



<b>CONTINUATION SHEET</b>	<b>Reference No. of Document Being Continued</b>	<b>Page 2 of 7</b>
	PIIN/SIIN DAAE07-00-D-M051/0002      MOD/AMD 36	
<b>Name of Offeror or Contractor:</b> GM GDLS DEFENSE GROUP L.L.C.		

SECTION A - SUPPLEMENTAL INFORMATION

PROGRAM: Family of Interim Armored Vehicles

1. This Modification 36 to Delivery Order 0002 under Requirements Contract DAAE07-00-D-M051 is a supplemental agreement.
2. Conditional Acceptance. The purpose of this modification is to establish the parameters for conditional acceptance of one (1) Mortar Carrier (MC) Vehicle, Contractor Serial Number MC-006.
3. Baseline Configuration. The baseline configuration for the MC Vehicle associated with this modification were manufactured to the contractor's General Assembly MC Vehicle Part Number 12479554 and Engineering Release Record (ERR) Number GDV0230, Dated 6 March 2002 with the exceptions of the Engineering Change Orders outlined in Attachment C. Attachment C is incorporated into this modification by reference.
4. Configuration Management. The contract provisions of C.2.8, C.3.5 and, for any unique/new items developed under Delivery Order 0001 applicable to the MC Vehicles, C.5.5 are waived for the vehicles covered by this modification. This waiver of the Configuration Management requirements is conditioned on the following:
  - a. Software Licenses. The Contractor shall be responsible for acquiring the required production related software licenses for the family of IAV vehicles and all ancillary equipment for all vehicles delivered. The term "ancillary support equipment" includes, but is not limited to, training equipment, test equipment, and loader/verifiers and/or security devices, if applicable. Any software changes introduced unilaterally by the contractor shall be compatible with all previously produced vehicle or ancillary support equipment configurations.
  - b. CR/ECOs. Changes (Change Requests (CR), Engineering Change Orders (ECO), Waivers and Deviations) to the contractor's baseline configuration referenced in paragraph 3 above may be made by the contractor, provided the changes meet the requirements of the contract, the Performance Specification, and any Interface Control Documents related to Government Furnished Material.
    - 1) The contractor shall provide all contractor generated changes (CRs/ECOs) processed since the baseline configuration was established. The changes shall be provided for Government review in accordance with the contract requirements identified in C.2.6 Contractor Integrated Data Service (CIDS) and Integrated Data Environment (IDE). The Government shall be allowed to electronically access the Contractor's Change Management data process. Until an automatic notification process and Government access are automated and functional, the changes shall be provided and reviewed in meeting/conference forum to be agreed to by the parties.
    - 2) The Joint Contractor-Government Configuration Management (CM) Team has established a corrective action plan for the CM process. The contractor and the Government agree to execute a contract modification, not later than 15 May 2002, to clarify the CM process.
    - 3) Delivery Team Meetings. The previously established joint contractor-Government Delivery Team shall coordinate the resolution of production, performance, and vehicle configuration issues.
    - 4) The contractor shall present a Mortar Carrier weight reduction management plan for Government review no later than April 15, 2002. The plan shall include a list of candidates with estimated weight reductions. The contractor shall augment the plan to include the associated costs no later than May 20, 2002.
5. The contract provisions of C.3.10 are waived for the vehicles covered by this modification subject to the following conditions:
  - a. The contractor complies with requirements covered by previous modifications to correct and retrofit any cadmium or Hexavalent Chromium coated or treated parts in the vehicles covered by this modification. (Reference contractor waivers W-BCT-0002, W-BCT-0004, and W-BCT-0005 R1).
  - b. The contractor provides a list of cadmium and hexavalent chromium treated parts specific to each of the vehicles accepted herein. The lists will be included in the contract file and will be used for corrective action tracking until all parts have been cleaned up and retrofitted or identified/supported as parts without any technically acceptable alternatives.
6. The contractor has an affirmative obligation to provide notice to the Government of any failures, defects (excluding minor defects) or deficiencies in parts, components or assemblies provisionally released. The contractor shall promptly notify the Government of any failure, defect, or deficiency noted during contractor testing. The contractor assumes total responsibility to timely correct any failures to meet the contract requirements. For vehicles accepted but not yet shipped, the contractor shall correct the hardware/software by removal of deficient components and reinstallation of approved hardware/software. If the vehicle has been shipped, correction/reinstallation of the hardware/software shall be at Government direction. In the event, the Government elects to make its own correction/installation of any deficiencies after delivery/shipment, it shall be entitled to an equitable adjustment of the contract prices.

