THALES

Thales Communications, Inc.
22605 Gateway Center Drive
Clarksburg, MD 20871
USA
Tel: 240-864-7000
Fax: 240-864-7249
www.thalescomminc.com

27 May 2009

Contra Costa County - Purchasing Dept.
1220 Morello Ave
Suite 210
Martinez, CA 94553

Subject: Project P-25 Professional Grade Portable Radios

Reference: Solicitation Number 0904-018

Enclosure:
(A) Thales Pricing for the Liberty™ LMR and Accessories
(B) Order Volume Discount Table
(C) Item Response Form
(D) Thales Technical Exceptions
(E) Liberty™ Radio FCC Type Approval
(F) Three Professional References
(G) Description of Environmental Friendly Packaging
(H) Liberty™ LMR Technical Description

Contra Costa County:

Thales Communications Inc. (Thales) is pleased to provide pricing for the Liberty™ Multiband Land Mobile Radio (LMR) and its Accessories to Contra Costa County, California in response to the reference solicitation. The Liberty Radio was developed in conjunction with the Department of Homeland Security to develop a multiband radio for communications interoperability between State and Local government first responders and Federal government agencies including the FBI, Coast Guard, and US Military. The Liberty Radio is the first P25 multiband radio covering the entire public safety spectrum to receive FCC certification. Thales is providing, as Enclosure (A), our pricing for the Liberty Land Mobile Radio and Accessories. Please note that Thales is also offering in addition to the prices in Enclosure (A), which are already reduced by twenty percent from MSRP, a further level of discounts described in Enclosure (B) that would be applied on an order by order basis for the

"This proposal or quotation includes data that shall not be disclosed outside Contra Costa County and/or the Government of the State of California and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this proposal or quotation. If, however, a contract is awarded to this offeror or quoter as a result of – or in connection with – the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets marked "Use or disclosure of data contained on this sheet is subject to the restrictions of the title page of this proposal or quotation." The information contained in this document is submitted in confidence, is privileged and is exempt from disclosure under the 'Freedom of Information Act' (5 U.S.C. Section 552) by reason of exemptions in Sections (b)(3) - by reference to 18 U.S.C. Section 1905 - and (b)(4) of said Act." The information is also protected under the California Public Records Act.

© 2009 Thales Communications, Inc.

placement of larger orders. In addition to the pricing in the Enclosures, Thales is also offering a per radio depot repair price of $575 dollars.

Enclosure (C) is a completed copy of the Item Response Form, with the price of a single Liberty Radio included in the blank. Please note that the total price of the order will be reduced by the Order Volume Discount Table, provided in Enclosure (B).

Thales hereby agrees with and acknowledges all RFQ specifications, terms and conditions, and hereby indicates its ability to perform by submission of its bid. Enclosure (D) is an explanation or clarification of the only standards or other requirements in the Multiband portion of the specification that Thales is not fully compliant with. As a general note the Liberty LMR is designed to meet all P25 standards and protocols and the few clarifications that Thales is providing to the Multiband solicitation specification will in no way degrade or adversely impact communications inter-operability.

Thales is providing, as Enclosure (E) to this letter the Liberty Radio FCC Type approval.

Enclosure (F) contains the requested three professional references and Enclosure (G) contains a description of Thales' approach to environmentally friendly packaging.

Thales is also providing, as Enclosure (H) to this letter a brief technical summary of the Liberty LMR.

Thales' bid is valid for 150 days. If you have any questions or require any additional information, please contact George Slebodnik on (240) 421-1403 or the undersigned on (240) 864-7528.

