SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER

2. CONTRACT NO.: ED-FSA-12-D-0006

3. AWARD/EFFECTIVE DATE: APR 02, 2012

4. ORDER NUMBER

5. SOLICITATION NUMBER

6. SOLICITATION ISSUE DATE

7. FOR SOLICITATION INFORMATION CALL:
a. NAME: Soo Kang, soo.kang@ed.gov
b. TELEPHONE NUMBER (No collect calls): 202.377.3798

8. OFFER DUE DATE/ LOCAL TIME

9. ISSUED BY — CODE FSA-FS2
United States Department of Education
Federal Student Aid/Mission Support Group
830 First St NE - Suite 91F3
Washington DC 20202

10. THIS ACQUISITON IS
☐ UNRESTRICTED OR ☐ SET ASIDE: % FOR:
☐ SMALL BUSINESS ☐ EMERGING SMALL BUSINESS
☐ HUBZONE SMALL BUSINESS
☐ SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS ☐ 8(A)
NAICS:
SIZE STANDARD:

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED
☐ SEE SCHEDULE

12. DISCOUNT TERMS: Net 30

☐ 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)

13b. RATING

14. METHOD OF SOLICITATION
☐ RFQ ☐ IFB ☐ RFP

15. DELIVER TO — CODE FSA-FS2
United States Department of Education
Federal Student Aid/Mission Support Group
830 First St NE - Suite 91F3
Washington DC 20202

16. ADMINISTERED BY — CODE FSA-FS2
United States Department of Education
Federal Student Aid/Mission Support Group
830 First St NE - Suite 91F3
Washington DC 20202

17a CONTRACTOR/ OFFEROR. CODE 00033498 FACILITY CODE
ASPIRE RESOURCES INC.
6775 VISTA DRIVE
WEST DES MOINES IA 502669307

CAGE: 67FY4
TIN: 421520183 DUNS: 832551878
TELEPHONE NO.

18a. PAYMENT WILL BE MADE BY — CODE FSA-BUD
Budget Group/Invoice Admin
US Department of Education/FSA/CFO/BG/FSAA
830 First Street, NE, Suite 54B1
Washington DC 20202-0001

☐ 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED ☐ SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21 QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
Please	see continuation page for line item details.				

(Use Reverse and/or Attach Additional Sheets as Necessary)

25. ACCOUNTING AND APPROPRIATION DATA
See Schedule

26. TOTAL AWARD AMOUNT (For Govt. Use Only)
$0.00

☐ 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ☐ ARE ☐ ARE NOT ATTACHED
☐ 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA ☒ ARE ☐ ARE NOT ATTACHED

☒ 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

☐ 29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30. [redacted]

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)

30c. DATE SIGNED: 3/30/2012

31b. NAME OF CONTRACTING OFFICER (Type or print): Consuela Ginn 202-377-3589 Consuela.Ginn@ed.gov

31c. DATE SIGNED: MAR 30, 2012

AUTHORIZED FOR LOCAL REPRODUCTION
PREVIOUS EDITION IS NOT USABLE

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE		32f. TELPHONE NUMBER OF AUTHORZED GOVERNMENT REPRESENTATIVE
		32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT	37. CHECK NUMBER
☐ PARTIAL ☐ FINAL			☐ COMPLETE ☐ PARTIAL ☐ FINAL	
38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY		

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT		42a. RECEIVED BY *(Print)*	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE	42b. RECEIVED AT *(Location)*	
		42c. DATE REC'D *(YY/MM/DD)*	42d. TOTAL CONTAINERS

A. ADDENDUM 1 – SF 1449 CONTINUATION PAGE

A.1 Schedule of Supplies/Services

For the first 100,000 allocated borrower accounts ONLY, the following pricing shall apply:

CLIN	Category	Unit Price	Min. Order	Max. Order
0001	Borrowers in In-school Status	$ 1.150	1	10 million
0002	Borrowers in Grace or Current Repayment Status	$ 2.320	1	10 million
0003	Borrowers in Deferment or Forbearance	$ 2.280	1	10 million
0004	Borrowers 31-90 Days Delinquent	$ 1.780	1	10 million
0005	Borrowers 91-150 Days Delinquent	$ 1.650	1	10 million
0006	Borrowers 151-270 Days Delinquent	$ 1.510	1	10 million
0007	Borrowers 270+ Days Delinquent	$ 0.550	1	10 million
0008	On-System Conversion Fees (Per Borrower Account)*	$ 10.000	1	10 million
0009	Incurred Start-Up Costs (Per Entity)**	Up to $300,000	1	10 million

**Applies to the first 100,000 borrower accounts each Entity loads onto its system for servicing. Billable only after actual conversion of accounts has occurred. No costs for off-system conversions/transfers shall apply.*

***Reimbursable ceiling amount for actual, reasonable, allowable, and allocable costs incurred in meeting the Government's stated requirements, in accordance with FAR 31.201. All costs under this category shall be subject to audit, and are only reimbursable after contract award.*

For all borrower accounts above the first 100,000 allocated accounts, the following pricing shall apply:

CLIN	Status	Volume Low	Volume High	Unit Price	Min. Order	Max. Order
0010	Borrowers in In-school Status			$ 1.050	1	10 million
0011	Borrowers in Grace or Current Repayment Status	1	3,000,000	$ 2.110	1	10 million
0012		3,000,001	UP	$ 1.900	1	10 million
0013	Borrowers in Deferment or Forbearance	1	1,600,000	$ 2.070	1	10 million
0014		1,600,001	UP	$ 1.730	1	10 million
0015	Borrowers 31-90 Days Delinquent			$ 1.620	1	10 million
0016	Borrowers 91-150 Days Delinquent			$ 1.500	1	10 million
0017	Borrowers 151-270 Days Delinquent			$ 1.370	1	10 million
0018	Borrowers 270+ Days Delinquent			$ 0.500	1	10 million

Entities shall be responsible for the accurate tracking and proper invoicing of its borrower accounts, in accordance with the pricing structure above.

In accordance with Section B.12.O.14, once two (2) million borrower accounts have been collectively allocated under this contract, pricing for ALL borrower accounts (including the initial 100,000 allocation) shall revert to the pricing found in CLINs 0010 through 0018 above, as applicable. Pricing provided in CLINs 0001 through 0009 shall no longer apply.

B. ADDENDUM 2 – 52.212-4, CONTRACT TERMS AND CONDITIONS—COMMERCIAL ITEMS (MAR 2009)

B.1 52.212-4 Contract Terms And Conditions—Commercial Items (Mar 2009)—TAILORED

(c)(1) *Changes*. The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:

(i) Description of services to be performed.
(ii) Time of performance (i.e., hours of the day, days of the week, etc.).
(iii) Place of performance of the services.

(2) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract.

(3) The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

(4) If the Contractor's proposal includes the cost of property made obsolete or excess by the change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.

