

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

1. Contract ID Code  
Firm-Fixed-Price

Page 1 Of 14

|                                       |                                |   |                                |
|---------------------------------------|--------------------------------|---|--------------------------------|
| 2. Amendment/Modification No.<br>0006 | 3. Effective Date<br>2013MAR07 | 4. Requisition/Purchase Req No.<br>SEE SCHEDULE | 5. Project No. (If applicable) |
|---------------------------------------|--------------------------------|---|--------------------------------|

|   |                |   |      |
|---|----------------|---|------|
| 6. Issued By<br>U.S. ARMY CONTRACTING COMMAND<br>JEFFREY WEISS<br>WARREN, MICHIGAN 48397-5000<br>HTTP://CONTRACTING.TACOM.ARMY.MIL<br><br>EMAIL: JEFFREY.WEISS3@US.ARMY.MIL | Code<br>W56HZV | 7. Administered By (If other than Item 6) | Code |
|---|----------------|---|------|

|   |                                     |   |
|---|-------------------------------------|---|
| 8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) | <input checked="" type="checkbox"/> | 9A. Amendment Of Solicitation No.<br>W56HZV-11-R-0406 |
|   |                                     | 9B. Dated (See Item 11)<br>2012NOV29                  |
|   | <input type="checkbox"/>            | 10A. Modification Of Contract/Order No.               |
|   |                                     | 10B. Dated (See Item 13)                              |
| Code  | 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. 2013MAR21 01:00pm

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 2 signed 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)

**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:<br>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 type="checkbox"/> | C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:  |  |
| <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)                               |                  |
| 15B. Contractor/Offeror                       | 15C. Date Signed | 16B. United States Of America<br>By _____ /SIGNED/<br>(Signature of Contracting Officer) | 16C. Date Signed |
| (Signature of person authorized to sign)      |                  |  |                  |

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MOD/AMD 0006

**Name of Offeror or Contractor:**

## SECTION A - SUPPLEMENTAL INFORMATION

Solicitation Number: W56HZV-11-R-0406  
Amendment: 0006

The purpose of amendment 0006 to Solicitation W56HZV-11-R-0406 is to extend the solicitation to 21 March 2013 1300 and to incorporate the following changes:

1. Remove DFP 611 from section C and made it an attachment (0004). The DFP has been updated to effect the questions that were asked in the Q&A log.

**\*\*PLEASE NOTE THAT SOME OF THE PARAGRAPH NUMBERS HAVE CHANGED\*\***

2. Removed the requirement for the Cordless Screwdriver and reserved paragraph 3.4.189. It has also been reserved in Table 1 of the DFP.

3. Added the following language to the SUPPLEMENTAL INSTRUCTIONS section of clause 52.211-4517; PACKAGING REQUIREMENTS:

Each commercially packaged item of the EOD Optimization Kit shall be consolidated into a wooden crate built in accordance with ASTM D6251, TYPE III, CLASS 2, STYLE A. Any necessary blocking, bracing, cushioning, and VCI protection should also be included for each item in the crate to ensure all items are delivered without any damage or corrosion. Each crate shall be provided with skids designed to accommodate multiple forklift moves from the front and rear of the crate. Skid planks will not protrude past the footprint of the load for shipment and load shall not extend past the edges of skid. The crate will serve as the unit pack and shipping container for each EOD Optimization Kit.

In accordance with paragraph 7.3 - 7.3.2 of ASTM D3951, packaging shall successfully pass test levels of ASTM D 4169, Distribution Cycle 18, Assurance Level ( 1 for OCONUS shipments, or II for CONUS shipments), Acceptance Criterion 3. Testing shall be witnessed by the Government Quality Assurance Representative. Packaged gross weight and size shall be included on the test report as well as a detailed description of the packaging. The Contractor is exempted from testing if previous data for same or similar items can be provided (see Para. 5.6 of MIL-STD-2073-1D) and is acceptable to the Government. Contractor shall furnish the Contracting Office with shipping size and weight prior to shipment of first article.

