

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 2 of 8
	PIIN/SIIN DAAE07-00-D-M051/0003 MOD/AMD 18	
Name of Offeror or Contractor: GM GDLS DEFENSE GROUP L.L.C.		

SECTION A - SUPPLEMENTAL INFORMATION

PROGRAM: Stryker Armored Vehicle Program

1. This Modification 18 to Delivery Order 0003 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 two (2) Mobile Gun System (MGS) Vehicles. The Vehicles' Serial Number are MGS-0003 and MGS-0004.
3. Baseline Configuration. The initial baseline configuration for the vehicle(s) was manufactured to the contractor's General Assembly MGS Part Number 12479553 (Preliminary Baseline Document GDV0470), dated 8 July 2002, with the exception of the contractor generated Engineering Change Orders outlined in Attachment C and the System Integration Problem Report (SIPR) outlined in Attachment D. Attachment C and D are 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 MGS, C.5.5 are waived for the vehicle(s) 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 Stryker Armored 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 MGS 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) Board shall meet on a regular basis and the Board shall use the newly agreed to CM process. The parties agree to execute a contract modification to incorporate the new CM process into the contract NLT 15 November 2002. The contractor shall submit a revised CM Plan NLT 30 November 2002.
 - 3) Development Team Meetings. The previously established Joint Contractor-Government Development Team shall coordinate the resolution of PQT, performance, and vehicle configuration issues.
5. The contract provisions of C.3.10 and C.5.13 are waived for the vehicle(s) covered by this modification subject to the following conditions:
 - a. The contractor complies with requirements covered by previous modifications under Delivery Order 0002 and complies with requirements in this modification 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, W-BCT-0005 R1, W-BCT-011, W-BCT 012, W-BCT-013, and W-BCT-018.
 - b. The contractor provides a list of cadmium and hexavalent chromium treated parts specific to each of the vehicle(s) 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. In accordance with Contract Data Requirements List (CDRL) Number A044, the contractor shall provide the vehicle specific lists within 30 business days of DD 250 approval.
 - c. The Government has authorized the contractor to use Beryllium in the Head Mirror of the Compact Modular Sight (CMS) for the MGS with the following stipulations: 1) Use is approved only until such time as an alternative mirror can be developed and qualified for this application and 2) Brush/Wellman Material Safety Data Sheet-No. M10 guidance must be followed throughout its use and each mirror must be permanently marked with the following information:

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

MADE FROM BERYLLIUM

Do not machine, cut or grind upon
Beryllium particulates can present a severe health risk
Must be returned to the manufacturer for disposal:

Brush Wellman, Inc.
147010 W. Portage River Road, South
Elmore, Ohio 43416
419-862-417

d. Mirrors in need of maintenance, demilitarization or disposal, shall be returned to Brush/Wellman. The contractor shall develop the following TM warning.

USE OF BERYLLIUM IN THE HEAD MIRROR OF THE
COMPACE MODULAR SIGHT (CMS)
FOR THE MOBILE GUN SYSTEM (MGS) VEHICLES

6. The contractor has an affirmative obligation to provide notice to the Government of any failures, defects or deficiencies in parts, components or assemblies provisionally released. Section H.15.1.4 of this contract defines failures/defects as 1) any condition or characteristic in the vehicles that is not in compliance with the requirements of this contract, or 2) any item, part, assembly or subassembly on the vehicle that does not function or operate as it is designed/intended. 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 under the applicable Delivery Orders 0001 and/or 0003. 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.

7. To inspect the vehicle(s) covered by this modification, the Government will use the conditionally accepted Final Inspection Record(FIR) MGS FIR Revision D dated, 15 Apr 2002 at Anniston and MGS FIR Revision G, dated 10 Jun 2002 at Muskegon and Aberdeen Proving Grounds. Portions of the FIR not completed are listed in Attachment A. Attachment A will be incorporated by reference into this modification.

8. Pursuant to the FIRs identified in paragraph 7 above, the subject MGS vehicles will be conditionally accepted. These vehicle(s) 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 a part of the contract file. The parts and the 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. Attachment A addresses the open issues and the Contractor's Retrofit Database (formerly Attachment B) addresses the retrofit plan associated with the vehicles referenced in paragraph 2 above.