(5) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

B.2 52.232-18 Availability of Funds (Apr 1984) – TAILORED

The Government's obligation for performance of this contract is contingent upon the availability of "Mandatory Funds" under Section 2212(b) of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029), from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond the current expiration of the "Mandatory Funds", and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

B.3 52.252-2 Clauses Incorporated By Reference (APR 2010)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The full text of a clause may also be accessed electronically at: https://www.acquisition.gov/Far/

- 52.203-14 Display of Hotline Poster(s) (Dec 2007)
- 52.216-18 Ordering (OCT 1995)
  - (a) the effective date of award; the end of the current period of performance

- 52.216-19 Ordering Limitations (OCT 1995)
  - (a) One Borrower
  - (b)(1) Ten Million Borrowers
  - (b)(2) Ten Million Borrowers
  - (b)(3) Two Days
  - (d) One Day
- 52.216-22 Indefinite Quantity (OCT 1995)
  - (d) the end of the current period of performance
- 52.217-8 Option To Extend Services (NOV 1999)
  - 120 days
- 52.217-9 Option to Extend the Term of the Contract (MAR 2000)
  - (a) 120 days; 15
  - (c) September 30, 2019
- 52.224-1 Privacy Act Notification (APR 1984)
- 52.224-2 Privacy Act (APR 1984)
- 52.227-14 Rights in Data—General (DEC 2007)
- 52.237-3 Continuity of Services (JAN 1991)
- 52.245-1 Government Furnished Property (AUG 2010)

B.4 EDAR 3452.202-1 Definitions (MAR 2011)

(a) The definitions at FAR 2.101 are appended with those contained in Education Department Acquisition Regulations (EDAR) 3402.101.

(b) The EDAR is available via the Internet at http://www.ed.gov/policy/fund/reg/clibrary/edar.html.

B.5 EDAR 3452.209-71 Conflict of Interest (MAR 2011)

(a) (1) The contractor, subcontractor, employee, or consultant, has certified that, to the best of its knowledge and belief, there are no relevant facts or circumstances that could give rise to an organizational or personal conflict of interest (see FAR Subpart 9.5 for organizational conflicts of interest) (or apparent conflict of interest) for the organization or any of its staff, and that the contractor, subcontractor, employee, or consultant has disclosed all such relevant information if such a conflict of interest appears to exist to a reasonable person with knowledge of the relevant facts (or if such a person would question the impartiality of the contractor, subcontractor, employee, or consultant). Conflicts may arise in the following situations:

(i) Unequal access to information—A potential contractor, subcontractor, employee, or consultant has access to nonpublic information through its performance on a government contract.

(ii) Biased ground rules—A potential contractor, subcontractor, employee, or consultant has worked, in one government contract, or program, on the basic structure or ground rules of another government contract.

(iii) Impaired objectivity—A potential contractor, subcontractor, employee, or consultant, or member of their immediate family (spouse, parent, or child) has financial or other interests that would impair, or give the appearance of impairing, impartial judgment in the evaluation of government programs, in offering advice or

recommendations to the government, or in providing technical assistance or other services to recipients of Federal funds as part of its contractual responsibility. ''Impaired objectivity'' includes but is not limited to the following situations that would cause a reasonable person with knowledge of the relevant facts to question a person's objectivity:

(A) Financial interests or reasonably foreseeable financial interests in or in connection with products, property, or services that may be purchased by an educational agency, a person, organization, or institution in the course of implementing any program administered by the Department;

(B) Significant connections to teaching methodologies that might require or encourage the use of specific products, property, or services; or

(C) Significant identification with pedagogical or philosophical viewpoints that might require or encourage the use of a specific curriculum, specific products, property, or services.

(2) Offerors must provide the disclosure described above on any actual or potential conflict (or apparent conflict of interest) of interest regardless of their opinion that such a conflict or potential conflict (or apparent conflict of interest) would not impair their objectivity.

(3) In a case in which an actual or potential conflict (or apparent conflict of interest) is disclosed, the Department will take appropriate actions to eliminate or address the actual or potential conflict (or apparent conflict of interest), including but not limited to mitigating or neutralizing the conflict, when appropriate, through such means as ensuring a balance of views, disclosure with the appropriate disclaimers, or by restricting or modifying the work to be performed to
avoid or reduce the conflict. In this clause, the term ''potential conflict'' means reasonably foreseeable conflict of interest.

(b) The contractor, subcontractor, employee, or consultant agrees that if ''impaired objectivity'', or an actual or potential conflict of interest (or apparent conflict of interest) is discovered after the award is made, it will make a full disclosure in writing to the contracting officer. This disclosure shall include a description of actions that the contractor has taken or proposes to take, after consultation with the contracting officer, to avoid, mitigate, or neutralize the actual or potential conflict (or apparent conflict of interest).

(c) Remedies. The Government may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid the appearance of a conflict of interest. If the contractor was aware of a potential conflict of interest prior to award or discovered an actual or potential conflict (or apparent conflict of interest) after award and did not disclose or misrepresented relevant information to the contracting officer, the Government may terminate the contract for default, or pursue such other remedies as may be permitted by law or this contract. These remedies include imprisonment for up to five years for violation of 18 U.S.C. 1001 and fines of up to $5,000 for violation of 31 U.S.C. 3802. Further remedies include suspension or debarment from contracting with the Federal government. The contractor may also be required to reimburse the Department for costs the Department incurs arising from activities related to conflicts of interest. An example of such costs would be those incurred in processing Freedom of Information Act requests related to a conflict of interest.

(d) In cases where remedies short of termination have been applied, the contractor, subcontractor, employee, or consultant agrees to eliminate the organizational conflict of interest, or mitigate it to the satisfaction of the contracting officer.

(e) The contractor further agrees to insert in any subcontract or consultant agreement hereunder, provisions that conform substantially to the language of this clause, including specific mention of potential remedies and this paragraph (e).

B.6 EDAR 3452.208-71 Printing (MAR 2011)

Unless otherwise specified in this contract, the contractor shall not engage in, nor subcontract for, any printing (as that term is defined in Title I of the Government Printing and Binding Regulations in effect on the effective date of this contract) in connection with the performance of work under this contract; except that performance involving the duplication of fewer than 5,000 units of any one page, or fewer than 25,000 units in the aggregate of multiple pages, shall not be deemed to be printing. A unit is defined as one side of one sheet, one color only (with black counting as a color), with a maximum image size of 10¾ by 14¼ inches on a maximum paper size of 11 by 17 inches. Examples of counting the number of units: black plus one additional color on one side of one page counts as two units. Three colors (including black) on two sides of one page count as six units.

B.7 EDAR 3452.224–70 Release of Information Under the Freedom of Information Act (MAR 2011)

By entering into a contract with the Department of Education, the contractor, without regard to proprietary markings, approves the release of the entire contract and all related modifications and task orders including, but not limited to: (1) Unit prices, including labor rates; (2) Statements of Work/Performance Work Statements generated by the contractor; (3) Performance requirements, including incentives, performance standards, quality levels, and service level agreements; (4) Reports, deliverables, and work products delivered in performance of the contract (including quality of service, performance against requirements/standards/service level agreements); (5) Any and all information, data, software, and related documentation first provided under the contract; (6) Proposals or portions of proposals incorporated by reference; and (7) Other terms and conditions.