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7. The vehicles will be conditionally accepted pending completion of the First Production Vehicle Inspection (FPVI). For any discrepancy discovered during the completion of the FPVI, the contractor shall perform corrective action and/or retrofit of all MC Vehicles previously accepted. The corrective action and/or retrofit of the vehicles shall be performed at a location specified by the Government, at no additional cost to the Government.

8. To inspect the vehicles covered by this modification, the Government will use the conditionally accepted Final Inspection Record (FIR) MC Vehicle FIR, dated 6 March 2002.

9. Pursuant to the FIR identified in paragraph 8 above, the subject MC Vehicle will be conditionally accepted. These vehicles will be conditionally accepted until all terms of acceptance, including but not limited to those listed in this modification, are fulfilled. This conditional acceptance shall not relieve the Contractor from complying with all requirements of the terms and conditions of the contract.

a. Hardware/Parts Shortages. The parts and hardware shortages for each vehicle are identified in Attachment A which is incorporated into this modification by reference. The parts and hardware shortages shall be installed on the vehicles, at a location specified by the Government. The installation is subject to Government inspection and acceptance. This condition will be met upon Government verification that the installation has been satisfactorily accomplished. The Attachment A addresses the open issues and Attachment B addresses the retrofit plan associated with vehicle MC-0006.

b. Contractor Waivers to the Contractor's Baseline Configuration. The Government conditionally accepts vehicles pending resolution/correction of the following Contractor waivers to the vehicles Configuration Baseline and/or Performance Specification requirements identified herein:

- 1) The Alternator failure indicator. (Reference Contractor Waiver W-BCT-0007 R2)
- 2) The Power Pack Interface (PPI) software/hardware issues. (Reference Contractor Waiver W-BCT-0008 R2)
- 3) The Climate Control Unit (CCU) power moding issues. (Reference Contractor Waiver W-BCT-0009 R2)
- 4) The Gauge Cluster Unit (GCU) intermittent lock-up software moding issue. (Reference Contractor Waiver W-BCT-0010 R2)
- 5) Waiver to Performance Specification Paragraph 3.1.1.10.3.1 entitled "Exterior Lighting". (Reference Contractor Waiver W-BCT-0021)
- 6) The winch. (Reference Contractor Waiver W-BCT-016)
- 7) Reduced 120mm Round Stowage. (Reference Contractor Waiver W-BCT-015 R1)
- 8) The contractor's milestone schedule to attain an ISO compliant process for the Anniston facility is documented in Attachment D which is incorporated into this modification by reference.

c. Execution of the retrofit plan per the steps, procedures and schedule identified in Attachment B which is incorporated into this modification by reference.

d. Height Management System (HMS). The contractor shall conduct a technical analysis of the HMS and submit the results/findings of the technical analysis to the Government no later than 18 April 2002. In the event the HMS does not meet the requirements of the contract, the contractor shall perform any corrective action and/or retrofit of the HMS, at a location specified by the Government, at no additional cost to the Government.

e. Appurtenance Welds. The contractor shall conduct a technical analysis of the appurtenance welds installed on MC-0006 for potential damage to the spall liner. In the event it is determined that the spall liner repair is necessary, the contractor shall repair the impacted areas of spall liner at no additional cost to the Government and at a location specified by the Government.

10. The parties agree to reduce the unit price of each of the vehicles presented for acceptance by \$74,982 prior to liquidation of progress payments) pending mutual resolution of warranty and related provisions, and production verification test provisions. The parties agree to resolve any open Performance Specification issues, revise/clarify the specification, and address open compliance elements under discussion.