4. Added the following clauses to allow Progress Payments:

- a) 252.232-7004; DOD Progress Payment Rates
- b) 252.242-7006; Accounting System Administration
- c) 52.232-16; Progress Payments
- d) 52.232-13; Notice of Progress Payments

5. The following changes were made to Attachment 0001:

- a) Changed the DFP Para numbers to match the DFP (all cahnged from 3.3 to 3.4).
- b) Reserved 3.4.189
- c) 3.4.207; Tweezers - Changed the FSC from 5120 to 6510.
- d) The following quantites were changed:
  - 3.4.187 Epoxy Kit; from 3 to 1
  - 3.4.190 Cord, 3mm dia.; from 1 to 3
  - 3.4.191 Bags, polyethylene, 3 mils; from 1 box to 100 each
  - 3.4.192 Bandages, Plaster of Paris (12 bandages per box); from 1 to 2
  - 3.4.197 Hook and Line Kit; from 1 to 3
  - 3.4.200 Flashlight; from 1 to 3
  - 3.4.201 Mirror, with telescoping handle; from 1 to 2

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3.4.203 Memory Card; from 2 to 1

3.4.205 Light, helmet; from 1 to 3

3.4.208 Hemostat, locking, strait; from 1 to 2

3.4.209 Hemostat, locking, curved; from 1 to 2

3.4.210 Bucket, collapsible; from 1 to 5

3.4.211 Light, puck style; from 1 to 6

3.4.212 Probe, mine, titanium; from 1 to 2

All other terms and conditions except those addressed by this amendment remain in full force and effect.

\*\*\* END OF NARRATIVE A0008 \*\*\*

|                           |   |                            |
|---------------------------|---|----------------------------|
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**Name of Offeror or Contractor:**

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

SEE ATTACHMENT 0004 FOR DFP 611.

\*\*\* END OF NARRATIVE C0001 \*\*\*

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## SECTION D - PACKAGING AND MARKING

| <u>Status</u> | <u>Regulatory Cite</u> | <u>Title</u> | <u>Date</u> |
|---------------|------------------------|--------------|-------------|
|---------------|------------------------|--------------|-------------|

|             |                        |                                     |          |
|-------------|------------------------|-------------------------------------|----------|
| D-1 CHANGED | 52.211-4517<br>(TACOM) | PACKAGING REQUIREMENTS (COMMERCIAL) | DEC/2007 |
|-------------|------------------------|-------------------------------------|----------|

(a) The preservation, packing, and marking requirements for this contract/order shall be accomplished in accordance with the performance requirements defined herein. The following Packaging requirements shall apply:

LEVEL OF PRESERVATION: Commercial

LEVEL OF PACKING: Commercial

QUANTITY PER UNIT PACKAGE: -1-

(1) Packaging: Preservation, packaging, packing, unitization and marking furnished by the supplier shall provide protection for a minimum of one year and meet or exceed the following requirements. It also provides for multiple handling, redistribution and shipment by any mode.

(2) Cleanliness: Items shall be free of dirt and other contaminants which would contribute to the deterioration of the item or which would require cleaning by the customer prior to use. Coatings and preservatives applied to the item for protection are not considered contaminants.

(3) Preservation: Items susceptible to corrosion or deterioration shall be provided protection by means of preservative coatings, volatile corrosion inhibitors, desiccants, waterproof and/or watervaporproof barriers.

(4) Cushioning: Items requiring protection from physical and mechanical damage (e.g. fragile, sensitive, material critical) or which could cause physical damage to other items, shall be protected by wrapping, cushioning, pack compartmentalization, or other means to mitigate shock and vibration to prevent damage during handling and shipment.

(b) Unit Package: A unit package shall be so designed and constructed that it will contain the contents with no damage to the item(s), and with minimal damage to the unit pack during shipment and storage in the shipping container, and will allow subsequent handling. The outermost component of a unit package shall be a container such as a sealed bag, carton or box. Unit packs shall be designed to conserve weight and cube while retaining the protection required and enhancing standardization.

(c) Unit Package Quantity: Unless otherwise specified, the unit package quantity shall be one each part, set, assembly, kit, etc.

(d) Intermediate Package: Intermediate packaging is required whenever one or more of the following conditions exists:

- (1) The quantity is over one (1) gross of the same national stock number,
- (2) Use enhances handling and inventorying,
- (3) The exterior surfaces of the unit pack is a bag of any type, regardless of size,
- (4) The unit pack is less than 64 cubic inches,
- (5) The weight of the unit pack is under five (5) pounds and no dimension is over twelve (12) inches.

Intermediate containers shall be limited to a maximum of 100 unit packs, a net load of 40 pounds, or a maximum volume of 1.5 cubic feet, whichever occurs first.