B.8 FSA 27-1 Labeling Of Documents (June 2007)—TAILORED

The Contractor shall not label any data, as defined in the clause at 52.227-14, produced in performance of this contract in a way that would restrict the Government's right to use or release the information. If applicable, the Contractor shall include a legend that identifies sensitive data that should not be released for security reasons. Under FAR 52.227-14, Rights in Data-General (or 52.227-15, -16, -17) clause, this data may be used for any public purpose. Deliverables shall not contain vendor-specific logos, mottos, watermarks, or holograms.

The Contractor shall not use, particularly for proposals, U.S. Government logos, such as the U.S. Department of Education or Federal Student Aid.

B.9 EDAR 3452.227–73 Limitations on The Use Or Disclosure of Government-Furnished Information Marked With Restrictive Legends (MAR 2011)

(a) For contracts under which data are to be produced, furnished, or acquired, the terms limited rights and restricted rights are defined in the rights in data—general clause (FAR 52.227–14).

(b) Proprietary data, technical data, or computer software provided to the contractor as Government-furnished information (GFI) under this contract may be subject to restrictions on use, modification, reproduction, release, performance, display, or further disclosure.

(1) Proprietary data with legends that serve to restrict disclosure or use of data. The contractor shall use, modify, reproduce, perform, or display proprietary data received from the Government with proprietary or restrictive legends only in the performance of this contract. The contractor shall not, without the express written permission of the party who owns the data, release, or disclose such data or software to any person.

(2) GFI marked with limited or restricted rights legends. The contractor shall use, modify, reproduce, perform, or display technical data received from the Government with limited rights legends or computer software received with restricted rights legends only in the performance of this contract. The contractor shall not, without the express written permission of the party whose name appears in the legend, release or disclose such data or software to any person.

(3) GFI marked with specially negotiated license rights legends. The contractor shall use, modify, reproduce, release, perform, or display proprietary data, technical data, or computer software received from the Government with specially negotiated license legends only as permitted in the license. Such data or software may not be released or disclosed to other persons unless permitted by the license and, prior to release or disclosure, the intended recipient has completed the use and non-disclosure agreement. The contractor shall modify paragraph (c)(1)(iii) of the use and nondisclosure agreement (3452.227–72) to reflect the recipient's obligations regarding use, modification, reproduction, release, performance, display, and disclosure of the data or software.

(c) Indemnification and creation of third party beneficiary rights.

(1) The contractor agrees to indemnify and hold harmless the Government, its agents, and employees from every claim or liability, including attorneys fees, court costs, and expenses, arising out of, or in any way related to, the misuse or unauthorized modification, reproduction, release, performance, display, or disclosure of proprietary data, technical data, or computer software received from the Government with restrictive legends by the contractor or any person to whom the contractor has released or disclosed such data or software.

(2) The contractor agrees that the party whose name appears on the restrictive legend, in addition to any other rights it may have, is a third party beneficiary who has the right of direct action against the contractor, or any person to whom the contractor has released or disclosed such data or software, for the unauthorized duplication, release, or disclosure of proprietary data, technical data, or computer software subject to restrictive legends.

B.10 EDAR 3452.227–72 Use and Non-Disclosure Agreement (MAR 2011)

(a) Except as provided in paragraph (b) of this clause, proprietary data, technical data, or computer software delivered to the
Government with restrictions on use, modification, reproduction, release, performance, display, or disclosure may not be provided to third parties unless the intended recipient completes and signs the use and non-disclosure agreement in paragraph
(c) of this clause prior to release or disclosure of the data.

(1) The specific conditions under which an intended recipient will be authorized to use, modify, reproduce, release, perform, display, or disclose proprietary data or technical data subject to limited rights, or computer software subject to restricted rights must be stipulated in an attachment to the use and non-disclosure agreement.

(2) For an intended release, disclosure, or authorized use of proprietary data, technical data, or computer software subject to special license rights, modify paragraph (c)(1)(iv) of this clause to enter the conditions, consistent with the license requirements, governing the recipient's obligations regarding use, modification, reproduction, release, performance, display, or disclosure of the data or software.

(b) The requirement for use and nondisclosure agreements does not apply to Government contractors that require access to a third party's data or software for the performance of a Government contract that contains the 3452.227–73 clause, Limitations on the use or disclosure of Government furnished information marked with restrictive legends.

(c) The prescribed use and non-disclosure agreement is:

Use and Non-Disclosure Agreement

The undersigned, _____, an authorized representative of the _____, (which is hereinafter referred to as the ''recipient'') requests the Government to provide the recipient with proprietary data, technical data, or computer software (hereinafter referred to as ''data'') in which the Government's use, modification, reproduction, release, performance, display, or disclosure rights are restricted. Those data are identified in an attachment to this agreement. In consideration for receiving such data, the recipient agrees to use the data strictly in accordance with this agreement.

(1) The recipient shall—

(i) Use, modify, reproduce, release, perform, display, or disclose data marked with Small Business Innovative Research (SBIR) data rights legends only for government purposes and shall not do so for any commercial purpose. The recipient shall not release, perform, display, or disclose these data, without the express written permission of the contractor whose name appears in the restrictive legend (the contractor), to any person other than its subcontractors or suppliers, or prospective subcontractors or suppliers, who require these data to submit offers for, or perform, contracts with the recipient. The recipient shall require its subcontractors or suppliers, or prospective subcontractors or suppliers, to sign a use and non-disclosure agreement prior to disclosing or releasing these data to such persons. Such an agreement must be consistent with the terms of this agreement.

(ii) Use, modify, reproduce, release, perform, display, or disclose proprietary data or technical data marked with limited rights legends only as specified in the attachment to this agreement. Release, performance, display, or disclosure to other persons is not authorized unless specified in the attachment to this agreement or expressly permitted in writing by the contractor.

(iii) Use computer software marked with restricted rights legends only in performance of contract number ED-FSA-12-D-0006. The recipient shall not, for example, enhance, decompile, disassemble, or reverse engineer the software; time share; or use a computer program with more than one computer at a time. The recipient may not release, perform, display, or disclose such software to others unless expressly permitted in writing by the licensor whose name appears in the restrictive legend.

(iv) Use, modify, reproduce, release, perform, display, or disclose data marked with special license rights legends [To be completed by the contracting officer. See paragraph (a)(2) of this clause. Omit if none of the data requested is marked with special license rights legends].

(2) The recipient agrees to adopt or establish operating procedures and physical security measures designed to protect these data from inadvertent release or disclosure to unauthorized third parties.

(3) The recipient agrees to accept these data ''as is'' without any Government representation as to suitability for intended use or warranty whatsoever. This disclaimer does not affect any obligation the Government may have regarding data specified in a contract for the performance of that contract.

(4) The recipient may enter into any agreement directly with the contractor with respect to the use, modification, reproduction, release, performance, display, or disclosure of these data.

