

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

1. Contract ID Code  
Firm Fixed Price

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2. Amendment/Modification No. P00053	3. Effective Date 2013DEC18	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)
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6. Issued By U.S. ARMY CONTRACTING COMMAND THOMAS C. ZAVERA WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL  EMAIL: THOMAS.C.ZAVERA@US.ARMY.MIL	Code W56HZV	7. Administered By (If other than Item 6) DCMA PHILADELPHIA 700 ROBBINS AVENUE, BLDG 4-A P.O. BOX 11427 PHILADELPHIA PA 19111-0427	Code S3915A
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8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)  BAE SYSTEMS LAND & ARMAMENTS L.P. 1100 BAIRS RD YORK, PA 17408-8975	<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-09-C-0408
	<input type="checkbox"/>	10B. Dated (See Item 13) 2009MAR31
Code 06085	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:	52.243-1 Changes Firm Fixed Price
<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) LISA M. JONES LISA.M.JONES3@US.ARMY.MIL (586)282-6973		
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 2013DEC18

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MOD/AMD P00053

**Name of Offeror or Contractor:** BAE SYSTEMS LAND & ARMAMENTS L.P.

## SECTION A - SUPPLEMENTAL INFORMATION

Buyer Name: THOMAS C. ZAVELA  
Buyer Office Symbol/Telephone Number: CCTA-AHP-A/(586)282-4870  
Type of Contract: Firm Fixed Price  
Kind of Contract: System Acquisition Contracts  
Type of Business: Large Business Performing in U.S.  
Surveillance Criticality Designator: B  
Weapon System: Recovery Vehicle, M51/M74/M88  
Contract Expiration Date: 2014SEP30

\*\*\* End of Narrative A0000 \*\*\*

Contract: W56HZV-09-C-0408  
Modification: P00053  
Prepared by: TZ

PREVIOUS CONTRACT AMOUNT: \$456,011,938.68  
AMOUNT OF THIS MODIFICATION: \$ 0.00  
NEW CONTRACT AMOUNT: \$456,011,938.68

1. The purpose of this Modification P00053 to Contract W56HZV-09-C-0408 is to incorporate the FY12 Performance Based Payment Plan, Attachment 0020, in accordance with FAR 52.232-32 (IF60067) Performance Based Payments.

2. The FY12 Performance Based Payment Plan affects CLIN 0032AA awarded by Modification P00038.

3. The following contract changes are noted:

- a. Section G.8.4 is added for the FY12 Performance Based Payment instructions.
- b. Attachment 0020 is added to incorporate the FY12 Performance Based Payment Plan.

4. In accordance with FAR 52.232-32, the following information is provided concerning the administration of performance based payments which is referenced in G.8.4:

(a) Information under Performance Based Payments Schedule and Master Notes, Attachment 0020 of this Modification provides the amounts to be paid upon successful completion of the corresponding event. All events in Schedule B are independent of events on Schedule A. The events within each schedule are cumulative and dependent upon the accomplishment of any and all previous events within the schedule.

(b) Personnel from DCMA BAE York will verify successful performance of the cumulative events on Schedule A through in-process inspection and review of applicable documents, in accordance with the Performance Based Schedule and Master Notes in Attachment 0020 of this Modification, prior to concurring that the events have been successfully performed.

(c) BAE will provide certification of completion of the events in accordance with the Performance Based Schedule and Master Notes in Attachment 0020 of this Modification.

(d) At no time will cumulative performance-based payments exceed cumulative costs incurred on this contract.

5. In addition to the requirements of FAR 52.232-32, the form and manner of the Contractor requests for payment shall include the following:

(a) As part of the certification requirement prescribed by the clause in 52.232-32(m), the Contractor certification shall state that the event in question has been successfully performed, shall be signed by the appropriate company official, and shall contain concurrence from appropriate DCMA BAE York personnel.

(b) The Wide Area Workflow (WAWF) payment request with the certification included as an attachment shall be submitted in accordance with DCMA/DFAS requirements.

(c) The Contracting Officer, as used in FAR 52.232-32, is the cognizant ACO at DCMA.

(d) There shall only be one PBP request per month.

(e) The liquidation rate is 86% of invoices for CLINs listed in paragraph 1 of this modification until such time as the financing payments are completely recouped.

<b>CONTINUATION SHEET</b>	<b>Reference No. of Document Being Continued</b> <b>PIIN/SIIN</b> W56HZV-09-C-0408 <b>MOD/AMD</b> P00053	<b>Page</b> 3 <b>of</b> 6
<b>Name of Offeror or Contractor:</b> BAE SYSTEMS LAND & ARMAMENTS L.P.		

