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	PIIN/SIIN DAAE07-01-D-B001/0011 MOD/AMD 02	
Name of Offeror or Contractor: MIL-MAR CENTURY CORP		

SECTION A - SUPPLEMENTAL INFORMATION

1. This modification 02 to Delivery Order 0011 under contract DAAE07-01-D-B001 is a bilateral action.
2. This purpose of this modification 02 is to make revisions to Modification 01 to Delivery Order 0011 under Contract DAAE07-01-D-B001 as follows:
 - a. CLIN 0302AD is deleted due to an administrative correction. As a result, funds in the amount of \$237,824 are deobligated under CLIN 0302AD.
 - b. CLIN 0302AH is added and funded in the amount of \$237,792.
 - c. A revised Delivery Schedule is added under CLIN 0302AH.
 - d. A requirement for a Material Review Board (MRB) is added to Section C, paragraph 1.
 - e. Paragraph (e) is added to Clause E-8 in Section E of Modification 01 authorizing an alternate process for pre-treatment and painting of the parts procured under this modification.
 - f. The shipping address is corrected in Clause E-6 in Section E of Modification 01.
3. All parts procured under this modification 02 will require CARC paint.
4. As a result of this Modification 02, CLIN 0302AD is deobligated by \$237,824 and CLIN 0302AH is established and funded in the amount of \$237,792.
5. The cumulated obligated amount under Delivery 0011 is decreased by \$32.00.
6. Except as stated herein, all other terms and conditions of Delivery Order 0011 remain unchanged and in full force and effect.

*** END OF NARRATIVE A 004 ***

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ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0302	NOUN: 94 TOW BAR SETS-1/25 DEPLOY SECURITY CLASS: Unclassified				
0302AD	<u>DELETED</u>				
0302AH	<u>DELIVERABLE SERVICE</u>	96	SE	\$ 2,477.00000	\$ 237,792.00
	NOUN: 94 TOW BAR SETS-1/25 DEPLOY PRON: X14GX2CAX1 PRON AMD: 03 ACRN: AA AMS CD: 13519800000				
	CLIN ADDED BY MODIFICATION 02				
	(End of narrative B001)				
	<u>Packaging and Marking</u>				
	<u>Inspection and Acceptance</u>				
	INSPECTION: Origin ACCEPTANCE: Origin				
	<u>Deliveries or Performance</u>				
	DOC SUPPL				
	REL CD MILSTRIP ADDR SIG CD MARK FOR TP CD 001 000000 3				
	<u>DEL REL CD QUANTITY DEL DATE</u>				
	001 1 28-JAN-2004				
	002 20 04-FEB-2004				
	003 32 12-FEB-2004				
	004 43 20-FEB-2004				
	FOB POINT: Origin				
	SHIP TO: <u>PARCEL POST ADDRESS</u> (W91A2N) SEE BELOW				
	<u>CONTRACT/DELIVERY ORDER NUMBER</u>				
	DAAE07-01-D-B001/0011				

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ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p>EXCEPTION DATA:</p> <p><u>1 SET WILL BE SHIPPED TO:</u> CRANBERRY RUN FACILITY 1015 OLD PHILADELPHIA DRIVE ABERDEEN, MD 21001 ATTN: RANDY BABCOCK PH (410) 272-1065</p> <p><u>95 SETS WILL BE SHIPPED TO:</u></p> <p>MATERIAL DIRECTORATE BLDG 3038 ATTN: MR. COVINGTON: PH (253) 966-4851 FT. LEWIS, WA 98433-5000</p> <p>(End of narrative F001)</p>				

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SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT
STATEMENT OF WORK

1. Material Review Board (MRB). The contractor shall conduct a MRB that includes the in-plant Government representative. This board is responsible for disposition of minor nonconforming material (product, processes, etc.). Authority to approve all MRB decisions involving repair, use-as-is material, and non-standard repair procedures will be at the discretion of the Government procuring activity. Both standard and non-standard repair procedures shall include instructions for reprocessing material after repair and shall specify all contractor inspections required. The contractor shall not consider a new standard or nonstandard repair process until all assignable causes of variance of omitted processes (or process steps) have been eliminated and corrected. The Government's review or concurrence of a repair technique shall not bar the Government's right to reject the material if the Government determines that the repair does not adequately correct the nonconformity.

