

DESCRIPTION AND PRICING TERMS FOR FEDSBUY REVERSE eAuction SERVICE

Advanced Scientific Applications, Inc., (“ASA”) FedBuy Division offers the following Electronic Commerce Services referred herein as FedBuy Reverse eAuction Service (“FedBuy”) listed under schedule 70, Special Item No. 132-52.

DESCRIPTION OF FEDSBUY SERVICE

FedBuy eAuction service is provided under schedule 70, “General Purpose Commercial Information Technology Equipment, Software, and Services”, and under Special Item No. 132-52, “Electronic Commerce Services”.

The ASA’s eCommerce services, which include the FedBuy online reverse auction or Reverse eAuction services with electronic payment and associated support services provide buyers with a set of fully comprehensive online procurement services that are real-time dynamic. The FedBuy reverse eAuction service is a commercially available online procurement service that allows sellers of commercial items, that intend to sell to the government, to compete against each other online in real-time and in an open, interactive and competitive environment that safeguards each seller’s (bidder’s) identity and bid information. Users will be able to access the online community of buyers and sellers located at <http://www.fedsbuy.com> and receive associated support services required to facilitate dynamic and competitive procurement. The FedBuy Reverse eAuction service operates by enabling buyers to post and publicize, specifications for various commercial items required by a Federal Agency and then to send a notification to all potential sellers of the opportunity. Once notified, sellers (bidders) are able to submit competing bids through FedBuy Reverse eAuction system. Throughout this process, the FedBuy maintains confidentiality of the bidders’ identities and bid data, promoting real-time competition among bidders by informing bidders only whether they are in a LEAD or LAG position. This process will maintain integrity and a high level of competition among bidders, who will be able to re-post their bids at any time during the Reverse eAuction period to obtain the LEAD position. Buyers can then, select any bidder in accordance with the terms of the Reverse eAuction and the buyer’s procurement

regulations. When the Buyer selects a bidder, FedBuy notifies both the selected bidder and other unselected bidders of the Buyer's decision. As soon as the Buyer determines that the results of the FedBuy Reverse eAuction process has met the rules of the competition, and all other buyer's criteria for the procurement and when the Buyer selects a winning bidder, the buyer issues an order to the selected seller for delivery of the commercial items. In the event a selected bidder's post-award performance is less than satisfactory, buyers can submit through the FedBuy Reverse eAuction system, performance alerts, which may be viewed by other buyers. Buyers can make payments to FedBuy using their authorized credit cards or government issued purchase cards among other commercially available forms of payment.

PRICING FOR THE FEDSBUY SERVICE

When the buyer receives the procured items, it pays to the selected Bidder the total bid amount. FedBuy then collects from the selected bidder the transactional fee, which consists of not more than 2.80% (two and eight-tenth percent) of the transaction amount. The Buyer also maintains the right to pay the transaction fee directly to FedBuy.

FEDSBUY TRANSACTION FEE SCHEDULE

Transaction Fee Schedule For Dollar Volume:

Dollar Volume Transaction Fee Schedule level AA) FedBuy applies a transaction fee of not more than 2.8% for transactions by Federal Agencies having a total annual transactional volume through FedBuy service of \$1 or more and less than \$50 million

Dollar Volume Transaction Fee Schedule level A) FedBuy applies a transaction fee of not more than 2.65% for transactions by Federal Agencies having a total annual transactional volume through FedBuy service of \$50 million or more and less than \$100 million.

Dollar Volume Transaction Fee Schedule level B) FedBuy applies a transaction fee of not more than 2.40% for transactions by Federal agencies having a total annual transactional volume through FedBuy service of \$100

million or more and less than \$500 million.

Dollar Volume Transaction Fee Schedule level C) FedBuy applies a transaction fee of not more than 2.20% for transactions by agencies having a total annual transactional volume through FedBuy service of \$500 million or more.

**Table of Transaction Fee (Pricing) Schedule for the
FedBuy Reverse eAuction Service**

Transaction Fee Schedule Level	Transaction Fee	Buying Agency's Total Annual Dollar Volume
AA	2.80%	\$1-\$49,999,999
A	2.65%	\$50,000,000-\$99,999,999
B	2.40%	\$100,000,000-499,999,999
C	2.20%	\$500,000,000 +

DISCOUNTS: Prices shown are NET Prices; Basic Discounts have been deducted.

- a. Prompt Payment:
 - 1.10% - 15 days from receipt of invoice or date of acceptance, whichever is later.
 - 1.00% - 30 days from receipt of invoice or date of acceptance, whichever is later.
- b. Quantity: N/A
- c. Dollar Volume: see Transaction Fee Schedule herein.
- d. Government Educational Institutions:

Government Educational Institutions shall receive the same discounts, terms and conditions as all other Federal customers.
- e. Other: N/A