

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm Fixed Price

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2. Amendment/Modification No. 98	3. Effective Date 2013NOV14	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)
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6. Issued By U.S. ARMY CONTRACTING COMMAND JONATHAN W. LENZ WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL EMAIL: JONATHAN.W.LENZ.CIV@MAIL.MIL	Code W56HZV	7. Administered By (If other than Item 6) DCMA DETROIT 35803 MOUND ROAD STERLING HEIGHTS MI 48310	Code S2305A
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) GM GDLS DEFENSE GROUP, L.L.C. 38500 MOUND RD STERLING HEIGHTS, MI 48310-3260	<input type="checkbox"/>	9A. Amendment Of Solicitation No.
	<input type="checkbox"/>	9B. Dated (See Item 11)
	<input checked="" type="checkbox"/>	10A. Modification Of Contract/Order No. W56HZV-07-D-M112/0266
	<input type="checkbox"/>	10B. Dated (See Item 13) 2011SEP23
Code INLE2	Facility Code	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers

is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting And Appropriation Data (If required)

NO CHANGE TO OBLIGATION DATA

**13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS
It Modifies The Contract/Order No. As Described In Item 14.**

<input type="checkbox"/>	A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.	The Changes Set Forth In Item 14 Are Made In
<input type="checkbox"/>	B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).	
<input checked="" type="checkbox"/>	C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:	Agreement of the Parties
<input type="checkbox"/>	D. Other (Specify type of modification and authority)	

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the Issuing Office.

14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE SECOND PAGE FOR DESCRIPTION

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. Name And Title Of Signer (Type or print)	16A. Name And Title Of Contracting Officer (Type or print) CARRIE CUNNINGHAM CARRIE.CUNNINGHAM2@US.ARMY.MIL (586)282-4502		
15B. Contractor/Offeror _____ (Signature of person authorized to sign)	15C. Date Signed	16B. United States Of America By _____ /SIGNED/ (Signature of Contracting Officer)	16C. Date Signed 2013NOV14

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W56HZV-07-D-M112/0266 MOD/AMD 98	Page 2 of 4
Name of Offeror or Contractor: GM GDLS DEFENSE GROUP, L.L.C.		

SECTION A - SUPPLEMENTAL INFORMATION

Buyer Name: JONATHAN W. LENZ
Buyer Office Symbol/Telephone Number: CCTA-AIL-B/(586)282-2054
Type of Contract: Firm Fixed Price
Kind of Contract: Service Contracts
Type of Business: Large Business Performing in U.S.
Surveillance Criticality Designator: B
Weapon System: Miscellaneous Combat Vehicles

*** End of Narrative A0000 ***

1. This Modification 98 to Delivery Order 0266 under Contract W56HZV-07-D-M112 is a supplemental agreement.
2. The purpose of this modification is to update the Performance Based Payments (PBP) plan. FAR 52.232-32 and FAR 32.1 are the method of contract financing for Delivery 0266 CLINs 1001, 1002, 1003, 1004, 1005, 1006, 1008 and 1009. FAR 52.216-26 "Payment of Allowable Cost Before Definitization" does not apply to the aforementioned CLINs.
3. In order to transition to the updated PBP plan, the contractor shall adjust the next PBP invoice submission for actual Performance Based Payments received to date.
4. The PBP plan will undergo DCAA audit after the execution of Modification 98. Based on DCAA audit results, the award of PBPs is subject to adjustment.
5. Section G narrative G0001 is revised to incorporate the terms of the revised PBP Plan.
6. As a result of this Modification 98, the total obligated amount of Delivery Order 0266 under Contract W56HZV-07-D-M112 is neither increased nor decreased. Except as specifically stated above, all other terms and conditions remain unchanged and in full force and effect.

*** END OF NARRATIVE A0083 ***

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 3 of 4
	PIIN/SIIN W56HZV-07-D-M112/0266 MOD/AMD 98	
Name of Offeror or Contractor: GM GDLS DEFENSE GROUP, L.L.C.		

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 Performance Based Payment Plan.

