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

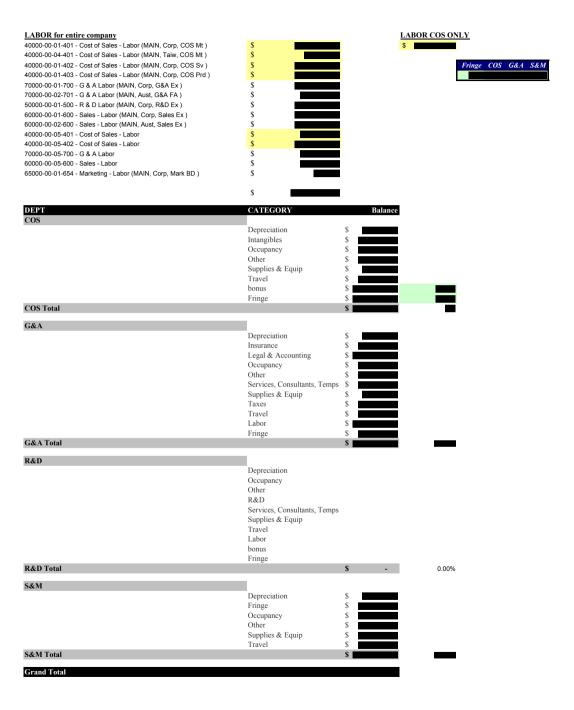
Taxes

Telephone

Telephone - Cellular

Tradeshow Travel

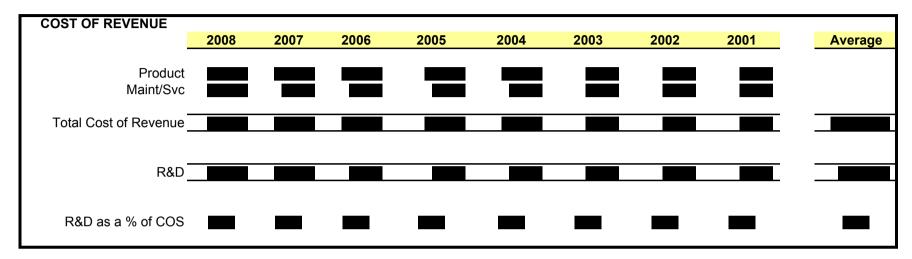
Utilities

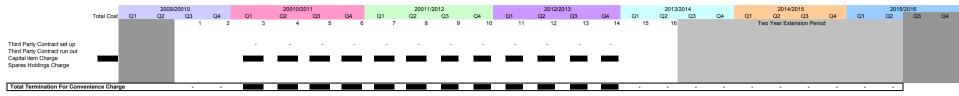


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Cogent Systems, Inc Software Licensing Costs Through 2008





Notes & Assumptions

- 1 Cogent will only seek to recover "real and actual" costs associated with Termination for Convenience from the Authority
- 2 Cogent will any sect to recover any flost profit or to levy any penalty associated with Termination for Convenience and on the Authority or Equipment (and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or to levy any penalty associated with Termination for Convenience and the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost profit or the Cogent will not seek to recover any flost
- 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)

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Cost and Income Model - Authentication (SD3)

£'000	2009/10 2010/11									2011/12 2012/13 2013/14 Ext. Year1 Ext. Year2					
2,000	Q3	2009/10 Q4	Total	Q1	Q2	Q3	Q4	Total	2011/12	2012/13	2013/14	EXI. Teal'I	EXL. Tear2		
Direct Costs	٩,	۹-	Total	۷.	٧.		٠,	rotar							
Revenue Costs															
Nevenue costs															
							-								
Staff costs			0.00												
Fringe Benefits			0.00												
Subcontractor costs (CLAS consultant	t)		0.00									-	-		
Software Licences	-,		0.00					0.00							
Hardware maintenance			0.00					0.00							
Programme management			0.00												
Programme management Fringe Bene	efits														
Other direct revenue costs (Overhead			0.00												
, , , , , , , , , , , , , , , , , , ,															
Total Revenue costs	0.00	0.00	0.00	0.00		0.00	0.00			0.00					
Indirect Costs								•							
Overheads			0.00					0.00							
Financing Costs			0.00					0.00							
Other indirect costs (specify)			0.00					0.00							
Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Capital Costs															
Hardware (servers etc)			0.00					0.00							
Comms equipment			0.00					0.00							
Server room costs			0.00					0.00							
Software Licences			0.00					0.00							
R&D			0.00					0.00							
Software development			0.00					0.00							
Other direct conitel costs			0.00					0.00							
Other direct capital costs			0.00					0.00							
Total Canital Casta	0.00			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Total Capital Costs	0.00			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Total Costs	0.00			0.00		0.00	0.00			0.00					
Total Costs	0.00			0.00		0.00	0.00			0.00					
•															
Charges															
Revenue Charges			0					0							
Miles Asses Observes				1											
Milestone Charges															
Milestone 1 (Core Capability)			0												
Milestone 2 (IOC)			0					0							
Milestone 3 (Post IOC)			0					0							
Total milestone charges	0	0	0	0.00		0.00	0.00			0.00					
Total milestone charges	U		U	0.00		0.00	0.00			0.00					
Total Charges	_			0.00	050.05	0.00	0.00	050.05	E42.04	0.00	ECE 07	205.20	205.20		
Total Charges	0	0	0	0.00	958.05	0.00	0.00	958.05	513.94	0.00	565.87	295.30	295.30		
Profit Margin	0														
•				 ,									<u>—</u> .		

