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	PIIN/SIIN DAAE07-00-D-M051/0001 MOD/AMD 24	
Name of Offeror or Contractor: GM GDLS DEFENSE GROUP L.L.C.		

SECTION A - SUPPLEMENTAL INFORMATION

1. Modification 24 to Delivery Order 0001 is a bilateral modification under requirements contract DAAE07-00-D-M051.

2. Pursuant to the Changes--Cost Reimbursement (Alternate II (APR 1984) clause of the contract, FAR 52-243-2 (AUG 1984), the Government hereby requires the contractor to provide test support for early Government testing of a Remote Weapon System (RWS) in accordance with the following:

Phase 1 Coordination and Test Site Preparation

The contractor will coordinate activities between the contractor and the Government, including a test site visit. This effort will include coordination of facility requirements, RWS delivery to the test site, and System Support Package (SSP) delivery and handling. The contractor will install the RWS on the test vehicle when it arrives at the test site.

Phase 2 Test Support

The contractor shall support the Government RWS test activity during this phase, which includes initial tester training, contractor maintenance of the RWS, and technical advice and assistance as required to support the RWS testing. Test support will be provided by subcontractor Field Service Representatives (FSR) from GM Defense Goleta and Kongsberg. The subcontractor FSRs will provide initial start-up support as well as conduct RWS training for test personnel.

3. The Government will provide storage facilities for repair parts, maintenance facilities, and office space for 3 personnel.

4. The contractor will provide an Interface Control Document for the Ethernet 30 days in advance of testing. This will be used for collection of data.

5. The contractor will provide power and connector requirements as well as the controls and cables required for operating the RWS separate from the vehicle.

6. The contractor will provide mounting provisions/description for fixed stand mounting of the RWS.

7. The tests will be conducted at Aberdeen Proving Ground (APG).

8. One (1) RWS will be diverted from production and will be available in January 2002. The Government recognizes that the coating process on the RWS used an organic wash pretreatment containing Hexavalent Chromium (HC) and some components may also contain cadmium materials. Whatever agreement is reached between the Government and the contractor regarding handling of items with these substances will also apply to the RWS.

9. The Government will conditionally accept one (1) ICV vehicle at the General Motors Defense London production facility without the RWS. The vehicle will be shipped to APG and the contractor shall integrate the RWS in an "as is" functional condition onto the vehicle upon completion of the RWS testing.

10. In the event that the RWS is lost or damaged while in the possession of the Government, the contractor shall be entitled to an equitable adjustment.

11. The period of performance for this effort will begin the date this modification is signed and will extend through March 31, 2002.

12. The contractor agrees to perform this effort at a Not-to-Exceed price of \$407,000.00. The current limitation of Government liability is \$203,500.00.

13. This effort will be definitized as a Cost-Plus-Fixed-Fee modification.

14. The cost report specified in CDRL A034 is applicable to this action.

15. The following clauses apply to this modification. The term "modification" shall be substituted for the term "contract" wherever it appears in these clauses.

- FAR 52.216.24 Limitation of Government Liability (APR 1984)
- FAR 52.216-26 Payments of Allowable Costs Before Definitization (APR 1984)
- DFARS 252.217-7027 Contract Definitization (OCT 1998)

16. The total dollars funded for this action are \$203,500.00.

17. Except as specifically stated herein, all other terms and conditions of Delivery Order 0001 remain unchanged and in full force and effect.

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*** END OF NARRATIVE A 027 ***

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SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS_CD	OBLG STAT/ ACRN JOB_ORD_NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
6000AR	X112C024X1 643653	AC 1 1GXC24	0.00 \$	203,500.00 \$	203,500.00
			NET CHANGE \$	203,500.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AC	21 12040000015R5R07P643653255Y S20113	W56HZV	\$ 203,500.00
				NET CHANGE \$ 203,500.00

	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD:	\$ 159,416,927.00	\$ 203,500.00	\$ 159,620,427.00

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SECTION H - SPECIAL CONTRACT REQUIREMENTS

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
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H-1 CHANGED 52.216-24	LIMITATION OF GOVERNMENT LIABILITY	APR/1984
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(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding \$203,500.00 dollars.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is \$203,500.00 dollars.
(End of clause)

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Name of Offeror or Contractor: GM GDLS DEFENSE GROUP L.L.C.