1. In order to transition to Performance Based Payments (PBP), the Contractor shall decrement the first PBP invoice submission for actual cost payments received (if any) to date. The award of PBPs are subject to adjustment for audit.
2. As required by FAR 52.232-32, the following information is provided concerning the establishment and administration of performance-based payments.
3. Schedule A is added to this contract and provides the amounts to be paid and what constitutes successful performance for each corresponding PBP event.
4. Contract financing using performance-based payments will be made on the basis of the whole Delivery Order except contract financing, of any type, does NOT apply to any CLIN numbered 9006, 1011, and 1012 or above and/or any CLIN designated as a Cost CLIN.
5. The estimated completion dates in Schedules A are for reference only.
6. "Contracting Officer" as used in FAR 52.232-32 is the cognizant Administrative Contracting Officer (ACO) at DCMA Combat Vehicles - Detroit.
7. The Administrative Contracting Officer is responsible for determining what reviews are required for protection of the Government's interests and may, at any time, require the Contractor to substantiate the successful performance of any event or performance criterion which has been or is represented as being payable.
8. FAR 52.232-32 and the information contained in this modification in no way limit the Government's rights pursuant to the "Inspection of Supplies-Fixed Price" clause of the contract.
9. The Contractor shall invoice and the Government shall pay for the PBP work on this delivery order in accordance with the PBP events listed in Schedule A. There shall only be one payment request per calendar month for any fully completed event. The request for payment may contain more than one event, but each event must be shown separately and successfully completed in order for the request to be paid. Failure to successfully complete any event for which payment is requested will result in rejection of the entire payment request.
10. The Parties agree that the Contractor shall present to the ACO for his/her review and verification of milestone accomplishment with its PBP Payment Request the Plant Daily Report for Assembly Start events, an MRP run indicating receipt of the Critical Parts List (dated 7 June 2010), and proof of payment for vendor PBP payments for the receipt of material event.
11. The contracting officer shall NOT approve a performance-based payment until the specified event or performance criterion has been successfully accomplished in accordance with this order.
12. If an event is cumulative, the contracting officer shall NOT approve the performance-based payment unless all identified preceding events or criteria are accomplished.
13. GM GDLS Defense Group L.L.C. (the Joint Venture) shall NOT submit performance-based payment requests directly to DFAS.
14. In addition to the requirements of FAR 52.232-32, the form and manner of Contractor requests for payment shall use the "Performance-Based Payments Request Form" developed by DFAS and the Defense Industry Leaders Group or similar manner as coordinated with the ACO.
15. The liquidation rate applicable to Schedule A of this order will be 90.0% of that previously paid under the performance-based event payments. Performance-based payments are fully recoverable, in the same manner as progress payments, via the DD-Form 250 or in the event of default. Complete liquidation must occur no later than the final payment.
16. If the Contractor misses a PBP event schedule because of Government Furnished Material (GFM) issues (i.e. late, does not meet specifications) the Contractor is entitled to the event payment provided all other conditions of the event have been met.
17. The Government and the Contractor acknowledge the potential need to reevaluate the existing event plan (Schedule A) that supports the Contractor performance-based payment monthly requests. Therefore, the two parties agree to perform a reevaluation of the contractually established event schedule when either party feels it is appropriate to do so, in order to validate the accuracy of the event schedule. As a result of this reevaluation, if it is agreed that there appears to be a deficiency in the accuracy of the contractually established event plan, then the Government and the Contractor agree to reopen negotiations to establish a more accurate event plan schedule.
18. The Government and the Contractor agree to contractually revise the PBP event schedule and/or event payments when the absolute value of a contractual modification or cumulative contractual modifications/adjustments equal or exceed Five Million (\$5,000,000) Dollars. Any such modification will either change the existing dollars in the remaining events, or add event(s) to reflect the change in performance.

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

The goal of this requirement is to issue modifications NOT more frequently than once each calendar quarter.

19. If the absolute value of a contractual modification or cumulative contractual modifications/adjustments issued/awarded within any calendar year does not reach the \$5,000,000 mark, the Contractor may request a one-time adjustment to the PBP plan in accordance with paragraph 18 above.