*** END OF NARRATIVE C 001 ***

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Name of Offeror or Contractor: MIL-MAR CENTURY CORP

SECTION E - INSPECTION AND ACCEPTANCE

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
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E-1 CHANGED	52.209-4	FIRST ARTICLE APPROVAL--GOVERNMENT TESTING	SEP/1989
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(a) The Contractor shall deliver 1 Tow Bar set by January 28, 2004, if the DESIRED DELIVERY SCHEDULE Clause is in section F, as specified in the clause, or as otherwise proposed by the contractor and accepted by the Government, to the Government at the following address:

Cranberry Run Facility
1015 Old Philadelphia Drive
Aberdeen, MD 21001
ATTN: Randy Babcock (410) 272-1065

for first article tests. The shipping documentation shall contain this contract number and the Lot/Number identification. The characteristics that the first article must meet are specified elsewhere in this contract.

(b) Within -8- calendar days after the Government receives the first article, the Contracting Officer shall notify the Contractor, in writing, of the conditional approval, approval, or disapproval of the first article. The notice of conditional approval or approval shall not relieve the Contractor from complying with all requirements of the specifications and all other terms and conditions of this contract. A notice of conditional approval shall state any further action required of the Contractor. A notice of disapproval shall cite reasons for the disapproval.

(c) If the first article is disapproved, the Contractor, upon Government request, shall submit an additional first article for testing. After each request, the Contractor shall make any necessary changes, modifications, or repairs to the first article or select another first article for testing. All costs related to these tests are to be borne by the Contractor, including any and all costs for additional tests following a disapproval. The Contractor shall furnish any additional first article to the Government under the terms and conditions and within the time specified by the Government. The Government shall act on this first article within the time specified in paragraph (b) above. The Government reserves the right to require an equitable adjustment of the contract price for any extension of the delivery schedule, or for any additional costs to the Government related to these tests.

(d) If the Contractor fails to deliver any first article on time, or the Contracting Officer disapproves any first article, the Contractor shall be deemed to have failed to make delivery within the meaning of the DEFAULT clause of this contract.

(e) Unless otherwise provided in the contract, the Contractor--

(1) May deliver the approved first article as a part of the contract quantity, provided it meets all contract requirements for acceptance and was not consumed or destroyed in testing; and

(2) Shall remove and dispose of any first article from the Government test facility at the Contractor's expense.

(f) If the Government does not act within the time specified in paragraph (b) or (c) above, the Contracting Officer shall, upon timely written request from the Contractor, equitably adjust under the CHANGES clause of this contract the delivery or performance dates and/or the contract price, and any other contractual term affected by the delay.

(g) The Contractor is responsible for providing operating and maintenance instructions, spare parts support, and repair of the first article during any first article test.

(h) Before first article approval, the acquisition of materials or components for, or the commencement of production of, the balance of the contract quantity is at the sole risk of the Contractor. Before first article approval, the costs thereof shall not be allocable to this contract for (1) progress payments, or (2) termination settlements if the contract is terminated for the convenience of the Government.

(i) The Government may waive the requirement for first article approval test where supplies identical or similar to those called for in the schedule have been previously furnished by the Offeror/Contractor and have been accepted by the Government. The Offeror/Contractor may request a waiver.

E-2 CHANGED	52.211-4016	CARC PAINT-PRETREATMENT REQUIREMENTS FOR FERROUS AND GALVANIZED SURFACES	SEP/2002
	(TACOM)		

(a) Ferrous and galvanized surfaces shall be cleaned and pretreated with a Type 1, microcrystalline, zinc phosphate system per TT-C-490. Alternate pretreatment systems for ferrous substances must meet the performance tests specified in paragraphs 3.5.7, 3.5.8, 4.2.7, and 4.2.8 of TT-C-490. Corrosion resistance tests will be conducted on a monthly basis (two test coupons) after the process has been found to be in statistical control. Process control tests for alternative systems must ensure that the process remains in control and must be documented and approved by TACOM. Testing must be performed on the same substrate and the same thickness of primer minus