- 6. SPECIAL PAYMENT INSTRUCTIONS: The amounts to be paid against each CLIN for each Payment Event achieved are shown in Attachment 0020.
- 7. As a result of these actions, the contract price is neither increased or decreased.
- 8. All other terms and conditions of the basic contract and all subsequent modifications remain in full force and effect.

\*\*\* END OF NARRATIVE A0057 \*\*\*

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

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MOD/AMD P00053

**Name of Offeror or Contractor:** BAE SYSTEMS LAND & ARMAMENTS L.P.

## SECTION G - CONTRACT ADMINISTRATION DATA

## G.8 Performanced Based Payments

G.8.1 FY09 Performance Based Payment Plan (See Attachment 0003).

In accordance with FAR 52.232-32, the following information is provided concerning the administration of performance based payments, (a) information under "Distribution of Financing Payments", Attachment 0003, of this modification provides amounts to be paid upon successful completion of the corresponding event. All events are cumulative and dependent upon the accomplishment of any and all previous events; (b) personnel from DCMA BAE York will verify successful performance through in process inspection and or review of applicable documents in accordance with the "Master Notes" in Attachment 0003 of this modification prior to concurring that the event has been successfully performed.

In addition to the requirements of FAR 52.232-32, the form and manner of the contractor requests for payment shall include the following: (a) As part of the certification requirement prescribed by the clause in 52.232-32(m) the contractor certification shall state that the event in question has been successfully performed and shall be signed by the appropriate company official AND shall contain concurrence from appropriate DCMA BAE York personnel; (b) the Wide Area Workflow (WAWF) payment request with the certification included as an attachment shall be submitted in accordance with DCMA/DFAS requirements; (c) Contracting Officer as used in FAR 52.232-32, is the cognizant ACO at DCMA; (d) there shall only be one PBP request per month; (e) the liquidation rate is 90% of invoices for CLINs 0001AA and 0003AA until such time as the financing payments are completely recouped.

The contractor shall maintain the following records and controls for administration of FAR 52.232-32: (a) copies of all WAWF payment requests submitted and a record of actual payment amounts received; (b) any other records and controls as may be required for proper administration of PBPs under this contract; (c) copies of all BAE certifications stating that a particular event has been successfully performed.

The amounts to be paid against each CLIN for each Payment Event achieved are shown on Attachment 0003, entitled Distribution of Financing Payments.

G.8.2 FY10 Performance Based Payment Plan (See Attachment 0010).

In accordance with FAR 52.232-32, the following information is provided concerning the administration of performance based payments, (a) information under "Production Milestone Event Summary", Attachment 0010, of this modification provides amounts to be paid upon successful completion of the corresponding event. All events are cumulative and dependent upon the accomplishment of any and all previous events; (b) personnel from DCMA BAE York will verify successful performance through in process inspection and or review of applicable documents in accordance with the "Event Notes" in Attachment 0010 of this modification prior to concurring that the event has been successfully performed.

In addition to the requirements of FAR 52.232-32, the form and manner of the contractor requests for payment shall include the following: (a) As part of the certification requirement prescribed by the clause in 52.232-32(m) the contractor certification shall state that the event in question has been successfully performed and shall be signed by the appropriate company official AND shall contain concurrence from appropriate DCMA BAE York personnel; (b) the Wide Area Workflow (WAWF) payment request with the certification included as an attachment shall be submitted in accordance with DCMA/DFAS requirements; (c) Contracting Officer as used in FAR 52.232-32, is the cognizant ACO at DCMA; (d) there shall only be one PBP request per month; (e) the liquidation rate is 90% of invoices for CLINs 0009AA, 0010AA, 0011AA and 0012AA until such time as the financing payments are completely recouped.

The contractor shall maintain the following records and controls for administration of FAR 52.232-32: (a) copies of all WAWF payment requests submitted and a record of actual payment amounts received; (b) any other records and controls as may be required for proper administration of PBPs under this contract; (c) copies of all BAE certifications stating that a particular event has been successfully performed. This payment plan is distinct and severable from the FY09 Payment Plan, which is still in effect. Both plans may be billed concurrently by the contractor.

The amounts to be paid against each CLIN for each Payment Event achieved are shown on Attachment 0010, entitled Production Milestone Event Summary.

G.8.3 FY11 Performance Based Payment Plan (See Attachment 0016).

In accordance with FAR 52.232-32, the following information is provided concerning the administration of performance based payments, (a) information under "Production Milestone Event Summary", Attachment 0016, of this modification provides amounts to be paid upon successful completion of the corresponding event. All events are cumulative and dependent upon the accomplishment of any and all previous events; (b) personnel from DCMA BAE York will verify successful performance through in process inspection and or review of applicable documents in accordance with the "Event Notes" in Attachment 0016 of this modification prior to concurring that the event has been successfully performed.

