

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. 0002	3. EFFECTIVE DATE 19 March 2004	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable) N/A		
6. ISSUED BY Contracting Officer, Dahlgren Division Naval Surface Warfare Center 17320 Dahlgren Road, Dahlgren, VA 22448-5110 Code XDS12 XDS12@nswc.navy.mil		7. ADMINISTERED BY (If other than Item 6)	CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code)				()	9A. AMENDMENT OF SOLICITATION NO. N00178-04-R-2004
				X	9B. DATED (SEE ITEM 11) 19 February 2004
					10A. MODIFICATION OF CONTRACT/ORDER NO.
					10B. DATED (SEE ITEM 13)
CODE	FACILITY CODE				

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

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

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning one (1) copy of the amendment; (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 DATA 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 data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

()	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) 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 date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

PURPOSE: The amendment is issued to ensure pricing proposed on this solicitation will be in-line with the Naval Warfare Center corporate initiatives currently underway to reduce costs and to extend the period of performance.

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)	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
_____ (Signature of person authorized to sign)		BY _____ (Signature of Contracting Officer)	

Due to Naval Warfare Center corporate initiatives currently underway to reduce costs, pricing proposed on this solicitation will be in-line with the following additions/changes.

1. Add the following to Section H:

MAXIMUM PASS THROUGH RATE

The Contractor agrees that the maximum pass through rate which shall be charged against any and all line items under this contract shall not exceed _____%. The maximum pass through rate is equal to the maximum amount above the price of the work paid to the Firm performing the work.

GUARANTEED SAVINGS CLAUSE

The Government is seeking contractors to identify business improvement processes, innovations, and cost saving initiatives to provide high quality services at a reduced cost to the Government.

For all Award Term/Option Items, the Contractor agrees to the maximum extent practicable to reduce the price for services performed under each sequential year by at least:

% Reduction from base period or price from previous year:

Year 2 _____
Year 3 _____
Year 4 _____
Year 5 _____

Guaranteed Savings must exceed 1% per year.

NOTE TO OFFERORS:

This solicitation may be awarded in the SEAPORT Enhanced portal. As such, you are required to propose Guaranteed Savings and Maximum Pass Through amounts that **DO NOT** exceed values awarded to you or your team lead Prime under the SEAPORT Enhanced initiative (if applicable).

2. The maximum Fee percentage allowable under this solicitation is 8%. However, you are required to propose amounts that **DO NOT** exceed values awarded to you or your team lead Prime under the SEAPORT Enhanced initiative (if applicable).

3. The closing date for this solicitation has been extended to 19 April 2004.

All other terms and conditions remain unchanged.