The contractor shall generate and maintain vehicle unique data sheets (formerly Attachment B). The contractor shall provide an automated solution that can function within the IDE. The Contractor's Retrofit Database shall incorporate all the information related to required, known or planned retrofits of the vehicles identifying and tracking the missing parts, corrected parts, software changes, unresolved/open issues pending corrective action identification or any other action that may result in a retrofit. The contractor shall deliver electronically a weekly update to the data base (IAW CDRL TBD). At a minimum, the data base update shall identify each vehicle by serial number, each retrofit applied, retrofits remaining and planned or open issues that may result in retrofit. It may include Production Improvement Notices (PINS) or Changes Other Than Production Improvements (COTPIs) requiring retrofit. The vehicle specific lists of retrofit items and their installation dates determine the start dates for extended warranties. The Contractor's Retrofit Database submission shall be structured to sort by retrofit items/issues as well as by vehicle. Specifically for MGS, the Contractor's Retrofit Database will track all common retrofit requirements. No later than 15 November, 2002, the Contractor's Retrofit Database shall be populated with all of the required information pertaining to all Stryker vehicles previously conditionally accepted.

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

CONTINUATION SHEET**Reference No. of Document Being Continued**

Page 4 of 8

PIIN/SIIN DAAE07-00-D-M051/0003

MOD/AMD 18

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

- 1) The Alternator failure indicator. (Reference Contractor Waiver GDVW007)
 - 2) The Power Pack Interface (PPI) software/hardware issues. (Reference Contractor Waiver GDVW008)
 - 3) The Climate Control Unit (CCU) power moding issues. (Reference Contractor Waiver GDVW009)
 - 4) The Gauge Cluster Unit (GCU) intermittent lock-up software moding issue. (Reference Contractor Waiver GDVW010)
 - 5) Side Marker Lights. (Reference Contractor Waiver W-BCT-0021)
 - 6) The 152MM Protection/ 62MM and 14.5MM Protection/ Self Recovery/ Water Heater/ Auxilliary Power Source/ Power System Management. (Reference Contractor Waiver W-BCT-017)
- c. Execution of the retrofit plan per the steps, procedures and schedule identified in the vehicle unique retrofit data sheets which are incorporated into this modification by reference.
- d. Height Management System (HMS). 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. The parties have agreed to a redesign of the Commander's Panoramic Viewer (CPV). See Modification P00008 to Delivery Order 0003. The unimproved CPV is not required and the vehicle can be accepted without the Viewer subject to the following:
- 1) The contractor is required to submit a proposal to definitize the ceiling price of the stabilized CPV not later than 30 November 2002. The additional cost for the improved CPV has not yet been added to the vehicle unit price and is not included herein.
 - 2) The delivery schedule for the improved CPV required to complete this vehicle is not later than 31 Dec 2002. The contractor will not invoice for the increase in unit cost of this vehicle until the stabilized CPV is installed, fully functional and compliant to the applicable requirements.
9. Modification 17 reduced the unit price by \$70,186.00 from \$3,722,050.00 to \$3,651,864.00. This reduction is due to the removal of the cost of production verification testing and the cost associated with selected items identified in Modification 15 Attachment A that will not be on Mobile Gun System vehicles. In addition, the above unit price of \$3,651,864.00 is further reduced by \$7,855.00 to correct an error on the initial vehicle price reduction for the APU. Hence, the adjusted unit price is \$ 3,644,009.00.
10. The Government will withhold \$204,021 per vehicle (after liquidation of progress payments) for all of the items addressed above in paragraph 8 of this modification.
- a. Unless specifically stated or waived herein, acceptance of these vehicles shall not be construed as relieving the contractor from its responsibility to furnish all items in conformance with the current applicable contract/specification requirements. The price for the MGS represents the price for a fully compliant production representative vehicle. The final production representative or fully compliant vehicle will not be established until all testing or other actions are completed and contractual compliance is established. Until compliance has been established, to include successful completion of PVT, acceptance of the vehicle(s) will remain conditional. Responsibility for redesign to correct failures in PQT, PVT or other vehicle deficiencies will depend on whether the specific component or assembly design rights are the Government's responsibility under Delivery Order 0001 or the contractor's proprietary design. However, in all cases, the contractor has the responsibility to retrofit the vehicle(s) to the final production representative configuration under the PVT related correction of deficiencies requirements of the contract.
- b. The Warranty start date for the MGS vehicles accepted herein is the date the DD250 is executed. The contractor shall implement the procedures to fully exercise vehicle warranties to include the Pass-through, Failure Free and Systemic Warranty coverage as well as the contemplated extended warranty terms. The contractor shall track the parts usage and vehicle issues and, as appropriate, will exercise the warranty. Cost for warranted parts or labor shall not be charged to the cost reimbursement delivery orders for development/integration of test support. All costs associated with the warranty database and the administration of the Warranty are already included in the vehicle price.
11. Transportability.
- a. The contractor provided the required CDRL 0010 report per C.3.7.3.2, but the information has changed as the design of the MGS has matured. Therefore, the data submitted is no longer applicable and has to be updated/corrected to meet the contract requirements. The contractor agrees to meet the following milestones:
- 1) Demonstration of MGS C-130 Egress. The Egress Demonstration shall be conducted not later than 30 March 2003.
 - 2) Transportability Documentation. The contractor shall submit the Transportability Documentation to include all necessary information for Air Force review, including but not limited to any necessary waivers, not later than 30 April 2003.

