

PURCHASE ORDER ATTACHMENT TC-009

FIXED PRICE LEVEL OF EFFORT SUBCONTRACTS

Special Note: Addendum to Attachment TC-001, "Raytheon Terms and Conditions of Purchase"

A. Inclusive Rates

Rates are comprised of the basic salary rate plus all burden and profit computed in accordance with the Seller's approved accounting procedures in effect as of the date of this Purchase Order. These rates will be used for payment purposes and will be used, as a means of reducing the total Purchase Order price in the event the Seller does not furnish the level of effort specified.

B. Certification by Seller

At the completion of this Purchase Order, the Seller shall furnish to the Buyer the number of hours and categories used in the performance of this Purchase Order certified by an authorized representative of the Seller.

C. Reduction of Level of Effort Price

If the Seller expends fewer hours than set forth above in the performance of this Purchase Order, the total Purchase Order price shall be reduced by an amount equal to the number of hours not expended at the hourly rate set forth above.

D. Records to be Maintained

Notwithstanding any other provision, the Seller shall maintain sufficient accounting records for verification of the hours and categories of labor incurred in the performance of this Purchase Order. These accounting records shall be available for the Buyer/Buyer's customer review during the performance of this Purchase Order and three (3) years after final payment. If lower-tier Purchase Order labor is included in the labor effort contained in paragraph A above, the foregoing records provisions shall be included in all applicable lower tier Purchase Orders.

E. Payments

Payments under this Purchase Order will be made on a monthly basis. The invoice which the Seller submits to the Buyer for payment shall contain a breakdown of weekly labor hours expended which separately identifies the total hours to be charged for each contributing employee, as well as the name, labor classification, hours worked and the hourly rate of each contributing employee. Prior to payment, an authorized representative of the Seller shall certify, on the monthly invoice, the accuracy of the information contained on the invoice. An invoice shall not be considered complete and eligible for payment until such certification is provided.

F. Travel and Living Expenses

Travel and living expenses will be reimbursed on a Cost Reimbursement basis; however, travel and living costs shall not exceed the amount specified in the Purchase Order.

END OF DOCUMENT

The text of this document shall not be changed except by written agreement between Buyer and Seller.