SECTION I - CONTRACT CLAUSES

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
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I-1 CHANGED 252.217-7027 CONTRACT DEFINITIZATION OCT/1998

(a) A Cost Plus Award Fee contract is contemplated. The Contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive contract that will include (1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the undefinitized contract action, (2) all clauses required by law on the date of execution of the definitive contract action, and (3) any other mutually agreeable clauses, terms, and conditions. The Contractor agrees to submit a firm proposal and cost or pricing data supporting its proposal.

(b) The schedule for definitizing this contract action is as follows:

Target Date for Definitization:	20 May 2002
Submission of Proposal:	20 Jan 2002
Beginning of Negotiations:	18 Mar 2002
Submission of Make-or-Buy:	N/A
Submission of Subcontracting Plan:	N/A
Submission of Cost and Pricing Data:	6 May 2002

(c) If agreement on a definitive contract action to supersede this undefinitized contract action is not reached by the target date in paragraph (b) of this clause, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with Subpart 15.4 and Part 31 of the FAR, subject to Contractor appeal as provided in the Disputes clause. In any event, the Contractor shall proceed with completion of the contract, subject only to the Limitation of Government Liability clause.

(1) After the Contracting Officer's determination of price or fee, the contract shall be governed by-

(I) All clauses required by the FAR on the date of execution of this undefinitized contract action for either fixed-price or cost-reimbursement contracts, as determined by the Contracting Officer under this paragraph (c);

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

(2) To the extent consistent with paragraph (c)(1) of this clause, all clauses, terms, and conditions included in this undefinitized contract action shall continue in effect, except those that by their nature apply only to an undefinitized contract action.

(d) The definitive contract resulting from this undefinitized contract action will include a negotiated price in no event to exceed \$407,000.00.

(End of clause)

I-2 CHANGED 52.216-26 PAYMENTS OF ALLOWABLE COSTS BEFORE DEFINITIZATION APR/1984

(a) Reimbursement rate. Pending the placing of the definitive contract referred to in this letter contract, the Government shall promptly reimburse the Contractor for all allowable costs under this contract at the following rates:

- (1) One hundred percent of approved costs representing progress payments to subcontractors under fixed-price subcontracts; provided, that the Government's payment to the Contractor shall not exceed 80 percent of the allowable costs of those subcontractors.
- (2) One hundred percent of approved costs representing cost-reimbursement subcontracts; provided, that the Government's payments to the Contractor shall not exceed 85 percent of the allowable costs of those subcontractors.
- (3) Eighty-five percent of all other approved costs.

(b) Limitation of reimbursement. To determine the amounts payable to the Contractor under this letter contract, the Contracting Officer shall determine allowable costs in accordance with the applicable cost principles in Part 31 of the Federal Acquisition Regulation (FAR). The total reimbursement made under this paragraph shall not exceed 85 percent of the maximum amount of the Government's liability, as stated in this contract.

(c) Invoicing. Payments shall be made promptly to the Contractor when requested as work progresses, but (except for small

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business concerns) not more often than every two weeks, in amounts approved by the Contracting Officer. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost incurred by the Contractor in the performance of this contract.

(d) Allowable costs. For the purpose of determining allowable costs, the term costs includes--

(1) Those recorded costs that result, at the time of the request for reimbursement, from payment by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(2) When the Contractor is not delinquent in payment of costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(i) Materials issued from the Contractor's stores inventory and placed in the production process for use on the contract;

(ii) Direct labor;

(iii) Direct travel;

(iv) Other direct in-house costs; and

(v) Properly allocable and allowable indirect costs as shown on the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(3) The amount of progress payments that have been paid to the Contractor's subcontractors under similar cost standards.

(e) Small business concerns. A small business concern may receive more frequent payments than every two weeks and may invoice and be paid for recorded costs for items or services purchased directly for the contract, even though it has not yet paid for such items or services.

(f) Audit. At any time before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of costs audited. Any payment may be (1) reduced by any amounts found by the Contracting Officer not to constitute allowable costs or (2) adjusted for overpayments or underpayments made on preceding invoices or vouchers.

(End of clause)