11. The Government will withhold \$328,073 per vehicle (after the liquidation of progress payments) for all of the items addressed above in Paragraph 9 of this modification.

a. Upon installation of the Armor on the vehicles, the contractor may invoice for the total amount of the withhold due to the Armor shortage (\$73,445 per vehicle). The release of the withhold is subject to Government inspection and acceptance of the armor. This condition will be met upon Government verification that the installation has been satisfactorily accomplished.

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b. Upon installation of the Remote Weapon Station (RWS) on the vehicles, the contractor may invoice for \$119,494 per vehicle of the total amount withheld due to the RWS shortage. This partial release of the withhold is subject to Government inspection and acceptance of the RWS installation. This condition will be met upon Government verification that the installation has been satisfactorily accomplished. The remainder continues to be withheld until the contractor's RWS product qualification testing is successfully completed.

c. One (1) RWS shall be shipped to Aberdeen Proving Ground (APG) for use in the on-going RWS hardstand test activity. The RWS currently being used in the RWS hardstand test activity at APG, will be transferred to support the automotive performance test at APG. Upon installation of the RWS in the hardstand (RWS unit received subsequent to 15 March 2002), the contractor may invoice for \$119,494 of the total amount withheld. This partial release of the withhold is subject to Government inspection and acceptance of the RWS installation into the hardstand. This condition will be met upon Government verification that the installation has been satisfactorily accomplished. The remainder continues to be withheld until the contractor's RWS product qualification testing is successfully completed.

12. Shipping instructions.

a. In order to ensure the vehicle shipping height does not exceed 110 inches, the contractor shall stow and fold the RWS into its transport position prior to shipping.

b. The shipping instruction applicable to this conditional acceptance modification are specified in Section B of this modification. The vehicle shipment shall occur no later than 17 April 2002.

13. As a result of this modification, the total price of Delivery Order 0002 is reduced by \$74,982. Except as specifically stated above, all other terms and conditions of Delivery Order 0002 remain unchanged and in full force and effect.

