the Exercise Price, the Company, at its expense, shall promptly compute such adjustment, and furnish Holder with a certificate of its Chief Financial Officer setting forth such adjustment and the facts upon which such adjustment is based. The Company shall, upon written request, furnish Holder a certificate setting forth the Exercise Price in effect upon the date thereof and the series of adjustments leading to such Exercise Price.

ARTICLE 3. REPRESENTATIONS AND COVENANTS OF THE COMPANY.

3.1 Representations and Warranties. The Company hereby represents and warrants to the Holder that all Shares that may be issued upon the exercise of the purchase right represented by this Warrant, shall, upon issuance, be duly authorized, validly issued, fully paid and nonassessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.

3.2 [Intentionally Omitted.]

3.3 Notice of Certain Events. If the Company proposes at any time (a) to declare any dividend or distribution upon its common stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) to offer for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; (c) to register its securities; (d) to effect any reclassification or recapitalization of common stock; or (e) to merge or consolidate with or into any other corporation, or sell, lease, license, or convey all or substantially all of its assets, or to liquidate, dissolve or wind up, then, in connection with each such event, the Company shall give Holder (1) at least 20 days prior written notice of the date on which a record will be taken for such dividend, distribution, or subscription rights (and specifying the date on which the holders of common stock will be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (a), (b) and (c) above; and (2) in the case of the matters referred to in (d) and (e) above at least 20 days prior written notice of the date when the same will take place (and specifying the date on which the holders of common stock will be entitled to exchange their common stock for securities or other property deliverable upon the occurrence of such event).

ARTICLE 4. MISCELLANEOUS.

4.1 Term. This Warrant is exercisable, in whole or in part, at any time and from time to time on or before the Expiration Date set forth above.

4.2 Legends.

(a) This Warrant shall be imprinted with a legend in substantially the following form:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR IN ACCORDANCE WITH APPLICABLE LAW.

(b) Certificates for the Shares acquired upon exercise of this Warrant shall be imprinted with a legend in substantially the following form:

“THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED SOLELY FOR INVESTMENT PURPOSES AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE. THE SHARES MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF UNLESS AND UNTIL SUCH SHARES ARE FIRST REGISTERED UNDER THE SECURITIES ACT OF 1933, ALL APPLICABLE STATE SECURITIES LAWS AND ALL RULES AND REGULATIONS PROMULGATED THEREUNDER OR UNLESS AND UNTIL THE HOLDER HEREOF PROVIDES (i) INFORMATION REASONABLY NECESSARY TO CONFIRM THAT SUCH REGISTRATION IS NOT REQUIRED OR (ii) AN OPINION OF COUNSEL TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED.”

4.3 Compliance with Securities Laws on Transfer. This Warrant and the Shares issuable upon exercise this Warrant (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee.

4.4 Transfer Procedure. Subject to the provisions of Section 4.3, Holder may transfer all or part of this Warrant or the Shares issuable upon exercise of this Warrant (or the securities issuable, directly or indirectly, upon conversion of the Shares, if any) by giving the Company notice of the portion of the Warrant being transferred setting forth the name, address and taxpayer identification number of the transferee and surrendering this Warrant to the Company for reissuance to the transferee(s) (and Holder, if applicable), provided that no such notice shall be required for a transfer to an affiliate of Holder.

4.5 Notices. All notices and other communications from the Company to the Holder, or vice versa, shall be deemed delivered and effective when given personally or mailed by first-class registered or certified mail, postage prepaid, at such address as may have been furnished to the Company or the Holder, as the case may be, in writing by the Company or such Holder from time to time.

4.6 Waiver. This Warrant and any term hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

4.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this Warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

4.8 Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without giving effect to its principles regarding conflicts of law.

OPTEX SYSTEMS HOLDINGS, INC.

By: _____

Name: _____

Title: _____

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned hereby elects to purchase _____ shares of the Common Stock of OPTEX SYSTEMS HOLDINGS, INC. pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price of such shares in full.

1. The undersigned hereby elects to convert the attached Warrant into Shares in the manner specified in the Warrant. This conversion is exercised with respect to _____ of the Shares covered by the Warrant.

[Strike paragraph that does not apply.]

2. Please issue a certificate or certificates representing said shares in the name of the undersigned or in such other name as is specified below:

PENINSULA BANK HOLDING CO. or Registered Assignee
c/o The Private Bank of the Peninsula
400 Emerson Street
Palo Alto, CA 94301

3. The undersigned represents it is acquiring the shares solely for its own account and not as a nominee for any other party and not with a view toward the resale or distribution thereof except in compliance with applicable securities laws.

PENINSULA BANK HOLDING CO., or Registered Assignee

(Signature)

(Date)

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. 4 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
June 14, 2010

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Optex Systems Holdings, Inc.
1420 Presidential Drive
Richardson, Texas 75081

We consent to the use of our report dated January 11, 2010 in the Registration Statement on Form S-1/A, with respect to the balance sheet of Optex Systems Holdings, Inc. as of September 27, 2009 and the related statements of operations, stockholders' equity, and cash flows for the period October 15, 2008 through September 27, 2009.

We also consent to the reference to us under the caption, "Experts", in this Registration Statement.

/s/ EFP Rotenberg, LLP

EFP Rotenberg, LLP
Rochester, New York

June 11, 2010