20. Assembly (Assy) Starts Defined: Hulls entering STA 11A/11 are fully machined, spall liner is installed and the hull is painted CARC Green on the exterior with CARC White on the interior, ready for assembly operation. The GD Plant Daily Report for Assembly Start shows hull entry into STA 11A/11.

21. A GDLS Plant Daily Report (GDLS Production Report) indicating hull entry into STA 11A/11 shall serve as evidence of each respective PBP Event's Assembly Starts, and thus allow the Contractor to proceed with invoicing for that PBP Event.

SCHEDULE A
W56HZV-07-D-M112 DELIVERY ORDER 0266
FY-11/12 STRYKER VEHICLE PRODUCTION QTY 454 EA
PERFORMANCE BASED PAYMENT (PBP) PLAN
EVENT SUMMARY

PBP EVENT NO.	TYPE	NOTE	EVENT	EVIDENCE	EVENT BILLING	EXPECTED DATE
1	S-1		Production Mat'l PBP/Received	MRP Invoice Documents	\$ 18,030,533	Nov-11
2	S-2		9 Assy Starts	GDLS Production Report	\$ 99,526,712	Feb-12
3	S-3		32 Assy Starts	GDLS Production Report	\$ 53,023,947	Mar-12
4	S-4		32 Assy Starts	GDLS Production Report	\$ 57,464,955	Apr-12
5	S-5		32 Assy Starts	GDLS Production Report	\$ 78,478,446	May-12
6	S-6		32 Assy Starts	GDLS Production Report	\$ 66,647,500	Jun-12
7	S-7		32 Assy Starts	GDLS Production Report	\$ 44,281,436	Jul-12
8	S-8		32 Assy Starts	GDLS Production Report	\$ 51,927,422	Aug-12
9	S-9		32 Assy Starts	GDLS Production Report	\$ 39,665,220	Sep-12
10	S-10		32 Assy Starts	GDLS Production Report	\$ 50,665,022	Oct-12
11	S-11		18 Assy Starts	GDLS Production Report	\$ 13,078,046	Nov-12
12	S-12		1 Assy Start	GDLS Production Report	\$ 54,305,293	Mar-13
13	S-13		6 Assy Starts	GDLS Production Report	\$ 16,214,705	Apr-13
14	S-14		12 Assy Starts	GDLS Production Report	\$ 16,434,144	May-13
15	S-15		10 Assy Starts	GDLS Production Report	\$ 19,612,935	Jun-13
16	S-16		10 Assy Starts	GDLS Production Report	\$ 10,565,957	Jul-13
17	S-17		10 Assy Starts	GDLS Production Report	\$ 14,681,246	Aug-13
18	S-18		10 Assy Starts	GDLS Production Report	\$ 20,983,989	Sep-13
19	S-19		10 Assy Starts	GDLS Production Report	\$ 21,768,717	Oct-13
20	S-20	1	10 Assy Starts	GDLS Production Report	\$ 24,898,150	Nov-13
21	S-21	1	10 Assy Starts	GDLS Production Report	\$ 17,947,867	Dec-13
22	S-22	1	10 Assy Starts	GDLS Production Report	\$ 17,241,819	Jan-14
23	S-23	1	10 Assy Starts	GDLS Production Report	\$ 22,173,487	Feb-14
24	S-24	1	10 Assy Starts	GDLS Production Report	\$ 18,878,290	Mar-14
25	S-25	1	10 Assy Starts	GDLS Production Report	\$ 16,143,333	Apr-14
26	S-26	1	10 Assy Starts	GDLS Production Report	\$ 15,428,663	May-14
27	S-27	1	10 Assy Starts	GDLS Production Report	\$ 13,554,953	Jun-14
28	S-28	1	10 Assy Starts	GDLS Production Report	\$ 7,287,152	Jul-14
29	S-29	1	12 Assy Starts	GDLS Production Report	<u>\$ 6,307,008</u>	Aug-14

\$ 907,216,947

C = Cumulative Event
S = Severable Event

Note 1. Contractor shall bill in accordance with the PBP Plan revised per Modification 98.

*** END OF NARRATIVE G0001 ***