\*\*\* END OF NARRATIVE A 037 \*\*\*

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

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																																													
0100AA	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NSN: 2320-01-481-8578                      NOUN: MORTAR CARRIER                      FSCM: 19207                      PART NR: 12479554                      SECURITY CLASS: Unclassified                      PRON: X11GX002X1 PRON AMD: 07 ACRN: AA                      AMS CD: 311071</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u>                      INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <p>DOC SUPPL</p> <table border="0"> <tr> <td><u>REL CD</u></td> <td><u>MILSTRIP</u></td> <td><u>ADDR</u></td> <td><u>SIG CD</u></td> <td><u>MARK FOR</u></td> <td><u>TP CD</u></td> </tr> <tr> <td>001</td> <td>W909530320H002</td> <td>Y00000</td> <td>M</td> <td></td> <td>2</td> </tr> <tr> <td></td> <td><u>PROJ CD</u></td> <td><u>BRK</u></td> <td><u>BLK</u></td> <td><u>PT</u></td> <td></td> </tr> <tr> <td></td> <td>005</td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <table border="0"> <tr> <td><u>DEL REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DEL DATE</u></td> </tr> <tr> <td>001</td> <td>0</td> <td>31-MAR-2002</td> </tr> <tr> <td>002</td> <td>9</td> <td>30-APR-2002</td> </tr> <tr> <td>003</td> <td>10</td> <td>31-MAY-2002</td> </tr> <tr> <td>005</td> <td>4</td> <td>31-OCT-2002</td> </tr> <tr> <td>006</td> <td>4</td> <td>31-DEC-2002</td> </tr> <tr> <td>008</td> <td>23</td> <td>30-JUN-2002</td> </tr> </table> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u>                      (Y00000) SHIPPING INSTRUCTIONS FOR CONSIGNEE                      (SHIP-TO) WILL BE FURNISHED PRIOR                      TO THE SCHEDULED DELIVERY DATE FOR                      ITEMS REQUIRED UNDER THIS                      REQUISITION.</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u>                      DAAE07-00-D-M051/0002</p>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	001	W909530320H002	Y00000	M		2		<u>PROJ CD</u>	<u>BRK</u>	<u>BLK</u>	<u>PT</u>			005					<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	0	31-MAR-2002	002	9	30-APR-2002	003	10	31-MAY-2002	005	4	31-OCT-2002	006	4	31-DEC-2002	008	23	30-JUN-2002	50	EA	\$ 1,500,290.000	\$ 75,014,500.00
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ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT																		
0100AB	<p><u>PRODUCTION QUANTITY</u></p> <p>NSN: 2320-01-481-8578                      NOUN: MORTAR CARRIER                      FSCM: 19207                      PART NR: 12479554                      SECURITY CLASS: Unclassified                      PRON: X11GX002X1 PRON AMD: 07 ACRN: AA                      AMS CD: 311071</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u>                      INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u>                      DOC SUPPL</p> <table border="1"> <thead> <tr> <th><u>REL CD</u></th> <th><u>MILSTRIP</u></th> <th><u>ADDR</u></th> <th><u>SIG CD</u></th> <th><u>MARK FOR</u></th> <th><u>TP CD</u></th> </tr> </thead> <tbody> <tr> <td>002</td> <td>W56HZV2085Z031</td> <td>W81C5M</td> <td>M</td> <td>W4QUAA</td> <td>1</td> </tr> </tbody> </table> <p><u>PROJ CD</u> <u>BRK BLK PT</u>                      HD1</p> <table border="1"> <thead> <tr> <th><u>DEL REL CD</u></th> <th><u>QUANTITY</u></th> <th><u>DEL DATE</u></th> </tr> </thead> <tbody> <tr> <td>001</td> <td>1</td> <td>17-APR-2002</td> </tr> </tbody> </table> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u>                      (W81C5M) PR USA ABERDEEN TEST CTR                      BLDG 358 COLLERAN ROAD                      ABERDEEN PROV GND MD 21005-5001</p> <p>MARK FOR: MARK FOR: W4QUAA</p> <p><u>CONTRACT/DELIVERY ORDER NUMBER</u>                      DAAE07-00-D-M051/0002</p> <p>EXCEPTION DATA:</p> <p>MARK FOR: John Hersey                      CML (410) 278-2461                      Project Code HD1</p> <p>(End of narrative F001)</p>	<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>	002	W56HZV2085Z031	W81C5M	M	W4QUAA	1	<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>	001	1	17-APR-2002	1	EA	\$ 1,425,308.000	\$ 1,425,308.00
<u>REL CD</u>	<u>MILSTRIP</u>	<u>ADDR</u>	<u>SIG CD</u>	<u>MARK FOR</u>	<u>TP CD</u>																		
002	W56HZV2085Z031	W81C5M	M	W4QUAA	1																		
<u>DEL REL CD</u>	<u>QUANTITY</u>	<u>DEL DATE</u>																					
001	1	17-APR-2002																					

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SECTION G - CONTRACT ADMINISTRATION DATA

LINE <u>ITEM</u>	PRON/ <u>AMS CD</u>	ACRN	OBLG STAT/ <u>JOB ORD NO</u>		<u>PRIOR AMOUNT</u>		<u>INCREASE/DECREASE AMOUNT</u>		<u>CUMULATIVE AMOUNT</u>
0100AA	X11GX002X1 311071	AA	1 1GXP01	\$	76,514,790.00	\$	-1,500,290.00	\$	75,014,500.00
0100AB	X11GX002X1 311071	AA	2 1GXP01	\$	0.00	\$	1,425,308.00	\$	1,425,308.00
					NET CHANGE	\$	-74,982.00		

<u>SERVICE NAME</u>	<u>NET CHANGE BY ACRN</u>	<u>ACCOUNTING CLASSIFICATION</u>			<u>ACCOUNTING STATION</u>	<u>INCREASE/DECREASE AMOUNT</u>
Army	AA	21	12033000015R5R07P31107131E9	S20113	W56HZV	\$ -74,982.00
						NET CHANGE \$ -74,982.00

		<u>PRIOR AMOUNT OF AWARD</u>		<u>INCREASE/DECREASE AMOUNT</u>		<u>CUMULATIVE OBLIG AMT</u>
NET CHANGE FOR AWARD:	\$	699,560,209.00	\$	-74,982.00	\$	699,485,227.00