Subcontractor costs represents 20 days of CLAS consultant time.

Software Licences

Based on 10,000 users and includes the hardware and software and 3 years maintenace for the software and hardware.

	n Assurance	Core Capability Programme Manana	Core Capability Staff	IOC Programme Management		Post-IOC Programme	Post-IOC Staff Labour	Management Extension Days per year	Staff Extension Days per	^T otal SD ₂	Basic daily Rate for gran.	Core Capability sub total	IOC Sub	Post-IOC sub total	Extensio n Years	
Job Descr	Days	Days	Days	Days	Days	Days	Days		Days	I otal Days						
Project Mar	nager .									0		0				
	ivery Manage							80		80		0	0	0	80	
Security Ma		;1						60		00		0	0			
Tester	illagei									0		0	0			
Documenta	tion									0		0	0			
Test Manag										0		0	0			
	alyst (Require	ments Ana	lvsis)							0		0	0			
	ivery Project		, ,						80	80		0	0			
	nt Engineer S									0		0	0	0	0	
QA Manage	er (Design As	surance)								0		0	0	0	0	
PMO Admir		,							80	80		0	0	0	80	
IT Security	Officer								80	80		0	0	0	80	
	ivery Analyst								48	48		0	0	0	48	
	ivery Tech Su								120	120		0	0			
	ivery Tech Su									0		0	0	0	0	
Total Days	0	0	0	0	0	0	0		408	408						
Costs						-										-
Total Direc		£0	£0	£0	£0	£0	£0									
Fringe Cos		£0	£0	£0	£0	£0	£0									
Overheads		£0	£0	£0	£0	£0	£0									
CVCITICAGS		20	20	20	20	20	20			£0						
Total Labo	£0	£0	£0	£0	£0	£0	£0			20						
	~~	~0	20	~*			~~									

Assumptions

Labour rates have increased by 10% over the three years

During the extension period all staff are one third time except the Service Delivery Analyst who is one fifth time

Cashflow DCF Charging Model £'000

Authentication

Total Charges

Discounted Total charges

NPV	
Discount rate	

2009/10

Q4

Total

0

Q1

0

0

Q3

0

0

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2010/11

Q3

0

0

Q4

0

Total

Q2

2011/12

2012/13

2013/14

Total

Product Name	Product Part Number	
Cogent Mobile Gateway Server License	MIDS-MGW-SVL	
Cogent Mobile Gateway Client License	MIDS-MGW-CTL	
,		

Assumption

1. Assume that the server would be co-located in the server rack with the SD5 hardware. Thus there are no facility costs in SD3.

Cost and Income Model - Authentication (SD3)

