The National Aeronautics and Space Administration (NASA) has changed its focus to the Exploration Vision. Such change requires that the Incentive Fee (IF) portion of this contract be readjusted to ensure the emphasis reflects the current needs of NASA/KSC.

(See Continuation Page)
Consequently, the purpose of this bilateral modification is to formalize the agreement of all parties to the following:

- Eliminate the Incentive portion of the contract for the performance period after December 31, 2009.


- The unearned Incentive Fee Pool (as of 30 September 2007) will remain available for calendar year (CY) 07, 08, and 09. On January 4, 2010, the contractor will report all approved ongoing WFO contracts with the associated expected incentive fees (for each to be paid upon completion of the WFO contracts) and the expected completion dates of the WFO contracts. The Government will make available (to be paid upon each WFO contract completion provided the completion occurs within the period of performance of Contract NAS10-03006) the incentive fee for all approved work under contract on or before December 31, 2009. All remaining incentive fee will no longer be available to the contractor and will be used at the Government’s discretion.

- Eliminate the distribution calculations related to Work For Others (WFO) effort and WFO Vision alignment pools. Earned fee is to be distributed to the contractor.

- Section J, Attachment 8, ASRC Team Investment Profile, is revised to show investments obligated as of September 30, 2007. The Government agrees that ASRC’s investment obligations as of that date fulfill any and all contractual investment obligations. While the Government releases ASRC of further contractual investment obligations, ASRC may make investments that make business sense and provide an appropriate return.

- Clarify the definition of WFO’s to include work performed by the Spaceport Research Technology Institute (SRTI) and its affiliates at their locations, as well as work performed by civil servants at other NASA centers that meets requirements documenting USTDC involvement and benefit to KSC.

- Change Contract Clause H.18, Work for Others, to allow incentive fee to be earned on all Work for Others.

- Establish the Target Value of WFO at $11,500,000 for the period October 1, 2007 through December 31, 2009.

Accordingly:

1. Under Clause B.2, Contract Value, Award Fee, and Incentive Fee, Paragraph (d)(1), the Target Value of WFO table is revised to read as follows:

<table>
<thead>
<tr>
<th>Contract Period</th>
<th>Target Value of WFO Under Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Award – 09/30/07</td>
<td></td>
</tr>
<tr>
<td>10/01/07 – 12/31/09</td>
<td></td>
</tr>
</tbody>
</table>

2. Under Clause B.2, Contract Value, Award Fee, and Incentive Fee, Paragraph (d)(2), Distribution of EIF, is deleted in its entirety.
3. Under Clause H.18, Work for Others, Paragraph A, the following “other pertinent definitions” are added:

USTDC Contractor: includes USTDC team members (currently ASRC Aerospace Corporation and the University of Central Florida [UCF]) and Spaceport Research and Technology Institute (SRTI) university affiliates.

SRTI university affiliate: any University with a signed agreement with UCF to perform work related to USTDC.

Separate agreement: May take any of the following forms:

(1) a contract between ASRC and the Other(s),
(2) Task orders that result from funds acquired through reimbursable agreements from non-KSC Government sources,
(3) a contract between UCF or a SRTI university affiliate and the Other(s), or
(4) an agreement between a NASA Center and the Other(s) to directly fund NASA civil-servant labor performed at KSC or another center.

4. Under Clause H.18, Work for Others, Paragraph B, the last paragraph is deleted and replaced with the following:

If the approved project includes work that is to be performed at another Federal Government installation or at contractor facilities, the total value of the effort will be counted toward the overall WFO goal, as established in the Contractor’s Internal Surveillance Plan (ISP)(DRD-002), and will be included in the Earned Incentive Fee (EIF) calculation described in Paragraph B.2(d) of the USTDC contract.

5. Section J, Attachment 8, ASRC Team Investment Profile, is deleted and replaced with the attached dated September 24, 2008.

6. This modification results in no other changes to terms and conditions of the contract.
EIF = AIF x Cumulative actual value of completed WFO+KSCL

Target value of WFO

where,

AIF = cumulative incentive fee that becomes available within each contract period in accordance with Subsection (b), above, plus any unearned incentive fee carried over from a prior contract period.

Cumulative = sum of all the instances of WFO completed during a contract period.

Actual value = shall be based upon the final amount payable to the contractor by its customer after resolution of any adjustments.

KSCL = KSC Civil Servant Labor supporting the approved project but directly funded by customer. Directly funded means that funding for KSC civil service labor was provided directly to the KSC Chief Financial Office by another Government entity and was not included as a reimbursable cost by the Contractor in their WFO Project Approval submittal.