Sincerely,

Thomas Stebbing
Thales Communications, Inc.
Contracts Business Manager

Enclosure (A)
Thales Pricing for Liberty™ LMR and Accessories

LIBERTY™ MULTIBAND LAND MOBILE RADIOS

PRC7332-SYS	Liberty ™ Multiband Land Mobile Radio (136-174 MHz, 380-520 MHz, 700 MHz, and 800 MHz). Includes PRC7332 Radio Unit, Operator Card, Belt Clip, Antenna, Basic Charger, Standard Capacity Battery, and Users Manual. Three year warranty on PRC7332.	$4500
PRC7332	Liberty ™ Multiband Land Mobile Radio (136-174 MHz, 380-520 MHz, 700 MHz, and 800 MHz). Includes PRC7332 Radio Unit and Operator Card. Three year warranty on PRC7332.	$4,200
PRC7332-ISYS	Intrinsic Safe Liberty ™ Multiband Land Mobile Radio (136-174 MHz, 380-520 MHz, 700 MHz, and 800 MHz). Includes Intrinsic Safe PRC7332 Radio Unit, Operator Card, Belt Clip, Antenna, Basic Charger, Intrinsic Safe Standard Capacity Battery, and Users Manual. Three year warranty on PRC7332.	$4720
PRC7332-IS	Intrinsic Safe Liberty ™ Multiband Land Mobile Radio (136-174 MHz, 380-520 MHz, 700 MHz, and 800 MHz). Includes Intrinsic Safe PRC7332 Radio Unit and Operator Card. Three year warranty on PRC7332.	$4,400

PROGRAMMING, ENCRYPTION AND SOFTWARE UPGRADES

1700964-1	Project 25 Trunking Software	$400
1700965-1	Project 25 Encryption Package (AES, DES, and KFD interface)	$400
1700966-1	Over-the-Air-Rekey (OTAR) Software	$300
1700967-1	Project 25 Data Interface	$150
1700970-1	PC Programming Software	$500
1700971-1	Liberty™ Service Software	$150
1700968-1	P25 Telephone Interconnect and DTMF Dialing	$1000

BATTERIES AND CHARGERS

1600691-1	Standard Rechargeable Li-Ion Battery	$150
1600691-2	High Capacity Rechargeable Li-Ion Battery	$210
1600691-3	Intrinsic Safe – Standard Rechargeable Li-Ion Battery	$170
1600691-4	Intrinsic Safe – High Capacity Rechargeable Li-Ion Battery	$230
4102201-501	AA Clamshell, Black	$150
4102201-502	AA Clamshell, Orange	$150
4102265-501	Battery Eliminator- Bare Leads	$90
4102265-502	Battery Eliminator- RCA Plugs	$90
1600701-1	Basic Single Slot Lithium-Ion Rechargeable Battery Charger	$100
1600700-1	Basic Six Slot Lithium-Ion Rechargeable Battery Charger, 120 V AC only.	$600
1600683-1	Advanced Six Slot Lithium-Ion Rechargeable Battery Charger, 120 V AC only, recommended for desktop use only. Also includes battery diagnostics and charge status LED's.	$950
MA6752	Desktop/Vehicle DC Lithium Ion Charger Kit	$195
1600682-1	Replacement Desktop/Automobile DC Charger Unit	$125
1600695-1	Replacement 120VAC/240VAC Power Supply	$50
1600694-1	Replacement 12VDC Cigarette Lighter Adapter	$40
1600673-1	Liberty Mobile Charger	$320

CASES/HOLSTERS

40508	Spring Loaded Belt Clip	$15
1600697-1	Leather Carry Case D-ring for Radio with Rechargeable Battery, swivel D-ring	$35
1600697-2	Leather Carry Case, Belt loop for Radio with AA clamshell	$35
1600702-1	Nylon Duty Case for Radio with Rechargeable Battery	$35
1600704-1	Chestpack Holster	$50

ANTENNAS

1600678-1	8 1/2 inch Liberty™ Multiband Radio Antenna	$80

AUDIO ACCESSORIES

1600703-1	Audio / Programming Side Connector Adapter	$110
1600696-1	Speaker Microphone	$150
1100542-501	Earphone Kit for Speaker Microphone	$41
1600696-3	GPS Speaker Mic	$300
1600696-2	Public Safety Speaker/Mic with Antenna Port	$125
42803-001	Lightweight Headset	$275
42804-001	Heavy Duty Headset	$450

SURVEILLANCE EQUIPMENT

1600497-1 TAN	Security Harness (3-wire) with Wired Earpiece, Tan (Requires Audio / Programming Side Connector Adapter, P/N 1600703-1).	$240
1600497-2 BLACK	Security Harness (3-wire) with Wired Earpiece, Black (Requires Audio / Programming Side Connector Adapter, P/N 1600703-1).	$240
1600497-3 TAN	Security Harness (2-wire) with Wired Earpiece, Tan (Requires Audio / Programming Side Connector Adapter, P/N 1600703-1)	$185
1600497-4 BLACK	Security Harness (2-wire) with Wired Earpiece, Black (Requires Audio / Programming Side Connector Adapter, P/N 1600703-1)	$185
1600497-6	Wireless Earpiece for Security Harness (Requires Transductor)	$360
1600497-8	Neck Loop Transductor for Wireless Earpiece	$85

