There is an included document entitled

QRT-3 Financial Matters Response Roadmap Document

which gives a guide to the various financial model workbooks included with Cogent's response.

The above document describes the variant bid financial model workbooks and includes an overview of the value added features and assumptions made.

The current financial model workbook contains specific assumtions within the individual worksheets to which they are relevant.

The overhead rates shown herein are a subset (specially lessened for this procurement) of the fringe benefit rate, G&A expense rate and OH rations calculated and certified by Cogent's external auditors and accountants

Calculations are based on FY2008 audited Financial Statements, See SEC Filing, Form 10K

Fringe (allocated to all Depts based on salary and headcount)

401(k) Contribution

Bonus

Dental

Life

Medical

Payroll Taxes

Vacation Vision

COS

Employees working directly on customer projects

Bonus and Fringe for COS are charged directly to customer

G&A

Legal, Accounting, Human Resources and other administrative indirect costs

R&D

Research & Development Costs are allocated to Software License fees

S&M

Selling & Marketing indirect costs

OVERHEAD

Overhead is allocated to all Departments (COS, G&A, S&M) based on an allocation model which considers facility square footage, Salary and headcount

includes: Advertising

Bank Charges

Books & Publications

Commission

Conferences & Seminars

Depreciation

Dues & Memberships

Employee Development

Employee Morale

Insurance

Intangibles

Labor

Non Cap Software

Office Maintenance

Postage & freight Promotion

Property Tax

Public Relations

Recruiting

Rent

Reproduction & Printing

Services, Consultants, Temps

Subscriptions Supplies & Equip

Taxes

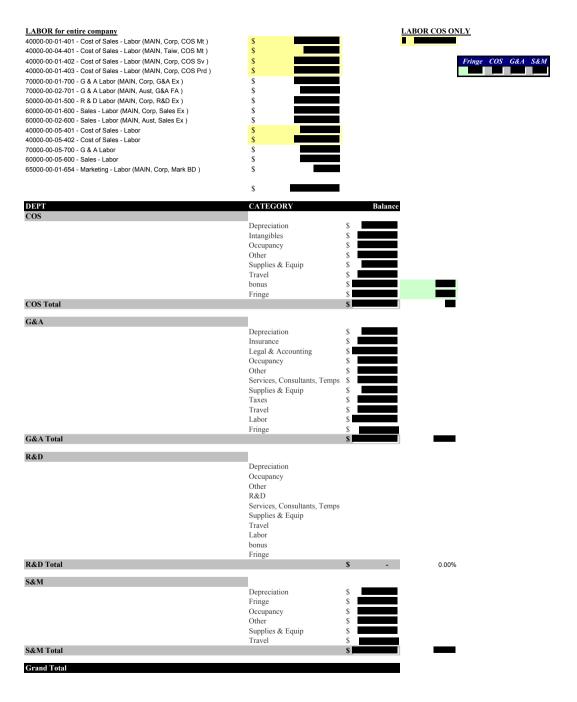
Telephone

Telephone - Cellular

Tradeshow

Travel

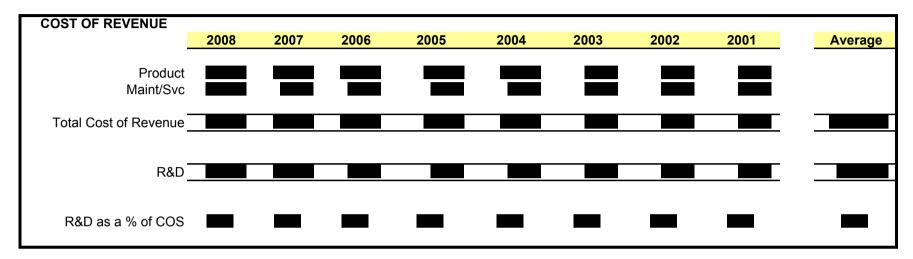
Utilities



not_1001 / 2279028 / v1 6 February 2009 bonea

3

Cogent Systems, Inc Software Licensing Costs Through 2008



		2009/20010				20010/2011			20011/2012				2012/2013				2013/2014				2014/2015				2015/2016				
	Total Cost	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Third Party Contract set up Third Party Contract run out Capital item Charge Spares Holdings Charge				1	2	- -	- -	- -	- -	- -	- -	- -	- -	- -	12 - -	- -	- -	15	16			Tv	o Year Ex	tension Peri	od				
Total Termination For Conv	onionco Char	no.																											

Notes & Assumptions

- 1 Cogent will only seek to recover "real and actual" costs associated with Termination for Convenience from the Authority
 2 Cogent will not seek to recover any "lost profit" or to levy any penalty associated with Termination for Convenience
 For capital items which have not been purchased or leased by the Authority or Beneficiaries then a charge based on 50% of the outstanding net asset value of the
 3 item will be charged, this being an estimate of the Salvage value capital items are amortised over three years.
 4 Cogent will not seek to charge for its own legal, administrative and personnel charges associated with the Termination for Convenience
 5 Termination Charges in the Service Period Extension will only be incurred if such an extension occurs
 6 The values above have been shown by quarter but will be calculated on a day-by-day basis using the agreed Termination Date (Date of Notification plus 30 days Notice Period)

not_I001 / 2279028 / v1 6 February 2009 bonea

There will be no additional management charges to extend this SD.

Standard Accreditation Charges will continue to apply for new devices and will be uplifted by 10% to reflect predicted indexation for three years.