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**Name of Offeror or Contractor:** BAE SYSTEMS LAND & ARMAMENTS L.P.

In addition to the requirements of FAR 52.232-32, the form and manner of the contractor requests for payment shall include the following: (a) As part of the certification requirement prescribed by the clause in 52.232-32(m) the contractor certification shall state that the event in question has been successfully performed and shall be signed by the appropriate company official AND shall contain concurrence from appropriate DCMA BAE York personnel; (b) the Wide Area Workflow (WAWF) payment request with the certification included as an attachment shall be submitted in accordance with DCMA/DFAS requirements; (c) Contracting Officer as used in FAR 52.232-32, is the cognizant ACO at DCMA; (d) there shall only be one PBP request per month; (e) the liquidation rate is 86% of invoices for CLINs 0014AA, 0014AB, 0014AD, 0014AE, 0015AA, 0015AD, 0015AE, 0016AA, 0020AA and 0021AA until such time as the financing payments are completely recouped.

The contractor shall maintain the following records and controls for administration of FAR 52.232-32: (a) copies of all WAWF payment requests submitted and a record of actual payment amounts received; (b) any other records and controls as may be required for proper administration of PBPs under this contract; (c) copies of all BAE certifications stating that a particular event has been successfully performed. This payment plan is distinct and severable from the FY10 Payment Plan, which is still in effect. Both plans may be billed concurrently by the contractor.

The amounts to be paid against each CLIN for each Payment Event achieved are shown on Attachment 0016, entitled Production Milestone Event Summary.

G.8.4 FY12 Performance Based Payment Plan (See Attachment 0020).

In accordance with FAR 52.232-32, the following information is provided concerning the administration of performance based payments, (a) information under "Production Milestone Event Summary", Attachment 0020, of this modification provides amounts to be paid upon successful completion of the corresponding event. The events in each schedule are cumulative and dependent upon the accomplishment of any and all previous events in each schedule. The schedules are independent of each other; (b) personnel from DCMA BAE York will verify successful performance of the cumulative events on Schedule A through in-process inspection and or review of applicable documents in accordance with the Performance Based Schedule and Master Notes in Attachment 0020 of this modification prior to concurring that the event has been successfully performed.

In addition to the requirements of FAR 52.232-32, the form and manner of the contractor requests for payment shall include the following: (a) As part of the certification requirement prescribed by the clause in 52.232-32(m) the contractor certification shall state that the event in question has been successfully performed and shall be signed by the appropriate company official AND shall contain concurrence from appropriate DCMA BAE York personnel; (b) the Wide Area Workflow (WAWF) payment request with the certification included as an attachment shall be submitted in accordance with DCMA/DFAS requirements; (c) Contracting Officer as used in FAR 52.232-32, is the cognizant ACO at DCMA; (d) there shall only be one PBP request per month; (e) the liquidation rate is 86% of invoices for CLIN 0032AA until such time as the financing payments are completely recouped.

The contractor shall maintain the following records and controls for administration of FAR 52.232-32: (a) copies of all WAWF payment requests submitted and a record of actual payment amounts received; (b) any other records and controls as may be required for proper administration of PBPs under this contract; (c) copies of all BAE certifications stating that a particular event has been successfully performed. This payment plan is distinct and severable from the FY11 Payment Plan, which is still in effect. Both plans may be billed concurrently by the contractor.

The amounts to be paid against each CLIN for each Payment Event achieved are shown on Attachment 0020, entitled Production Milestone Event Summary.

\*\*\* END OF NARRATIVE G0005 \*\*\*

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**MOD/AMD** P00053

**Name of Offeror or Contractor:** BAE SYSTEMS LAND & ARMAMENTS L.P.

SECTION J - LIST OF ATTACHMENTS

<u>List of</u> <u>Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number</u> <u>of Pages</u>	<u>Transmitted By</u>
Attachment 0020	PERFORMANCE BASED PAYMENT PLAN FY12	27-NOV-2013	002	DATA

W56HZV-09-C-0408 FY12 Army PBP PLAN Milestone Events  
 Schedule A - BAE York Production Events

<u>Event</u>	<u>Note ECD</u>	<u>Description</u>	<u>Milestone Billing</u>	<u>Cumulative Billing</u>
1	2 Sep-13	Pre- Machine Fab (Hull Heavy Weld) Comp, Cum #1	\$3,273,905	\$3,273,905
2	9 Oct-13	Hull Machining Complete, Cum #3	\$6,753,183	\$10,027,088
3	3 Nov-13	Hull Machining Complete, Cum #7	\$5,185,109	\$15,212,197
4	3 Dec-13	Hull Machining Complete, Cum #11	\$2,480,182	\$17,692,379
5	4 Jan-14	Post Machining Complete, Cum #11	\$2,563,029	\$20,255,408