CABLES

1600703-1	Audio / Programming Side Connector Adapter	$110
3100965-501	Programming Cable Kit	$125
3100966-501	Radio Cloning Cable Kit	$225
1600705-1	Universal Cable	$125

TRAINING AND MANUALS

Liberty™ Training	Operator Training, ½ Day at Customer CONUS Facility. Course requires a minimum of 10 students (Maximum is 20).	$225 /student
84382	Operator Manual (for training)	$15
84403	Technical Service Manual (for training)	$100

WARRANTY OPTIONS

PRC7332-EW	1 Year Extended Warranty (Customers may order up to 5 years)	$90
PRC7332-IS-EW	1 Year Extended Warranty for Intrinsic Safe radio (Customers may order up to 5 years)	$95

Please Note - In addition to the restrictive legend on the proposal cover page, Thales Communications Inc., considers its proposal and the detailed pricing information provided in Enclosures (A) and (B) to be confidential information under the California Public Records Act. Thales does not object to the release of a high level summary pricing regarding any awarded contracts (i.e. contract total price), as required in the solicitation. We do object to the release of our detailed pricing and volume discounts.

Enclosure (B)

Order Volume Discount Table

In addition to the discounts from Thales' MSRP already provided in Enclosure (A), Thales is offering a second level of discounts based upon the dollar size of the order being placed by Contra Costa County. The discounts in the below chart apply on an order by order basis only and are not cumulative across orders.

Dollar Volume Threshold	Discount Offered
Up to $99,999	0%
$100,000-$499,999	3.5%
$500,000-$999,999	5.0%
$1,000,000 - $4,999,999	7.5%
$5,000,000 or greater	10.0%

Please Note - In addition to the restrictive legend on the proposal cover page, Thales Communications Inc., considers its proposal and the detailed pricing information provided in Enclosures (A) and (B) to be confidential information under the California Public Records Act. Thales does not object to the release of a high level summary pricing regarding any awarded contracts (i.e. contract total price), as required in the solicitation. We do object to the release of our detailed pricing and volume discounts.

Enclosure (C)

Item Response Form

0904-018 – 1 -01 ****** PROFESSIONAL P-25 PORTABLE RADIOS AS SPECIFIED *****

Quantity **2000 each**

Unit Price **$5,820** for Intrinsic Safe Liberty™ Radio System

Discounted Price from "Order Volume Discount Table" for a 2,000 radio order is **$10,476,000.**

Calculation: $4,720 per unit x 2,000 units = $11,640,000 (less 10% discount) = **$10,476,000 Order Price.**

Liberty Intrinsic Safe Radio System includes: Intrinsic Safe PRC7332 Radio Unit, Operator Card, Belt Clip, Antenna, Basic Charger, Intrinsic Safe Standard Capacity Battery, and Users Manual. Three year warranty on PRC7332. The unit price also includes AES-DES encryption, P-25 Trunking, and OTAR.

Delivery Location **Contra Costa County**
AD – DEPT OF INFORMATION TECH 30 DOU

OFFICE OF THE ADMINISTRATOR
30 DOUGLAS DR.
MARTINEZ CA 94553
QTY 2000

Description
FOR THE PURCHASE OF ESTIMATED 2000 PORTABLE RADIOS AS PER ATTACHED SPECIFICATIONS

Enclosure (D)
Thales Technical Exceptions

The Thales Liberty™ LMR will meet all requirement of the reference Contra Costa County Solicitation with the following exceptions to the Multiband Specification:

In the Multiband Table on Page 19, the Channel Bandwidth contains a listing for 6.25 kHz (TDMA). This standard is currently in development by the Telecommunications Industry Association (TIA) TR-8 committee and is not yet complete. Thales is willing to develop this feature for Contra Costa County and would make it available in the future, as a software upgrade to the radio bid in this proposal. Pricing for this upgrade will be available when the standard is complete.

In the Multiband Table on Page 19, Frequency bands are specified as 762-870 MHz. The current FCC authorized voice channels are within the frequency range 763-869 MHz as follows:

700 MHz
Receive: 763-775 MHz
Transmit: 763-775 MHz, 793-805 MHz

800 MHz
Receive: 851-869 MHz
Transmit: 806-824 MHz, 851-869 MHz

The Liberty Radio complies with the FCC authorized voice channels per above.

In the Multiband Table on Page 19, refers to RF Power Output. The Liberty Radio has a maximum power of 2.5W at 700MHz, 3.0W at 800 MHz, and 5W in VHF, which is typical for Portables in these frequency bands.