Cashflow
DCF Charging Model
£'000

Bank End / Matching Communications Authentication

Total Charges

Discounted Total charges

NPV Discount rate

2009/10

Q4

Total

Q3

-

Assumptions

Number of active devices Number of Forces requiring comms Size of authentication DB 0 0 0 0 0 0 0 0 0 0

2010/11

Q3

Q2

Q1

2011/12

Total

Q4

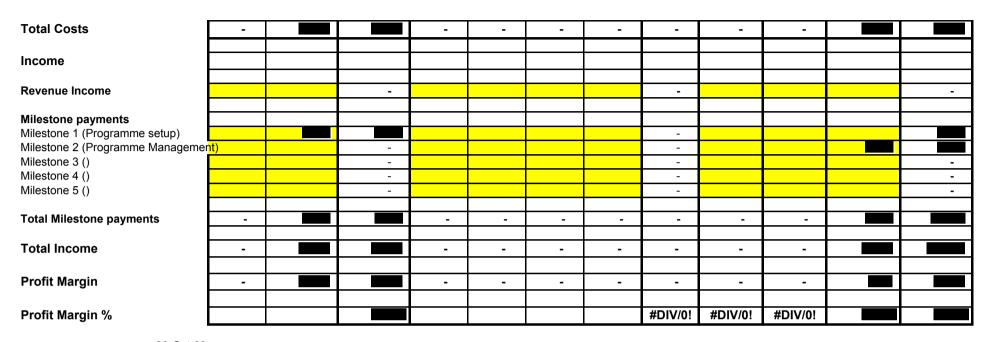
2012/13

2013/14

Total

Cost and Income Model - Accreditation (SD2)

£'000		2009/10				2010/11		2011/12	2012/13	2013/14	Total	
	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total				
Number of Active Devices												
Direct Costs												
Revenue Costs												
Staff costs			-					-				-
Fringe Benefits			-					-				-
Subcontractor costs - CLAS Consulta	a <mark>nt</mark>							-				
Software Licences			-					-				-
Hardware maintenance			-					-				-
Programme management								-				
Programme management Fringe												
Other direct revenue costs (Labour C	H)							-				
Total Revenue costs	-			-	-	-	-	-	-	-		
Indirect Costs												
Overheads			-					-				-
Financing Costs			-					-				-
Other indirect costs (specify)			-					-				-
Total Indirect Costs	-	-	-	-	-	-	-	-	-	-	-	-
Capital Costs												
Hardware (servers etc)			-					-				-
Comms equipment			-					-				-
Server room costs			-					-				-
Software Licences			-					-				-
R&D			-					-				-
Software development			-					-				-
Other divert control												
Other direct capital costs			-					-				-
Total Conital Conta												
Total Capital Costs	-	-	-	-	-	-	-	-	-	-	-	-



26-Oct-09

Assumption

This Cost and Income summary is the cost to set up the Accreditation Programme represented in column C; and the cost of the Programme Management for the contract period as shown in column L.

Subcontractor costs - CLAS Consultant assumes a total of 2 days for consultancy.

MIDAS Rate 26-Oct-09

Fringe Overhead G&A

Job Descriptions Yearly rate

Project Manager Service Delivery Manager Deputy Service Delivery Mgr System Architect Senior Scientist PMO Admin. System Analyst Security Manager Security Design Authority IT Security Officer Security Controller **QA** Manager Test Manager Documentation **Database Administrator** System Administrators **Training Manager** Development Engineer Sr. **Development Enginer** Tester

Service Delivery Project Analyst
Service Delivery Tech Support Lead
Service Delivery Tech Support
Service Delivery Analyst

Subcontractor CLAS Consultant

Assumption

The standard Cogent list of job descriptions and daily rates apply to this SD.

Daily Rate without markup



Program set up for the Accreditation Programme and provide Service Management for the contract period.	Establish the Accrediation Process	Manage the Accrediation Process	Conduct Testing	Provide Service Management for contract Period					Total SD2	Basic daily Rate for grade	Total basic
Job Description	Days	Days	Days	Days	Days	Days	Days	Days	Total Days	grade	cost by grade
500 Bookingtion	Buyo	Buyo	Dayo	Buyo	Buyo	Dayo	Buyo	Buyo	0		
Deputy Service Delivery Manager	42								82		
apage a superior									0		
Security Manager	5								0		£0
Documentation	20								20		
Test Manager	10								10		
									0		
Service Delivery Project Analyst	30								30		
									0		
Senior Scientist	5								5		
									0		£0
									0		£0
									0		£0
									0		£0
									0		£0
			-				-		0		£0
Total Days	112	0	0	40	0	0	0	0	152		
Conta											
Costs Total Direct Labour Cost											
Fringe Costs Overheads											
Overneaus									£0		
Total Labour		1	£0		£0	£0	£0	£0	£0		
Total Laboui		+	£U		£U	2.0	ž.u	£U			

Assumptions

- 1. Deputy Service Delivery Manager to oversee and manage the establishment of the Accreditation process for all devices. This is a one time effort working with the NPIA appointed Accreditation Authority.
- 2. The other positions are assisting the Deputy Service Delivery Manager in the formulation of policy, procedure, and methods for the Accreditation Programme.
- 3. The Deputy Service Delivery Manger provides 42 days of labour to establish the Accreditation Process during the Core Capability milestone period. Additionally, the Deputy provides Service Management for the duration of the contract period at an equivalence of 1 day per month for 40 months.