

PRICES SHOWN ARE NET (DISCOUNT DEDUCTED)

**General Services Administration
Federal Supply Service
Authorized Federal Supply Schedule Price List**

On-line access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order is available through **GSA Advantage!**, a menu-driven database system. The INTERNET address for **GSA Advantage!** is: <http://www.gsaadvantage.gov/>.

**Financial and Business Solutions
FSC Group 520**

SIN 520 – 2

SIN 520 - 3

Contract Number: GS-23F-0154P

For more information on ordering from Federal Supply Schedules click on the FSS Schedules button at <http://www.fss.gsa.gov>.

Period Covered by Contract: February 19th, 2004 through February 18th, 2009

KEMA Advisors, Inc.

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Business Size: A Small Business Administration 8(a) Program Participant



OVERVIEW OF KEMA ADVISORS, INC.

KEMA Advisors, Inc. ("KEMA") is a transaction oriented, private financial advisory firm headquartered in the Raleigh/Durham Research Triangle area of North Carolina. KEMA also maintains an office in Washington, D.C.

KEMA was established in 2000 in response to the demand for high quality investment banking, financial advisory and private equity services to companies, governments and municipalities located throughout the United States. The company provides services to entities seeking assistance with (i) consummating of merchant banking or capital market transactions and (ii) financial planning and financial management. The firm is committed to providing the highest standard of integrity and professionalism.

KEMA Advisors, Inc. offers hands-on investment banking experience in corporate finance advisory, mergers, acquisitions and divestitures, valuations, structured financings and financial restructurings and private placements. KEMA emphasizes practical and innovative solutions to complete corporate finance transactions in today's sophisticated business financial and capital markets.

KEMA Advisors, Inc. is a Small Business Administration 8(a) certified financial advisory firm. Additional information on KEMA is available at www.kemaadvisors.com

CUSTOMER INFORMATION

1a. Awarded Special Item Number (SINs):

520 - 2 Transaction Specialist

The Contractor shall provide transaction specialist services to advise Agencies on the disposition of assets, any resulting asset sales structure, pricing, and bid acceptance. These may include but are not limited to the following:

- Providing a valuation for an asset or group of assets
- Developing a sales strategy in accordance with asset disposal laws and regulations and reporting in sufficient detail to demonstrate the feasibility of the approach
- Conducting a sale which may include; managing the bid process, preparing and/or controlling, reviewing receipt of bids and bid deposits, analyzing bids, addressing non-conforming bids and reporting, providing reports to track and summarize investor activities

520 - 3 Due Diligence and Support Services

The Contractor shall provide due diligence and support services to Agencies in the confirmation and validation of an Agency's portfolio of assets. Services may include, but are not limited to the following:

- Data collection and organization.
- Quality and information control.
- Database creation and maintenance.
- Asset sale support which includes coordination of investor due diligence, pre and post sale support.

1b. Identification of Lowest Price Model:

BASIS POINTS PRICING (APPLIES TO SIN 520-2):

The transaction specialist is responsible for providing asset sales related financial advisory services to an agency as required by a task order. These services may include conducting a sale and involves, but is not limited by, the following tasks:

- Developing Recommended Sales Strategy and Presenting it for Agency Approval
- Pre-Sale Support
- Review of Pending Sale
- Budget and Budget Analysis
- Marketing and Sale Support

These services would be subject to the basis points pricing outlined below.

<u>Category</u>	<u>SIN 520-2</u>	
	<u>Minimum</u>	<u>Maximum</u>
<i>Tier 1: ≤ to 50MM</i>	1.00%	1.50%
<i>Tier 2: > 50MM ≤ 100MM</i>	0.75%	1.25%
<i>Tier 3: > 100MM ≤ 200MM</i>	0.50%	1.00%
<i>Tier 4: > 200MM</i>	0.25%	0.75%

The percentage used in the calculation of each success fee vary depending on the complexity of any particular transaction and are cumulative; declining as the size of that transaction increased (The fee for a \$100MM transaction would be a maximum of 1.50% for the first \$50MM, and 1.25% for the second \$50MM). This pricing proposal (i) requires the reimbursement of direct costs incurred by KEMA (ie transportation, per diem etc.) and (ii) includes the 0.75% Industrial Funding Fee. This pricing schedule is applicable to generic transactions. Hybrid or unusual transactions are subject to negotiation.

HOURLY RATES (APPLIES TO SIN 520-2 AND SIN 520-3):

The transaction specialist is also responsible for providing advisory services relating to the Government’s disposal of assets, which includes, but is not limited to, the following:

- Valuation of Assets
- Budget and Budget Analysis
- Credit Reform Analysis
- Training

These services, along with all services provided pursuant to SIN 520-3, are be subject to the hourly pricing provided below.

Labor Category	HOURLY PRICING SCHEDULE				
	2/19/04- 2/18/05	2/19/05- 2/18/06	2/19/06- 2/18/07	2/19/07- 2/18/08	2/19/08- 2/18/09
Principal	\$ 242.45	\$ 249.72	\$ 257.22	\$ 264.93	\$ 272.88
Managing Director	\$ 227.45	\$ 234.27	\$ 241.30	\$ 248.54	\$ 256.00
Senior Associates	\$ 141.25	\$ 145.49	\$ 149.85	\$ 154.35	\$ 158.98
Senior Underwriter	N/A	N/A	\$ 88.39	\$ 91.04	\$ 93.77
Junior Underwriter	N/A	N/A	\$ 68.25	\$ 70.30	\$ 72.41
Administrative	\$ 42.85	\$ 44.14	\$ 45.46	\$ 46.82	\$ 48.23
Clerical	N/A	N/A	\$ 39.60	\$ 40.79	\$ 42.01

The above hourly rates include a 3.0% per annual escalation clause and include the Industrial Funding Fee. The reimbursement of direct costs incurred by KEMA (ie transportation, per diem etc.) would be negotiated at the time of the task order.