(5) The recipient agrees to indemnify and hold harmless the Government, its agents, and employees from every claim or liability, including attorneys fees, court costs, and expenses arising out of, or in any way related to, the misuse or unauthorized modification, reproduction, release, performance, display, or disclosure of data received from the Government with restrictive legends by the recipient or any person to whom the recipient has released or disclosed the data.

(6) The recipient is executing this agreement for the benefit of the contractor. The contractor is a third party beneficiary of this agreement who, in addition to any other rights it may have, is intended to have the rights of direct action against the recipient or any other person to whom the recipient has released or disclosed the data, to seek damages from any breach of this agreement, or to otherwise enforce this agreement.

(7) The recipient agrees to destroy these data, and all copies of the data in its possession, no later than 30 days after the date shown in paragraph (8) of this agreement, to have all persons to

whom it released the data do so by that date, and to notify the contractor that the data have been destroyed.

(8) This agreement shall be effective for the period commencing with the recipient's execution of this agreement and ending upon **end of contract performance period.** The obligations imposed by this agreement shall survive the expiration or termination of the agreement.

_____
Recipient's Business Name

_____ _____
Authorized Representative Date

_____
Representative's Typed Name and Title

B.11 FSA 32-1 Invoice Clause (MAR 2012)

The Contractor must submit an invoice via mail, fax, or e-mail for this contract in order to be paid for products and/or services rendered. For Prompt Payment Act purposes, Invoices received after 3 p.m. will be processed on the next business day.

Federal Student Aid's "Designated Billing Office" (DBO) is:

US Department of Education
Union Center Plaza
Federal Student Aid Administration
830 First Street, NE – Suite 54B1
Washington, D.C. 20201-0001
E-mail: InvoiceAdmin @ed.gov
Fax: (202) 275-3477

A contractor shall also simultaneously submit copies of the invoice to the Contracting Officer (CO) and one to the Contracting Officer's Representative (COR). The CO and COR should receive copies via the same means as the invoice sent to the DBO.

When submitting an invoice via mail, the Contractor shall submit the original invoice and two copies of the invoice.

At a minimum the following items must be addressed in order for the invoice to be considered "proper" for payment:

(1) Name and Address of the Contractor.
(2) Invoice Number and Invoice Date.
(3) The Contract number, contract line item, and if applicable, the order number.
(4) Description, quantity, unit of measure, unit price, and extended price of the delivered item or service, as defined in the contract or order.
(5) Terms of any offered prompt payment discount.
(6) Name, title, and phone number of persons to be notified in event of a defective invoice.
(7) The period of time covered by the invoice.
(8) Totals, supported by subtotals, and subtotals should be supported by detail (i.e. documentation for categories of labor, hours performed, unit prices) and deliverables provided.
(9) If required by this contract or order, receipts must be provided to support documentation of "other direct costs" (ODCs) or materials.
(10) SPECIAL INSTRUCTIONS FOR FINANCE PAYMENTS:

Invoices for finance payments shall specifically and prominently identify the payment request as follows:

REQUEST FOR FINANCING PAYMENT
Finance payments are not subject to the Prompt Payment Act. Failure to identify the invoice as a request for financing may result in delay of payment. Invoices that are identified as Requests for Finance Payments shall only include the finance payments listed in the contract. Requests for finance payments shall not

B.12 ADDITIONAL TERMS AND CONDITIONS

A. **Contract Type**—This contract is for the NATIONAL OPTION. All terms and conditions herein shall apply whether this is a "National Option" or "State Option" award, unless otherwise noted.

National Option— Indefinite Delivery/Indefinite Quantity (IDIQ). During the course of the basic ordering period, the IDIQ minimum is $2,532,000, provided that the Contractor is in compliance with the requirements for servicing federally held debt, and the maximum volume for the basic ordering period agreement will be 10 million borrowers. The Optional Ordering Period will have a minimum of $1,000 and a maximum of an additional 10 million borrowers.

B. **Ordering Period**—The ordering period for this contract will be one (1), five (5) year Base Ordering Period, with one (1) Optional Ordering Period through September 30, 2019.

C. **Requirements Deadlines**—The Contractor shall comply with the requirements (as provided in Attachment A-2) for servicing federally held debt no later than July 1, 2014. If applicable, the Contractor shall also comply with the Supplemental Requirements (as provided in Attachment A-6), in accordance with Section B.12.O.14.a.

D. **Quarterly Compliance Monitoring**—[Reserved]

E. **Annual Compliance Audit**—[Reserved]

F. **Allocation Methodology**—See Attachments A-4 and A-5.

G. **Allocation Metrics**—See Attachments A-4 and A-5.

H. **Performance Incentives/Metrics**—See Attachments A-4 and A-5.

I. **Price Definitions**—See Attachment A-3.

J. **Work Performed Outside the Continental United States**—The Contractor has represented to the Department that it will perform all work required under this Contract within the United States. If, at any time, the Contractor wishes to perform any Contract work outside the United States, the Contractor shall inform the Contracting Officer, in advance and in writing, of its intention and request the Department's approval. The Contractor shall not perform any Contract work outside the United States unless and until it has received the Contracting Officer's explicit, written approval to perform such work. In order to give proper consideration to the Contractor's request, the Department may ask for, and the Contractor shall provide, information relevant to the proposed performance outside the United States, including but not limited to a detailed description of the physical, personnel and management resources to be used and any potential difficulties or constraints in performing in the foreign jurisdiction. The Department may refuse to approve Contract performance outside the United States to the extent that, solely in the Department's judgment, the Contractor has not shown that performance outside the United States would satisfy the Contract requirements and would not impair or degrade performance. Further, the Department may refuse to approve any performance outside the United States for any other reason, or for no reason, except as otherwise required by the laws and treaties of the United States. The Department also may approve performance outside the United States subject to certain conditions, to which conditions the Contractor shall strictly adhere. Neither performance within the United States, nor the Department's refusal to allow performance outside the United States shall ever constitute a change to this Contract or give rise to any entitlement to additional compensation or excuse any failure of performance by the Contractor. Nothing in this clause shall be interpreted to impose any obligation on the Department to allow or to refuse a request for performance of this Contract outside the United States.

K. **Branding/Marketing Material**—Contractors may not solicit or promote other services/products they, or their affiliates, offer while servicing Department of Education borrowers, or Federally held debt. This includes all communication channels and touch points, such as but not limited to: inbound and outbound calls/email, web pages, any mailings specific to the status of their account, direct personal and automated interaction, etc.

Scenarios: (1) if the servicer services Federally and non-Federally held debt and offers combined billing, no marketing envelopes or inserts for other services/products may be issued; (2) if the servicer services Federally and non-Federally held debt and does NOT use

combined billing, normal marketing may be provided for non- Federally held debt for other services/products; and (3) if the servicer services Federally and non-Federally held debt and is in personal contact, no marketing for other services/products may be discussed. If a borrower with in-school status seeks information regarding other products or services from the servicer, the borrower shall be directed to their school's Student Financial Assistance Office.