Completed = when an instance of WFO has been finished, its final value agreed to by the contractor and its customer, and all costs and/or fees due the Government associated therewith, if any, have been reimbursed. As each instance of WFO is completed the contractor shall so notify the Contracting Officer in writing with such appropriate documentation as the Contracting Officer may require and, upon verification thereof, the Contracting Officer will modify Table B-3 accordingly. For EIF determination purposes an instance of WFO will be counted in the contract period in which it is completed. On approved multi-year WFO projects, the Contractor may bill for a portion of the EIF at the end of each Contract Year. The amount of EIF will be based on the value of the completed work on the WFO project during the Contract Year.

Target value of WFO = total value of WFO anticipated in each contract period as follows:

<table>
<thead>
<tr>
<th>Contract Period</th>
<th>Target Value of WFO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Award – 9/30/07</td>
<td></td>
</tr>
<tr>
<td>10/01/07 – 12/31/09</td>
<td></td>
</tr>
</tbody>
</table>
At any time after contract award the Contracting Officer will request the contractor to propose target values in writing with detailed supporting rationale. It is anticipated that such request will not occur any earlier than approximately 32 months after contract start. The request may be for target values for one contract period or a combination of periods up to all five periods. Upon mutual agreement of the parties as to the appropriate values, the contract will be modified accordingly.

The maximum earnable incentive fee in each contract period shall not exceed the AIF specified in Contract Table B.3.

(2) Carryover of Ueneared Incentive Fee (UIF)

The accumulated UIF for each contract period shall not carry over and be available in a subsequent contract period(s) unless the Government determines, at its sole discretion, that the contractor has been sufficiently successful in obtaining Work for Others and the Contracting Officer determines that a reasonable potential exists that, if carried over, the contractor will be able to earn the carried over incentive fee. The Contracting Officer shall determine if all or only a portion of each contract period's UIF shall carry over and be available in succeeding periods.

(e) Payment of Earned Fees

(1) Recording Earned Fees

The Government's determination of earned fees will be reflected in unilateral contract modifications issued by the Contracting Officer.

(2) Payment of Award Fee

The Government payment office will make payments for earned award fee (less any provisional payments) to the contractor based upon the unilateral modifications issued by the Contracting Officer (reference clause NFS 1852.216-76). The contractor does not need to bill for earned award fee.

(3) Payment of Earned Incentive Fee

The contractor may bill for EIF no more frequently than monthly in accordance with the procedure specified in Section G.3(d). Billings shall be for the unpaid difference between prior payments and the EIF reflected in the most recent contract modification. Billings shall note cumulative prior payments, the total EIF and the number of the contract modification documenting the EIF.
property of a capital nature, such as, machine tools, equipment and test
equipment, furniture, vehicles, and accessory and auxiliary items for use in
manufacturing or
performing services, or for any administrative or general plant purpose), special
tooling and special test equipment. Facilities do not include materials.

**Government Material** -- Property that may be incorporated into or attached to an
end item or consumed or expended during manufacture, testing or providing
services.

**USTDC Contractor** -- includes USTDC team members (currently ASRC
Aerospace Corporation and the University of Central Florida [UCF]) and
Spaceport Research and Technology Institute (SRTI) university affiliates.

**SRTI University Affiliate** -- any University with a signed agreement with UCF to
perform work related to USTDC.

**Separate Agreement** -- May take any of the following forms:

1. a contract between ASRC and the Other(s),
2. Task orders that result from funds acquired through reimbursable
   agreements from non-KSC Government sources,
3. a contract between UCF or a SRTI university affiliate and the Other(s), or
4. an agreement between a NASA Center and the Other(s) to directly fund
   NASA civil-servant labor performed at KSC or another center.

**B. AGREEMENTS & APPROVALS**

The Contractor shall obtain approval of the Contracting Officer for Work for
Others (WFO) before committing to perform the work. The Contractor shall
informally partner with the Government to identify and discuss potential WFO as
far in advance of seeking formal approval as is practical. The Contractor shall
obtain final approval for each instance of WFO by submitting a written request to
the Contracting Officer which, at a minimum, shall contain the following
information, terms, and conditions:

1. Name and address of the customer.
2. Description of the work to be performed.
3. Identification of the KSC resources/facilities and Government
   personnel required for accomplishing the work (including the estimated
   number of labor hours and estimated cost of support needed).
4. An explanation of the unique nature of the Government-owned facilities and/or USTDC/Government expertise (or combinations thereof) that is not available from commercial sources and justify acceptance of the work.
5. Schedule for accomplishment of the work and impact, if any, on other ongoing activities.
6. Certification that the following terms and conditions are flowed down, when applicable, to the proposed WFO agreement:


7. A copy of the WFO draft agreement, if available. If the draft agreement is not available prior to submittal of the request, the Contractor will provide a copy of the agreement to the Government before commencement of the work.

If the approved project includes work that is to be performed at another Federal Government installation or at contractor facilities, the total value of the effort will be counted toward the overall WFO goal, as established in the Contractor's Internal Surveillance Plan (ISP)(DRD-002), and will be included in the Earned Incentive Fee (EIF) calculation described in Paragraph B.2(d) of the USTDC contract.