CONTINUATION SHEET**Reference No. of Document Being Continued****Page 5 of 8****PIIN/SIIN** DAAE07-00-D-M051/0003**MOD/AMD** 18**Name of Offeror or Contractor:** GM GDLS DEFENSE GROUP L.L.C.

Director, Military Traffic Management Command, Transportation Engineering agency
ATTN: MTTE-DPE (Mr. Owen Spivey)
720 Thimble Shoals Blvd., Suite 130
Newport News, VA 23606

3) The contractor shall run its ramp test model for 12, 13 1/2, and 15 degrees for the MGS and provide results to the Government not later than 15 April 2003.

4) If the contractor fails to make progress against the aforementioned requirements, the Government may exercise its remedies under the contract.

12. Vehicle retrofits/Corrective Actions. Any vehicle retrofits or corrective actions required to meet the Transportability Requirements, to include all safety releases, shall be completed by the contractor not later than 30 June 2003.

13. Inspection and Acceptance. Inspection and acceptance points have been changed from FOB Origin to FOB Destination. The contractor shall be responsible for transportation of vehicles MGS-0003 and MGS-0004 from Muskegon to Aberdeen Proving Grounds.

14. Shipping instructions.

a. Shipping instructions are provided in Section B of this Modification 18.

15. As a result of this Modification the contract price is reduced by \$15,710.00. Except as specifically stated above, all other terms and conditions of Delivery Order 0003 remain unchanged and in full force and effect.

*** END OF NARRATIVE A 020 ***

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAE07-00-D-M051/0003 MOD/AMD 18

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

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>NSN: 2320-01-481-8577 NOUN: MGS VEHICLES (3 ADDT'L) FSCM: 19207 PART NR: 12479553 SECURITY CLASS: Unclassified PRON: X112C008X1 PRON AMD: 10 ACRN: AA AMS CD: 643653</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Destination ACCEPTANCE: Destination</p> <p><u>Deliveries or Performance</u> DOC SUPPL <u>REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD</u> 002 W909532268L002 W81C5M M 1 <u>PROJ CD BRK BLK PT</u> IOQ <u>DEL REL CD QUANTITY DEL DATE</u> 001 2 16-SEP-2002</p> <p>FOB POINT: Destination</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><u>CONTRACT/DELIVERY ORDER NUMBER</u> DAAE07-00-D-M051/0003</p> <p>EXCEPTION DATA: Vehicles are to be shipped in accordance with Security Classification Guide. For further guidance contact PM BCT Security Keith Whitten, (586) 753-2135</p> <p>SHIP TO: Transportation Officer Bldg 507 W23AAU Aberdeen Proving Ground, MD 21005-5059</p> <p>MARK FOR: W81C5M Aberdeen Test Center Bldg 358 Colleran Road ATTN: Donna McClung, (410) 278-5534 CELL (410) 320-8815</p> <p>(End of narrative F001)</p>				

CONTINUATION SHEET

Reference No. of Document Being Continued

PIIN/SIIN DAAE07-00-D-M051/0003 **MOD/AMD** 18

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

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>
0900AA	X112C008X1 643653	AA	1 1GXC08	\$	21,911,184.00	\$	-7,303,728.00	\$	14,607,456.00
0900AE	X112C008X1 643653	AA	1 1GXC08	\$	0.00	\$	7,288,018.00	\$	7,288,018.00
					NET CHANGE	\$	-15,710.00		

<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	12040000015R5R07P64365331E9	S20113	W56HZV	\$ -15,710.00
						NET CHANGE \$ -15,710.00

		<u>PRIOR AMOUNT OF AWARD</u>		<u>INCREASE/DECREASE AMOUNT</u>		<u>CUMULATIVE OBLIG AMT</u>
NET CHANGE FOR AWARD:	\$	48,205,170.00	\$	-15,710.00	\$	48,189,460.00