Servicers are not required to use the Department of Education logo for mailings and correspondence. If any of the Servicers choose to do so, the guidance contained in Attachment A-9 shall be followed. Branding/Logo Samples are provided in Attachment A-9a.

Any exception or ambiguity regarding the above shall be reviewed and approved by the Contracting Officer in advance.

L. **Invoicing and Non-Compliance** – Borrowers whose loans are not being serviced in compliance with the Requirements, Policy and Procedures for servicing federally held debt due to the fault of the servicer (e.g. correct interest calculations, correct balances, interest determination and calculations, notices sent properly, proper due diligence, etc.), will not be billable to the Government from the initial point of non-compliance. Any funds that have been invoiced for these borrowers and paid shall be returned to the Government via a credit on the next invoice.

M. **Special Contract Requirements for Government Furnished Property - Two Factor Authentication Tokens (TFA).**

In addition to the requirements of 52.245-1 (b) - Government Property, the Servicer shall:

(a) Ensure the Servicer's Government Property Manager or designee shall sign a distribution letter provide by the Contracting Officer upon receipt of **Government** Property;

(b) Comply with instructions on how to register the tokens using the Federal Student Aid Two Factor Authentication Token For FSA User Handout distributed with the tokens;

(c) Seek immediate assistance with any challenges encountered with FSA CITRIX and TFA and immediately report any security or other incidents by telephone or email to the helpdesk at: 1-877-6034188 or ed.customer.service@ed.gov and;

(d) Provide a Property Management Plan to the Contracting Officer within 5 business days of receipt of the Government Furnished Property. Among other requirements stated under FAR 52.245-1 (b), the Property Management Plan must contain at minimum the following:

- Description of how the Servicer will establish and maintain an auditable record of the token assignment to its employees by individual name and token Serial Number (AVT+9 digits);
- Method by which the Servicer shall ensure that the serial number label on the back of each token remains legible and secure to the device.
- Security and management process for the physical devices as well as changes in assignment.

(e) Upon written notification from the Contracting Officer, the Servicer shall affirm its understanding and compliance with the Government's requirement for quarterly recertification of user access and token activation. In the event of any reported security breach, the Government shall immediately disable or deactivate Servicer access to its network without prior notice.

(f) The tokens provided to Aspire Resources Inc. have the following serial numbers:

[redacted]

N. **Contracting Officer's Representative** – See Section B.14.

O. **Additional Terms:**

1. The Not-for-Profit (NFP) Servicing contracts are for any "eligible" and "qualified" entities (herein referred to as "Entity" or "Entities", unless otherwise noted) in accordance with the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) (herein referred to as "HCERA" and/or "SAFRA") to manage all types of Title IV student aid obligations, including, but not limited to, servicing of outstanding debt. The initial task orders may cover servicing of loans under the William D. Ford Federal Direct Loan Program (DL), the Federal Family Education Loan (FFEL) Program, the Federally Insured Student Loan (FISL) Program, and/or Teacher Education Assistance for College and Higher Education (TEACH) Grants that have converted to Federal Direct Unsubsidized Stafford Loans (Entities will not be required to service/track TEACH Grants that are in grant status). National Option contracts are not Requirements contracts.

2. Each Contractor will provide, at a minimum, the services provided within their proposal, including all necessary and appropriate Default Aversion services, in accordance with the pricing identified in Term #3 below.

3. The Government will set and manage the common pricing, including tier structure, below:

For the first 100,000 allocated borrower accounts ONLY, the following pricing shall apply:

Category	Unit Price
Borrowers in In-school Status	$ 1.150
Borrowers in Grace or Current Repayment Status	$ 2.320
Borrowers in Deferment or Forbearance	$ 2.280
Borrowers 31-90 Days Delinquent	$ 1.780
Borrowers 91-150 Days Delinquent	$ 1.650
Borrowers 151-270 Days Delinquent	$ 1.510
Borrowers 270+ Days Delinquent	$ 0.550
On-System Conversion Fees (Per Borrower Account)*	$ 10.000
Incurred Start-Up Costs (Per Entity)**	Up to $300,000

**Applies to the first 100,000 borrower accounts each Entity loads onto its system for servicing. Billable only after actual conversion of accounts has occurred. No costs for off-system conversions/transfers shall apply.*
***Reimbursable ceiling amount for actual, reasonable, allowable, and allocable costs incurred in meeting the Government's stated requirements, in accordance with FAR 31.201. All costs under this category shall be subject to audit, and are only reimbursable after contract award.*

For all borrower accounts above the first 100,000 allocated accounts, the following pricing shall apply:

Status	Volume Low	Volume High	Unit Price
Borrowers in In-school Status			$ 1.050
Borrowers in Grace or Current Repayment Status	1	3,000,000	$ 2.110
	3,000,001	UP	$ 1.900
Borrowers in Deferment or Forbearance	1	1,600,000	$ 2.070
	1,600,001	UP	$ 1.730
Borrowers 31-90 Days Delinquent			$ 1.620
Borrowers 91-150 Days Delinquent			$ 1.500
Borrowers 151-270 Days Delinquent			$ 1.370
Borrowers 270+ Days Delinquent			$ 0.500

Entities shall be responsible for the accurate tracking and proper invoicing of its borrower accounts, in accordance with the pricing structure above.

Out year pricing will follow the methodology described utilizing the subsequent terms. There will be no set declination in pricing at the time of award.

4. The Government has included an escalation methodology based upon the Bureau of Labor Statistics' (BLS) Employment Cost Index (ECI) for Total Compensation, Private Industry, Service Occupations (Not Seasonally Adjusted), to account for significant inflation and/or deflation. When the ECI exceeds 3.0% (plus or minus) in any given year the Government will adjust the established common pricing by any amount in excess of this rate. The calculated rate of escalation will equal the average of the 12-month percent

change for the previous four quarters, ending June 30th. This ECI escalation will be applied beginning in September of the same calendar year. Further, this escalation will compound for all remaining years of the Base and Optional Ordering Periods.

For example, ECI rate released in June 2011 is 3.6%. The Government will increase unit pricing by .6% for the contract beginning September 1, 2011 and all remaining years of the Base Ordering Period, as well as the Optional Ordering Period.

A decreasing rate of inflation would follow the same pattern as above. For example, if the ECI decreases by more than 3.0%, then the unit prices for the remaining out-years will also decrease by the percentage in excess of 3.0%. For example, ECI rate released in June 2011 is -4.2%. The Government will decrease unit pricing by 1.2% for the contract period beginning September 1, 2011 and all remaining years of the Base Ordering Period, as well as the Optional Ordering Period.

5. Common pricing includes all supplies, services and other costs to deliver Title IV servicing under this contract, including:
   - Costs for bringing Contractor systems into compliance for handling federally held debt.
   - Costs for legislative, regulatory or policy changes that affect the Federal Family Education Loan (FFEL) Program community but simultaneously satisfy Direct Loan servicing requirements.
   - For all other costs, the Department and the Contractor(s) may come to an agreement via change order process or negotiation, as necessary.