W56HZV-09-C-0408 FY12 Army PBP PLAN Milestone Events  
 Schedule B - BAE York Vendor Events

<u>Event</u>	<u>Note ECD</u>	<u>Description</u>	<u>Milestone Billing</u>	<u>Cumulative Billing</u>
6	8 Jun-13	L3-Acceptance of 1st Cylinder Liner	\$673,316	\$673,316
7	7 Jul-13	L3-Acceptance 1st Piston Assy	\$673,316	\$1,346,631
8	1 Aug-13	L3-Completion 1st Crankcase	\$1,346,631	\$2,693,262
9	11 Jan-14	Comp of 10th engine plus corresponding CRT's (US Cum #8)	\$897,754	\$3,591,016

Cumulative Vendor Event Payments	\$3,591,016
Cumulative Production Event Payments	\$20,255,408
Cumulative DD250 Payments	\$4,897,861
Total Cumulative Payments	\$28,744,285

**TERMS**

The above events in each schedule are cumulative, and each schedule are independent of each other.  
 The contractor shall invoice and the Government will pay for the work on this contract in accordance with the events.  
 The Administrative Contracting Officer will act upon all invoices presented for approval within four working days of receipt. If an invoice is disapproved, the Administrative Contracting Officer or his designee will advise the contractor of the specific reason for disapproval.  
 The estimated completion dates (ECD) are for reference only.  
 Liquidation Rate is 86%

W56HZV-09-C-0408 FY12 Army PBP PLAN Master Notes and Event Definitions

Note 1 - Complete Machining of 1st Crankcase (L3) - Completion of machining of the first crankcase.  
Basis of Certification: Will use certification of completion from L3 and verification by resident DCM QAR upon completion of receipt and BAE Systems certification of completion documentation.

Note 2 - Pre- Machine Fab (Hull Heavy Weld) Complete - Hulls have completed the weld process and are ready to be moved to the hull machining area.  
Basis of Certification: Will use the visual verification by DCMA and BAE Systems Program Manager to verify completion and DCMA and BAE Systems certification of completion.

Note 3 - Hull Machining Complete - Hulls have completed the hull machining process and are ready to be moved to the post machining area.  
Basis of Certification: Will use the visual verification by DCMA and BAE Systems Program Manager to verify completion and DCMA and BAE Systems certification of completion.

Note 4 - Post Machining Complete - Hulls have completed the post hull machining process and are ready to be moved to the paint area.

Basis of Certification: Will use the visual verification by DCMA and BAE Systems Program Manager to verify completion and DCMA and BAE Systems certification of completion.

Note 5 - Assembly Complete- Vehicle has been moved through all Assembly Stations (including initial paint) and is ready to be moved from the Vehicle Assembly Building to the Test Area.

Basis of Certification: Will use the visual verification by DCMA and BAE Systems Program Manager to verify completion and DCMA and BAE Systems certification of completion.

Note 6 - L3 Com Acceptance of 1st Crankshaft Forging - 1st Crankcase forging is shipped to L3 Comm and is accepted through Receiving Inspection.

Basis of Certification: Will use certification of completion from L3 and verification by resident DCM QAR upon completion of receipt and BAE Systems certification of completion documentation.

Note 7 - L3 Com Acceptance of 1st Piston Assy- 1st Piston Assy is shipped to L3 Comm and is accepted through Receiving Inspection.

Basis of Certification: Will use certification of completion from L3 and verification by resident DCM QAR upon completion of receipt and BAE Systems certification of completion documentation.

Note 8 - L3 Com Acceptance of 1st Cylinder Liner p/n 10951120- 1st 1st Cylinder Liner p/n 10951120 is shipped to L3 Comm and is accepted through Receiving Inspection.

Basis of Certification: Will use certification of completion from L3 and verification by resident DCM QAR upon completion of receipt and BAE Systems certification of completion documentation.

Note 9 - Hull Masterbuck Weld Start - Major hull castings and subweldments are joined together and welded in the masterbuck fixture to form the basic hull structure.

Basis of Certification: Will use the visual verification by DCMA and BAE Systems Program Manager to verify completion and DCMA and BAE Systems certification of completion.

Note 10 - Cab Top Subweldment Complete - Cab Top Subweldment is completed through weld and is ready for machining.

Basis of Certification: Will use the visual verification by DCMA and BAE Systems Program Manager to verify completion and DCMA and BAE Systems certification of completion.

Note 11 - L3 Com - Completion of the engine plus corresponding CRT's - Engines are accepted through Final Inspection

Basis of Certification: Will use certification of completion from L3 and verification by resident DCM QAR and BAE Systems certification of completion documentation.