£'000	r	2009/10				2010/11			2011/12	2012/13	2013/14	2013/14 Total		
2000	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	20111112	20.20	20.07.11	. 0		
Direct Costs														
Revenue Costs														
Staff costs			0.00											
Fringe Benefits			0.00											
Subcontractor costs (CLAS consultan Software Licences	t)		0.00					0.00				0.00		
Hardware maintenance			0.00					0.00				0.00		
riai dware maintenance			0.00					0.00				0.00		
Programme management			0.00											
Programme management Fringe Ben	efits											,		
Other direct revenue costs (Overhead	s)		0.00											
Total Revenue costs	0.00	0.00	0.00	0.00		0.00	0.00			0.00				
Indirect Costs	-													
Overheads			0.00					0.00				0.00		
Financing Costs			0.00					0.00				0.00		
Other indirect costs (specify)			0.00					0.00				0.00		
Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Capital Costs														
			0.00					0.00						
Hardware (servers etc)			0.00					0.00				0.00		
Comms equipment Server room costs			0.00					0.00				0.00		
Software Licences			0.00					0.00				0.00		
R&D			0.00					0.00				0.00		
Software development			0.00					0.00				0.00		
•														
Other direct capital costs			0.00					0.00				0.00		
Total Capital Costs	0.00			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
Total Costs	0.00			0.00		0.00	0.00			0.00				
Total Costs	0.00			0.00		0.00	0.00			0.00				
Charges														
Charges														
Revenue Charges			0					0				0		
noronao onaligoo			·											
Milestone Charges														
Milestone 1 (Core Capability)			0											
Milestone 2 (IOC)			0					0						
Milestone 3 (Post IOC)			0					0						
Total milestone shares	0	0	0	0.00		0.00	0.00			0.00				
Total milestone charges	<u>_</u>	U U	U	0.00		0.00	0.00			0.00				
Total Charges	0	0	0	0.00	958.05	0.00	0.00	958.05	513.94	0.00	565.87	2037.86		
i otal ollarges	— "	- 0	-	0.00	330.03	0.00	0.00	330.03	010.34	0.00	303.07	2007.00		
Profit Margin	0			0.00		0.00	0.00			0.00				
i ioni waigiii	—"			0.00		0.00	0.00			0.00				
Profit Margin %			#DIV/0!	-						#DIV/0!				
i ioni waigiii /o		l	#DIVIU!							#DIVIU!				

Subcontractor costs represents 20 days of CLAS consultant time.

Software Licences Based on 10,000 users and includes the hardware and 3 years maintenace for the software and hardware.

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



		Core Capability Programme Management	Core Capability s	Programme Managemen	IOC Staff Labour	Post - 10C Programme Management	Post -IOC Staff Labour		⁷ otal SD ₂	Basic daily Rate for grade	Core Capability sub total	IOC Sub total	Post-IOC sub	Total basic cost by grade
Job Description	Days	Days	Days	Days	Days	Days	Days	Days	Total Days					
									0					
Project Manager		145							145					
Deputy Service Delivery Manager		145		130		204			479					
Security Manager			10						10			0	0	
Tester			90		20				110				0	
Documentation			30		60				90				0	
Test Manager			20		113				133				0	
System Analyst (Requirements Analysis)			40		40				80				0	
Service Delivery Project Analyst			40		130		204		374					
Development Engineer Sr.			20						20			0	0	
QA Manager (Design Assurance)			40		40				80				0	
PMO Admin			145		130		204		479					
IT Security Officer			145		130		204		479					
Service Delivery Analyst					35		110		145		0			
Service Delivery Tech Support					108		108		216		0			
									0		0	0		£0
Total Days	0	145	580	130	806	204	830	0	2695					
Costs		·			·									
Total Direct Labour Cost												_		
Fringe Costs														
Overheads												_		
					•				£0					
Total Labour	£0													

Assumption

The PIOC period is 617 days through to the end of second guarter of 2013/2014.

Time frames are: Core Capability is 145 days, IOC is 130 days, and Post-IOC is 552 days.

Need to complete the assumptions

All labour categories produce work. There are no management only positions. The documents required in Schedule 6.1 are prepared by the labour listed.

IOC labour is to provide for the logical design of the middleware components on the mobile gateways, intergration with the interim solution and migration to IAM when it is available.

Labour is to ensure compliance with web services connection standards and the connection requirements of section 10.3 of the SD3 section of Schedule 2.1 Services.

Provide for identity management, access management, session management ... as per section xxx

Security is to deal with two factor authentication, xxx

Service Delivery Project Analyst supports IAM migration on a full time basis during IOC.

Service Delivery Analyst supports auditing at one-fifth time during the Post-IOC period.

Service Delivery Tech Support assists the Forces in the customising of the MIS reports. Assume two days per Force and 54 Forces.

The Deputy Service Delivery Manager, the Service Delivery Project Analyst, the PMO Admin, and the IT Security Officer are at one-third time for the Post-IOC period of 617 days.

The migration to IAM will require coordination with all the Forces, itereative Technical Exchange Meetings with Force IT Managers, and iterative Technical Exchange Meetings with Siemens, the IAM prime contractor.