1c. Labor Category Descriptions:

CATEGORY	EDUCATION	YRS.	DESCRIPTION
Principal	Masters Degree (or strong financial background)	15	The individual will direct, plan, organize, control and manage the project to ensure that all contractual obligations are fulfilled in an efficient and timely manner. This individual also plays a key role in quality control and customer satisfaction of projects. Individual must manage multiple concurrent analysis and development tasks in projects, serve as monitor, formulate and enforce work standards, develop schedules, review organization, and manage and control funds and resources.
Managing Director	Bachelor Degree	10	The individual will organize and manage the project/program to ensure that all contractual obligations are fulfilled in an efficient and timely manner. Must be able to manage multiple tasks and analyses, serve as point of contact with the Contracting officers, formulate and enforce work standards, develop schedules, review work discrepancies and communicate policies, purposes and goals of the organization, and manage and control funds and resources.

Senior Associate	Bachelor Degree	5	The individual must have analytical experience in finance or business with demonstrated ability to supervise or lead a team of analysts. Serves as a group leader ensuring that a group of analysts are working in concert to meet analytical deliverables within the time frame specified by the customer and that all of the requirements are met. Must have expertise in either accounting principles financial systems application standards or business management practices.
Senior Underwriter	Bachelor Degree (or previous relevant experience)	5	The individual must have experience reviewing assets, preparing cash flow projections and credit analysis. Responsible for administration oversight for credit review and analyses, and management of Junior Underwriter.
Junior Underwriter	College Experience (or previous relevant experience)	2	The individual must have strong written and oral communication skills. Responsible for performing asset reviews, data extraction and other duties in support of the Senior Underwriter.
Administrative	High School Diploma	2	The individual must have analytical and organizational skills. Responsible for handling day-to-day activities (i.e. managing calendar, making travel arrangements, maintaining files and performing other office duties).
Clerical	High School Diploma (or strong interpersonal skills)	1	The individual must have organizational skills. Responsible for copying, filing, packaging documents and answering phones.

- 2. Maximum Order:** \$1,000,000.00 per SIN
- 3. Minimum Order:** \$300.00 per SIN.
- 4. Geographic Coverage (delivery area):** Domestic.
- 5. Point(s) of Production:** Services may be performed either at a customer location or at KEMA's facilities.
- 6. Discount >From List Prices or Statement of Net Prices:** Net Price.
- 7. Quantity Discounts:** N/A.
- 8. Prompt Payment Terms:** Net 30 days.
- 9. Government Purchase Card Acceptance:**
 - 9a. Notification that Government purchase cards are accepted at or below the micro-purchase threshold:** Yes
 - 9b. Notification whether Government purchase cards are accepted or not accepted above the micro-purchase threshold:** No
- 10. Foreign Items:** None.
- 11a. Time of Delivery:** Provided in response to government request for services and based upon the location and availability of qualified staff.
- 11b. Expedited Delivery:** Items available for expedited delivery are noted in this price list.
- 11c. Overnight and 2-day Delivery:** At agency expense if requested.
- 11d. Urgent Requirements:** When the quoted delivery period does not meet the bona fide urgent delivery requirements of an ordering agency, agencies are encouraged to contact the Contractor for the purpose of obtaining accelerated delivery. KEMA will reply to the inquiry within 3 workdays after receipt.
- 12. F.O.B. Point:** Destination (deliverable items). Professional Services will be performed at the location(s) identified by the ordering agency in the order.
- 13a. Ordering Address:** KEMA Advisors, Inc.
Attention: Kirk Michel
209 East Tryon Street
Hillsborough, NC 27278
FAX: (919) 644-1308

E-mail: kmichel@kemaadvisors.com

13b. Ordering procedures: For supplies and services, the ordering procedures, information on Blanket Purchase Agreements (BPAs), and a sample BPA can be found at the GSA/FSS Schedule homepage (fss.gsa.gov/schedules).

14. Payment Addresses: KEMA Advisors, Inc.
Attention: Kirk Michel
209 East Tryon Street
Hillsborough, NC 27278

15. Warranty Provision: None.

16. Export Packing Charges: N/A.

17. Terms and Conditions of Government Purchase Card: Micro-purchase level only.

18. Terms and Conditions of Rental, Maintenance, and Repair: N/A.

19. Terms and Conditions of Installation: N/A.

20. Terms and Conditions of Repair Parts Indicating Date of Parts Price Lists and any Discounts from List Prices: N/A.

20a. Terms and Conditions for Any Other Service: N/A

21. List of Service and Distribution Points: Professional Services will be performed at the location(s) identified by the ordering agency in the order.

22. List of Participating Dealers: N/A.

23. Preventive Maintenance: N/A.

24a. Special/Environmental Attributes: N/A.

24b. Section 508 Compliance Statement: N/A.

25. Data Universal Number System: 12-124-9804

26. Central Contractor Registration (CCR) Database: KEMA is registered in the CCR Database.