In the Multiband Table on Page 19 the table calls for GPS data capability. The Liberty radio has a remote speaker microphone with built-in GPS antenna and receiver. Thales believes that this is an acceptable, even superior, solution because it allows the GPS antenna to be positioned on the lapel of the officer giving it superior GPS reception over a belt worn antenna location. The GPS information is sent using the Project 25 standard protocol allowing it to be delivered and displayed in a defined manner in Project 25 infrastructure.

In the Multiband Table on Page 19, the table calls out an entry for "Mission Files". The Liberty Radio provides 2600 Channels that can be directly accessed using the radio keypad, channel selector and keypad navigation keys. The channels can be organized into 16 channel zones typical in public safety landmobile radio products. These zones are then organized into regional banks or "mission files" of any size giving the radio manager the most flexibility in programming

In the Multiband Table on Page 19, The specified weight and size is typical for a single-band portable The weight of the Liberty Multiband Radio is 28 oz. for a unit that replaces 4 single band radios in a single radio package.

The Multiband Table on Page 19 refers to Talkgroups/Channels of "12,500" and Mission Files of "1 active, 10 stored", which implies 1250 active channels at one time. The Liberty ™ Radio provides all 2600 channels as active channels available at any time by selection through the proper bank, zone, and channel. This is a preferable solution as it allows the user to access more individual agencies channels and talkgroups in a single active software operating mode.

In the Multiband Table on Page 19, the table calls out "Wireless = Secure Bluetooth". The Liberty Radio utilizes a universal audio side connector for access to remote audio devices. Thales plans a Secure Bluetooth version of the adapter as a future product.

In the Multiband Table on Page 19, Key Storage is 100 keys. The Liberty radio currently has 64 keys.

In the Multiband Table on Page 19, under Keypad, there is a reference to DTMF. This is a priced option for the Liberty Radio.

In the Multiband Table on Page 20, for "Audio", in addition to the Speaker microphones and headsets listed in the price sheet, the Thales Liberty radio has a universal audio side connector that terminates in an industry standard 6 pine hirose connector. This is a superior solution as it allows user agencies to easily adapt a wide variety specialized audio devices from various suppliers. Thales plans a Secure Bluetooth version of the adapter as a future product.

In the Multiband Table on Page 20, refers to both Front and Top Display. The Liberty Radio has a full featured front display that has a 16 character zone ID and a 32 character channel ID for maximum clarity in talkgroup and channel identification. The channels and talkgroups can be further identified via color coding based on agency definition or agency type or customized for individual agency organization.

In the Multiband Table on Page 20, refers to "Other interfaces" The Liberty radio includes USB and RS 232 as defined and the Bluetooth interface is planned as a future product upgrade.

In the Multiband Table on Page 20, refers to Antenna frequency band of 136-870MHz. The Liberty radio comes with an Antenna with a frequency range of 136-869MHz.

Enclosure (E)

Liberty™ Radio FCC Type Approval

TCB

GRANT OF EQUIPMENT AUTHORIZATION

TCB

Certification
Issued Under the Authority of the
Federal Communications Commission
By:

American TCB, Inc.
6731 Whittier Avenue Suite C110
McLean, VA 22101

Date of Grant: 04/21/2009

Application Dated: 04/16/2009

Thales Communications Inc
22605 Gateway Center Drive
Clarksburg, MD 20871

Attention: Kimberly Appleby , Director of Contracts

NOT TRANSFERABLE

EQUIPMENT AUTHORIZATION is hereby issued to the named GRANTEE, and is VALID ONLY for the equipment identified hereon for use under the Commission's Rules and Regulations listed below.

FCC IDENTIFIER: OKC 410202350I
Name of Grantee: Thales Communications Inc
Equipment Class: Licensed Non-Broadcast Station Transmitter
Notes: LAND MOBILE RADIO