6. **National Option**—The Government makes no guarantee to any Contractor that their organization will retain their current loan servicing volume. The Government will provide an initial allocation of 100,000 borrower accounts under this IDIQ contract, in accordance with the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) (herein referred to as "HCERA" and/or "SAFRA"). However, the ability of the Contractor to retain and/or increase its allocation volume shall depend on the Contractor's compliance with contractual/regulatory requirements, and performance. In the event of an inability to comply with contractual/regulatory requirements and/or a lack of satisfactory performance, the Government reserves the right to reduce the Contractor's allocation at no additional cost to the Government.

7. The Government reserves the right to periodically review and equitably adjust the rate structure to maintain effectiveness of the services provided (e.g., different volume breaks, different tiers, cost allocations, etc)

8. The Government reserves the right to equitably introduce, eliminate, or modify loan deliverables/status items that are in the best interest of the Government or Borrower. (e.g., In-School Deferments moved into the In-School deliverable; new deferment or forbearance categories; etc).

9. The Government reserves the right to unilaterally shift borrowers in the best interest of the Government or Borrowers, at no additional cost to the Government. It is anticipated that this will be done only with reasonable and prudent cause. This term is not subject to the Disputes and Appeals process provided in FAR Subpart 33.2.

10. The Government retains the unilateral right to resolve split-borrowers as deemed appropriate by the Government, at no additional cost to the Government. This term is not subject to the Disputes and Appeals process provided in FAR Subpart 33.2.

11. The Government reserves the right to periodically review and unilaterally adjust the performance and/or allocations metrics and/or methodology to maintain effectiveness of the services provided.

12. An "eligible" and "qualified" Entity shall only receive the initial 100,000 account allocation once, regardless of future changes, and/or potentially multiple teaming arrangements.

13. **Initial Allocation**—Initial Allocation will be scheduled so that Initial Allocations can be made in an efficient and prudent manner.

    Ongoing allocations (i.e. any allocation subsequent to an Entity's Initial Allocation) shall be managed in accordance with the allocation methodology provided in this agreement.

14. **Performance Measurement/Allocation Methodology** – See Attachment A-4, "*Ongoing Allocation Methodology – v3*" and Attachment A-5, "*SAMPLE ONLY—Ongoing Allocation Metric Calculation (National Option Only) – v3*".

    a. **National Option Only**—Once an Entity (and its team) has been collectively allocated two (2) million borrowers – that Entity shall also meet the Supplemental Requirements provided in Attachment A-6 at no additional cost to the Government and comply with the TIVAS terms and conditions provided as Attachment A-8, within six (6) months of receiving its two millionth borrower account and shall compete with the other TIVAS for allocation, making it no longer eligible to compete with the other non-TIVAS Entities for allocation. In the event that the Entity does not meet the Supplemental Requirements (provided in Attachment A-6) and the TIVAS terms and conditions (provided in Attachment A-8) within six (6) months of receiving the two millionth borrower account, the Government will reduce that Entity 's allocation volume by 200,000 borrower accounts each month, until the Entity has come into compliance with the Supplemental Requirements in Attachment A-6 and the TIVAS terms and conditions in Attachment A-8. These accounts may not be reinstated even after the Entity has come into compliance with the Supplemental Requirements in Attachment A-6 and the TIVAS terms and conditions in Attachment A-8.

15. **Key Subcontractors**—The Subcontractors listed below (or as specified in the Schedule of this contract) are considered essential for the purposes of determining the Contractor's borrower account allocation and the capability to perform under this contract. Any subcontractor that has a material impact on the ability of the Contractor to perform under this agreement, as well as those for which credit is given for the 100,000 borrower account allocation shall be considered Key, and shall be listed below (or as specified in the Schedule of this contract). No credit for 100,000 borrower account allocations shall be given to a subcontractor that is not listed as a Key Subcontractor below. Prior to removing, replacing, or diverting any of the Key Subcontractors, the Contractor shall notify the Contracting Officer (within a reasonable time or no less than 30 days in advance of taking any action) and shall submit justification (including proposed substitutions if necessary) in sufficient detail to permit evaluation of the impact on this contract. The removal, replacement, or diversion of any of the specified Subcontractors may result in a reduction of the Contractor's allocation by up to 100,000 borrower accounts for each Subcontractor that is removed. No diversion shall be made by the Contractor without the written consent of the Contracting Officer; provided, that the Contracting Officer may ratify in writing the change and such ratification shall constitute the consent of the Contracting Officer required by this clause. The Subcontractors listed below (or as specified in the Schedule of this contract) may, with the consent of the contracting parties, be modified from time to time during the course of the contract to either add or delete Subcontractors, as appropriate.

No.	Key Subcontractor
1.	Iowa Student Loan Liquidity Corporation
2.	Pennsylvania Higher Education Assistance Agency (PHEAA)*

**PHEAA is added as a key subcontractor for the sole purpose of providing a servicing platform. PHEAA is not servicing loans under this contract; therefore, it is not entitled to the 100,000 borrower account allocation.*

16. If the Contractor's eligibility and/or qualification status under the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) changes at any time after contract award so that it is no longer "eligible" and/or "qualified", the contract shall be automatically terminated at no additional cost to the Government. This action includes changes to the law that may alter the Contractor's status, funding, and/or other factors that have a material bearing on this contract.

B.13 52.212-5 Contract Terms And Conditions Required To Implement Statutes Or Executive Orders—Commercial Items (AUG 2011)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

___Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(2) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(3) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Pub. L. 108-77, 108-78).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

__ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (Sept 2006), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).

_X_ (2) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

__ (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (June 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)

_X_ (4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Jul 2010) (Pub. L. 109-282) (31 U.S.C. 6101 note).

__ (5) 52.204-11, American Recovery and Reinvestment Act—Reporting Requirements (Jul 2010) (Pub. L. 111-5).

_X_ (6) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (Dec 2010) (31 U.S.C. 6101 note).

__ (7) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (section 740 of Division C of Pub. L. 111-117, section 743 of Division D of Pub. L. 111-8, and section 745 of Division D of Pub. L. 110-161).

__ (8) 52.219-3, Notice of Total HUBZone Set-Aside or Sole-Source Award (Jan 2011) (15 U.S.C. 657a).

__ (9) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JAN 2011) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

__ (10) [Reserved]

__ (11)(i) 52.219-6, Notice of Total Small Business Set-Aside (June 2003) (15 U.S.C. 644).

__ (ii) Alternate I (Oct 1995) of 52.219-6.

__ (iii) Alternate II (Mar 2004) of 52.219-6.

__ (12)(i) 52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644).

__ (ii) Alternate I (Oct 1995) of 52.219-7.

__ (iii) Alternate II (Mar 2004) of 52.219-7.

_X_ (13) 52.219-8, Utilization of Small Business Concerns (Jan 2011) (15 U.S.C. 637(d)(2) and (3)).

_X_ (14)(i) 52.219-9, Small Business Subcontracting Plan (Jan 2011) (15 U.S.C. 637(d)(4)).