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topcoat used in production. Unless otherwise specified, MIL-P-53022 and -53030 primers shall be salt spray tested for 336 hours. All electrocoat primers shall be tested for 1000 hours. Test coupons shall be scrapped with a one inch (approximate) metal blade such as a putty knife between 24 and 168 hours after removal from the neutral salt spray cabinet for coupon evaluation. Any inorganic crystalline pretreatment is limited to a maximum build equivalent of 500 mg. per square foot to minimize chipping of the CARC system. All TT-C-490, zinc phosphate pretreatment systems must be documented and approved by the procuring activity prior to use. The procedure containing all the elements specified in paragraph 3.2 of TT-C-490 shall be submitted to the procuring activity no less than 45 days prior to use. Qualification will consist of verification that the process with its controls can meet the performance requirements in the specification. The performance of alternate systems must be demonstrated and approved by the procuring activity. If the TT-C-490 Type 1 system has not been previously approved by TACOM, it must be documented and submitted for approval as specified in the specification. Zinc phosphate systems for galvanized substrates require separate qualification. A list of TACOM approved facilities is available at <http://contracting.tacom.army.mil/engr/eng.htm>. These facilities are capable of meeting the performance requirements in the specification.

A list of previously qualified zinc phosphate application facilities is available from TACOM, Materials Engineering Team, (810) 574-5083. Requalification of the process will be required if the process is changed outside the limits defined in the TACOM letter of system acceptance provided to the application facility.

(b) Qualification of pretreatment systems for galvanized substrates shall be performed using Accelerated Corrosion Test protocol contained in GM 9540P, Method B, rather than salt spray. Test coupons with primer only shall be cured for seven days, and scribed thru the primer. After 40 cycle test exposure, the test coupons shall be scrapped at a 30 degree contact angle (approximate) with a one inch (approximate) metal blade, such as a putty knife, both parallel and perpendicular to the scribe. There shall be no more than 3 mm. of rust creep (zinc corrosion products), blistering, or loss of paint adhesion from the scribe line and no more than 5 blisters in the field with non greater than 1 mm. This test shall be performed at two month intervals (two test coupons) to ensure that the process is in control. An alternative test for verifying process control is GM 9511P for 10 cycles.

(c) Performance tests for process control are highly dependent on the type, thickness, and VOC level of the organic coating (primer) film and its adhesion to the substrate. Any change to the solvents used in the primer or changing the brand of primer will require retesting of the system. The test coupons must duplicate the production painting process as closely as possible. Primer test coupons shall represent both the minimum and maximum nominal dry film thickness. Due to the wide variation in zinc thickness with the hot dip galvanizing process, the dry film thickness of the primer will be verified with a Tooke gage or equivalent for the purpose of production and process control.

(d) The use of vinyl wash primer (DOD-P-15328) is prohibited due to its hexavalent chromium content and high VOC level.

(e) For this effort the following alternate process for pre-treatment and painting may be used.

Surface Pre-treatment: All surfaces shall be cleaned and pre-treated per Method I of TT-C-490.

Zinc Primer: A zinc rich primer (85% zinc or higher) per paint supplier recommendations, and procedures.

[End of Clause]

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SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM MIPR	ACRN	OBLG STAT/ JOB ORD NO		PRIOR AMOUNT	INCREASE/DECREASE AMOUNT		CUMULATIVE AMOUNT
0302AD	X14GX2CAX1 13519800000 X14GXDC00000	AA	1 4GX2CA	\$	237,824.00	\$ -237,824.00	\$	0.00
0302AH	X14GX2CAX1 13519800000 X14GXDC00000	AA	1 4GX2CA	\$	0.00	\$ 237,792.00	\$	237,792.00
					NET CHANGE	\$ -32.00		

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AA	21 42020000045R5R07P1351982571 S20113	W56HZV	\$ -32.00
				NET CHANGE \$ -32.00

	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD:	\$ 289,883.40	\$ -32.00	\$ 289,851.40