Grant Notes	FCC Rule Parts	Frequency Range (MHZ)	Output Watts	Frequency Tolerance	Emission Designator
BE EF	22, 74, 80, 90	136.0 - 174.0	5.0	5.0 PM	16K0F3E
BE EF	22, 74, 80, 90	136.0 - 174.0	5.0	5.0 PM	11K0F3E
BE EF	22, 74, 80, 90	136.0 - 174.0	5.0	5.0 PM	8K10F1E
BE EF	22, 74, 80, 90	136.0 - 174.0	5.0	5.0 PM	8K10F1D
BE EF	74, 90	380.0 - 454.0	5.0	1.5 PM	16K0F3E
BE EF	74, 90	380.0 - 454.0	5.0	1.5 PM	11K0F3E
BE EF	74, 90	380.0 - 454.0	5.0	1.5 PM	8K10F1E
BE EF	74, 90	380.0 - 454.0	5.0	1.5 PM	8K10F1D
BE EF	22, 74, 90	454.0 - 520.0	5.0	1.5 PM	16K0F3E
BE EF	22, 74, 90	454.0 - 520.0	5.0	1.5 PM	11K0F3E
BE EF	22, 74, 90	454.0 - 520.0	5.0	1.5 PM	8K10F1E
BE EF	22, 74, 90	454.0 - 520.0	5.0	1.5 PM	8K10F1D
BE EF	90	763.0 - 775.0	2.5	1.5 PM	16K0F3E
BE EF	90	763.0 - 775.0	2.5	1.5 PM	11K0F3E
BE EF	90	763.0 - 775.0	2.5	1.5 PM	8K10F1E
BE EF	90	763.0 - 775.0	2.5	1.5 PM	8K10F1D
BE EF	90	793.0 - 805.0	2.5	5.0 PM	16K0F3E
BE EF	90	793.0 - 805.0	2.5	5.0 PM	11K0F3E
BE EF	90	793.0 - 805.0	2.5	5.0 PM	8K10F1E
BE EF	90	793.0 - 805.0	2.5	5.0 PM	8K10F1D
BE	90	806.0 - 824.0	3.0	1.5 PM	16K0F3E
BE	90	806.0 - 824.0	3.0	1.5 PM	11K0F3E
BE	90	806.0 - 824.0	3.0	1.5 PM	8K10F1E
BE	90	806.0 - 824.0	3.0	1.5 PM	8K10F1D
BE	90	851.0 - 869.0	3.0	1.5 PM	16K0F3E
BE	90	851.0 - 869.0	3.0	1.5 PM	11K0F3E

BE	90	851.0 - 869.0	3.0	1.5 PM	8K10F1E
BE	90	851.0 - 869.0	3.0	1.5 PM	8K10F1D

Output Power the manufacturers rated output power. SAR for body worn operation has been tested and meets the FCC RF exposure guidelines when used only with the listed accessories designated for this product as shown in the filing. End users must be informed of the body worn requirements for satisfying RF Exposure compliance. This transmitter may operate only with antennas as described in this filing. This device must transmit with a source-based time-averaging duty factor not exceeding 50%. This device must be restricted to work related operations in an Occupational/Controlled RF exposure Environment. SAR was evaluated for body worn and held-to-face operating modes. Maximum SAR values reported are: 150MHz range: Face held: 0.576w/kg; Body 1.71 w/kg; 500MHz range: Face held: 1.16 w/kg; Body: 1.94 w/kg; 800MHz range: Face held: 0.566 w/kg; Body: 2.43 w/kg.

BE: The output power is continuously variable from the value listed in this entry to 15%-20% of the value listed.

EF: This device may contain functions that are not operational in U.S Territories except as noted in the filing. This grant has extended frequencies as noted in the filing and Section 2.927(b) applies to this authorization.

Enclosure (F)

Three Professional References

Noel Newburg
US Fish and Wildlife Service
National Telecommunications Manager
Federal Center, Building 53, Entrance E9 , Lakewood, Colorado 80225-0487
Tel: (303) 275-2424

Robert J. Strickland
National Telecommunications Mgr.
USDA Animal and Plant Inspection Service
12345 West Alameda Parkway
Suite 106
Lakewood CO 80228
Tel: (303) 236-5825

Kim McCutcheon
Chief, Branch of Communications Maintenance National Interagency Incident Communications Division National Interagency Fire Center
Bureau Land Management
833 South Development Ave.
Boise, ID 83705-5354
Tel: (208) 387-5856

Enclosure (G)

Description of Environmentally Friendly Packaging

Thales makes maximum use of recyclable products in its packaging materials. All packaging with the exception of any required Electro-Static Discharge protecting materials is biodegradable and capable of being recycled. The Electro-Static Discharge materials may be recycled, even though they are not biodegradable. Thales also uses wood worm free pallets in conformance with shipping standards to ensure there are no species introduced, that could adversely affect the environment. Thales always tries to minimize the volume and weight of packaging materials used to minimize content and to minimize shipping costs, while still ensuring the packaging is sufficiently robust to ensure the products arrive intact.