__ (ii) Alternate I (Oct 2001) of 52.219-9.

__ (iii) Alternate II (Oct 2001) of 52.219-9.

__ (iv) Alternate III (Jul 2010) of 52.219-9.

__ (15) 52.219-14, Limitations on Subcontracting (Dec 1996) (15 U.S.C. 637(a)(14)).

__ (16) 52.219-16, Liquidated Damages—Subcontracting Plan (Jan 1999) (15 U.S.C. 637(d)(4)(F)(i)).

__ (17)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (OCT 2008) (10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

__ (ii) Alternate I (June 2003) of 52.219-23.

__ (18) 52.219-25, Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting (Dec 2010) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

__ (19) 52.219-26, Small Disadvantaged Business Participation Program—Incentive Subcontracting (Oct 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

__ (20) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004) (15 U.S.C. 657 f).

__ (21) 52.219-28, Post Award Small Business Program Rerepresentation (Apr 2009) (15 U.S.C. 632(a)(2)).

__ (22) 52.219-29 Notice of Total Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Apr 2011).

__ (23) 52.219-30 Notice of Total Set-Aside for Women-Owned Small Business (WOSB) Concerns Eligible Under the WOSB Program (Apr 2011).

_X_ (24) 52.222-3, Convict Labor (June 2003) (E.O. 11755).

_X_ (25) 52.222-19, Child Labor—Cooperation with Authorities and Remedies (Jul 2010) (E.O. 13126).

_X_ (26) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).

_X_ (27) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

_X_ (28) 52.222-35, Equal Opportunity for Veterans (Sep 2010)(38 U.S.C. 4212).

_X_ (29) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

_X_ (30) 52.222-37, Employment Reports on Veterans (SEP 2010) (38 U.S.C. 4212).

__ (31) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496).

_X_ (32) 52.222-54, Employment Eligibility Verification (JAN 2009). (Executive Order 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial items as prescribed in 22.1803.)

__ (33)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA–Designated Items (May 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

__ (ii) Alternate I (May 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

__ (34) 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007) (42 U.S.C. 8259b).

__ (35)(i) 52.223-16, IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (DEC 2007) (E.O. 13423).

__ (ii) Alternate I (DEC 2007) of 52.223-16.

__ (36) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011) (E.O. 13513).

__ (37) 52.225-1, Buy American Act—Supplies (Feb 2009) (41 U.S.C. 10a-10d).

__ (38)(i) 52.225-3, Buy American Act—Free Trade Agreements—Israeli Trade Act (June 2009) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, Pub. L. 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, and 110-138).

__ (ii) Alternate I (Jan 2004) of 52.225-3.

__ (iii) Alternate II (Jan 2004) of 52.225-3.

__ (39) 52.225-5, Trade Agreements (AUG 2009) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).

_X_ (40) 52.225-13, Restrictions on Certain Foreign Purchases (June 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

__ (41) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (Nov 2007) (42 U.S.C. 5150).

__ (42) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (Nov 2007) (42 U.S.C. 5150).

__ (43) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

__ (44) 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

_X_ (45) 52.232-33, Payment by Electronic Funds Transfer—Central Contractor Registration (Oct 2003) (31 U.S.C. 3332).

__ (46) 52.232-34, Payment by Electronic Funds Transfer—Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).

__ (47) 52.232-36, Payment by Third Party (Feb 2010) (31 U.S.C. 3332).

_X_ (48) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).

__ (49)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).

__ (ii) Alternate I (Apr 2003) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

_X_ (1) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).

_X_ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

_X_ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Multiple Year and Option Contracts) (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

__ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).

__ (5) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (Nov 2007) (41 351, *et seq.*).

__ (6) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services—Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).

__ (7) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247).

__ (8) 52.237-11, Accepting and Dispensing of $1 Coin (Sept 2008) (31 U.S.C. 5112(p)(1)).

(d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

(ii) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $650,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iii) [Reserved]

(iv) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(viii) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).

(ix) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

___Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(x) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (Nov 2007) (41 U.S.C. 351, *et seq.*).

(xi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).

(xii) 52.222-54, Employment Eligibility Verification (JAN 2009).

(xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xiv) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

B.14 EDAR 3452.201-70 Contracting Officer's Representative (COR) (MAR 2011)

(a) The Contracting Officer's Representative (COR) is responsible for the technical aspects of the project, technical liaison with the contractor, and any other responsibilities that are specified in the contract. These responsibilities include inspecting all deliverables, including reports, and recommending acceptance or rejection to the contracting officer.

(b) The COR is not authorized to make any commitments or otherwise obligate the Government or authorize any changes that affect the contract price, terms, or conditions. Any contractor requests for changes shall be submitted in writing directly to the contracting officer or through the COR. No such changes shall be made without the written authorization of the contracting officer.

(c) The COR's name and contact information:

Lynn Smith
Federal Student Aid
830 First Street, NE
Suite 63H1
Washington, DC 20202
Email: lynn.smith@ed.gov
Phone: 202.377.3577

(d) The COR may be changed by the Government at any time, but notification of the change, including the name and address of the successor COR, will be provided to the contractor by the contracting officer in writing.

B.15 EDAR 3452.227–70 Publication and publicity (MAR 2011)

(a) Unless otherwise specified in this contract, the contractor is encouraged to publish and otherwise promote the results of its work under this contract. A copy of each article or work submitted by the contractor for publication shall be promptly sent to the contracting officer's

representative. The contractor shall also inform the representative when the article or work is published and furnish a copy in the published form.

(b) The contractor shall acknowledge the support of the Department of Education in publicizing the work under this contract in any medium. This acknowledgement shall read substantially as follows: ''This project has been funded at least in part with Federal funds from the U.S. Department of Education under contract number [Insert number]. The content of this publication does not necessarily reflect the views or policies of the U.S. Department of Education nor does mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government.''

B.16 EDAR 3452.227–71 Advertising of awards (MAR 2011)

The contractor agrees not to refer to awards issued by, or products or services delivered to, the Department of Education in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed by the Federal government or is considered by the Federal government to be superior to other products or services.

B.17 EDAR 3452.239–72 Department security requirements (MAR 2011)

(a) The contractor and its subcontractors shall comply with Department security policy requirements as set forth in the ''Bidder's Security Package: Security Requirements for Contractors Doing Business with the Department of Education'' at http://www.ed.gov/fund/contract/about/bsp.html.

(b) The following are the contractor employee positions required under this contract and their designated risk levels: High Risk (HR): [Specify HR positions.] Moderate Risk (MR): [Specify MR positions.] Low Risk (LR): [Specify LR positions.]

(c) All contractor employees must undergo personnel security screening if they will be employed for 30 days or more, in accordance with Departmental Directive OM:5–101, ''Contractor Employee Personnel Security Screenings.'' The type of screening and the timing of the screening will depend upon the nature of the contractor position, the type of data to be accessed, and the type of information technology (IT) system access required. Personnel security screenings will be commensurate with the risk and magnitude of harm the individual could cause.

(d) The contractor shall—(1) Ensure that all non-U.S. citizen contractor employees are lawful permanent residents of the United States or have appropriate work authorization documents as required by the Department of Homeland Security, Bureau of Immigration and Appeals, to work in the United States. (2) Ensure that no employees are assigned to high risk designated positions prior to a completed preliminary screening. (3) Submit all required personnel security forms to

the contracting officer's representative (COR) within 24 hours of an assignment to a Department contract and ensure that the forms are complete. (4) Ensure that no contractor employee is placed in a higher risk position than that for which he or she was previously approved, without the approval of the contracting officer or the COR, the Department personnel security officer, and the Department computer security officer. (5) Ensure that all contractor employees occupying high-risk designated positions submit forms for reinvestigation every five years for the duration of the contract or if there is a break in service to a Department contract of 365 days or more. (6) Report to the COR all instances of individuals seeking to obtain unauthorized access to any departmental IT system, or sensitive but unclassified and/or Privacy Act protected information. (7) Report to the COR any information that raises an issue as to whether a contractor employee's eligibility for continued employment or access to Department IT systems, or sensitive but unclassified and/or Privacy Act protected information, promotes the efficiency of the service or violates the public trust. (8) Withdraw from consideration under the contract any employee receiving an unfavorable adjudication determination. (9) Officially notify each contractor employee if he or she will no longer work on a Department contract.
(10) Abide by the requirements in Departmental Directive OM:5–101, ''Contractor Employee Personnel Security Screenings.''

(e) Further information including definitions of terms used in this clause and a list of required investigative forms for each risk designation are contained in Departmental Directive OM:5–101, ''Contractor Employee Personnel Security Screenings'' available at the Web site listed in the first paragraph of this clause.

(f) Failure to comply with the contractor personnel security requirements may result in a termination of the contract for default.

B.18 EDAR 3452.242–71 Notice to the Government of delays (MAR 2011)

The contractor shall notify the contracting officer of any actual or potential situation, including but not limited to labor disputes, that delays or threatens to delay the timely performance of work under this contract. The contractor shall immediately give written notice thereof, including all relevant information.

B.19 EDAR 3452.242–73 Accessibility of meetings, conferences, and seminars to persons with disabilities (MAR 2011)

The contractor shall assure that any meeting, conference, or seminar held pursuant to the contract will meet all applicable standards for accessibility to persons with disabilities pursuant to section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794) and any implementing regulations of the Department.

C. STATEMENT OF OBJECTIVES (SOO)

C.1 General Description Of Scope/Purpose

C.1.1 Federal Student Aid Background/Overview

Federal Student Aid (FSA), an office of the U.S. Department of Education, plays a central and essential role in America's postsecondary education community.

FSA's core mission is to ensure that all eligible individuals benefit from federal financial assistance—grants, loans and work-study programs—for education beyond high school. The programs that FSA administers comprise the nation's largest source of student aid: each year, FSA provides more than $150 billion in new aid to nearly 14 million postsecondary students and their families.

C.1.2 Current Need

The Department seeks to contract with "eligible" and "qualified" entities to service Title IV student financial aid, in accordance with Section 2212 of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029), which provides that:

"The Secretary shall contract with each eligible not-for-profit servicer to service loans originated under this part, if the servicer—

(I) meets the standards for servicing Federal assets that apply to contracts awarded pursuant to paragraph (1); and

(II) has the capacity to service the applicable loan volume allocation described in subparagraph (B)."

C.1.3 Objective

Acquire efficient and effective commercial contract services from "eligible" and "qualified" entities to manage all types of Title IV student aid obligations, including, but not limited to, servicing of outstanding debt.

C.1.4 Constraints

C.1.4.1 Specific compliance activities for servicing Federally held assets include, but are not limited to the requirements for servicing federally-held debt, as provided herein.

C.1.4.2 In order to manage the costs associated with such a potentially large portfolio, the service must provide innovative measures to ensure portfolio growth is not the key driver of total cost. Contractor incentives must be based on performing assets, rather than transaction or activity based delinquency incentives. Costs may also be managed through redistribution of customers to self-service options, as approved by the Government. Performance measures will help ensure that the complete service operates as efficiently and effectively as possible and that it is achieving the desired

business outcomes. These measurements will be flexible to allow for regular reviews and revisions as necessary.

C.1.4.3 The Contractor(s) will be responsible for maintaining a full understanding of all federal and state laws and regulations and FSA requirements and ensuring that all aspects of the service continue to remain in compliance as changes occur.

For example, Federal Student Aid anticipates that the McNamara-O'Hara Service Contract Act of 1965 (as provided in Section B.13(c)(1)) will apply to the services performed under this procurement. At a minimum, the Contractor(s) shall:

(a) Identify the locations in which it anticipates performance to occur;

(b) Identify the appropriate wage determination for each location identified (Prevailing wage determinations can be found using the WDOL website: http://www.wdol.gov/); and

(c) Within each applicable wage determination, ensure that all appropriate labor categories that the servicer plans to utilize are **properly and accurately** classified within the wage determination, and that these employees are compensated in accordance with the prevailing wage determination.

(d) In the event that the labor category is subject to the Service Contract Act but is not accurately captured in the wage determination for a given location, the Contractor shall follow the process described in FAR Subpart 22.1019 and submit a "Request For Authorization of Additional Classification and Rate" (SF 1444) to the Contracting Officer for a conformance.

The preceding steps provide a high-level example of some steps that may be necessary for adhering to the Service Contract Act, but is not a comprehensive list.

C.1.4.4 The Contractor(s) will provide a service flexible enough to handle new requirements generated by Congress and respond to legislative mandates and policy changes. Please see Attachment A-1 – *Standards and Relevant Documents* for historical and current representative information.

C.1.4.5 The Contractor(s) will provide timely (as defined by FSA and Contractor) responses to Office of Inspector General (OIG), General Accounting Office (GAO), budget, data, and management requests.

C.1.4.6 It is understood and mutually agreed that the Department of Education has exclusive ownership of all information stored, retrieved, modified, and/or archived as part of this service. The Contractor shall have no rights in such information and no rights to such information shall vest on the Contractor by virtue of its performance of this contract. No other party has the right to copy, delete, archive, or transfer such information without the prior express written consent of the Department of Education. The

Contractor shall not use such information for any marketing or solicitation purpose including, but not limited to, commercial advertising, credit offers, or similar campaigns.

C.2 Attachments/Supplemental Documents

Number	Title
A-1	Historical and Current Representative Sample of ***Standards and Relevant Documents*** (v2)
A-2	Not-For-Profit (NFP) High-Level Federal Servicer Requirements (Version 6.0)
A-3	Servicing Pricing Definitions
A-4	Ongoing Allocation Methodology – v3
A-5	SAMPLE ONLY—Ongoing Allocation Metric Calculation (National Option Only) – v3
A-6	Supplemental Not-For-Profit (NFP) High-Level Federal Servicer Requirements (Version 1.0)
A-7	Wage Determination # WD 05-2175 (Rev. -12)
A-8	TIVAS Terms and Conditions (v2)
A-9	Guidance for Branding/Logo Use
A-9a	Samples for Branding/Logo Use