(e) Packing:

(1) Unit packages and intermediate packages not meeting the requirements for a shipping container shall be packed in shipping containers. All shipping containers shall be the most cost effective and shall be of minimum cube to contain and protect the items.

(2) Shipping Containers: The shipping container (including any necessary blocking, bracing, cushioning, or waterproofing) shall comply with the regulations of the carrier used and shall provide safe delivery to the destination at the lowest tariff cost. The shipping container shall be capable of multiple handling, stacking at least ten feet high, and storage under favorable conditions (such as enclosed facilities) for a minimum of one year.

(f) Unitization: Shipments of identical items going to the same destination shall be palletized if they have a total cubic displacement of 50 cubic feet or more unless skids or other forklift handling features are included on the containers. Pallet loads must be stable, and to the greatest extent possible, provide a level top for ease of stacking. A palletized load shall be of a size to allow for placement of two loads high and wide in a conveyance. The weight capacity of the pallet must be adequate for the load. The preferred pallet is a 40 x 48 inch, 4-way entry pallet although variations may be permitted as dictated by the characteristics of the items being unitized. The load shall be contained in a manner that will permit safe handling during shipment and storage.

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## (g) Marking:

(1) All unit packages, intermediate packs, exterior shipping containers, and, as applicable, unitized loads shall be marked in accordance with MIL-STD-129, Revision P, Change Notice 4, dated 19 Sep 2007, including bar coding and Military Shipment Label (MSL). The contractor is responsible for application of special markings as discussed in the Military Standard regardless of whether specified in the contract/order or not. Special markings include, but are not limited to, Shelf-life markings, structural markings, and transportation special handling markings. The marking of pilferable and sensitive materiel will not identify the nature of the materiel. Passive RFID tagging is required in all contracts that contain DFARS clause 252.211-7006. Contractors must check the solicitation and/or contract for this clause. For details and most recent information, see <http://www.acq.osd.mil/log/rfid/index.htm> for the current DoD Suppliers Passive RFID Information Guide and Supplier Implementation Plan. If the item has Unique Item Identifier (UII) markings then the concatenated UII needs to be 2D bar coded and applied on the unit package, intermediate and exterior containers, and the palletized unit load.

## (h) Hazardous Materials (As applicable):

(1) Hazardous Materials is defined as a substance or waste which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce and which has been so designated. (This includes all items listed as hazardous in Titles 29, 40 and 49 CFR and other applicable modal regulations effective at the time of shipment.)

(2) Packaging and marking for hazardous material shall comply with the requirements herein for the mode of transport and the applicable performance packaging contained in the following documents:

- International Air Transport Association (IATA) Dangerous Goods Regulations
- International Maritime Dangerous Goods Code (IMDG)
- Code of Federal Regulations (CFR) Title 29, Title 40 and Title 49
- Joint Service Regulation AFJMAN24-204(I)/TM38-250/NAVSUPPUB 505/MCO P4030.19(I)/DLAM 4145.3(I) (for military air shipments).

(3) If the shipment originates from outside the continental United States, the shipment shall be prepared in accordance with the United Nations Recommendations on the Transport of Dangerous Goods in a manner acceptable to the Competent Authority of the nation of origin and in accordance with regulations of all applicable carriers.

(4) A Product Material Safety Data Sheets (MSDS) is required to be included with every unit pack and intermediate container and shall be included with the packing list inside the sealed pouch attached to the outside of the package.

(i) Heat Treatment and Marking of Wood Packaging Materials: Boxes/pallets and any wood used as inner packaging made of non-manufactured wood shall be heat-treated. All WPM shall be constructed from heat treated (treated to 56 degrees Celsius -core temperature- for 30 minutes) lumber and certified by an accredited agency accredited by the ALSC in accordance with Wood Packaging Material Policy and Wood Packaging Material Enforcement Regulations (see URL: <http://www.alsc.org>). The box/pallet manufacturer and the manufacturer of wood used as inner packaging shall ensure traceability to the original source of heat treatment. Marking: Each box/pallet shall be marked to show the conformance to the International Plant Protection Convention Standard. The quality mark shall be placed on both ends of the outer packaging, between the end cleats or end battens. Pallet markings shall be applied to the stringer or block on diagonally opposite sides and ends of the pallet and be contrasting and clearly visible. All dunnage used in configuring and/or securing the load shall also comply with ISPM-15 and be marked with an ALSC approved dunnage stamp, marked at two foot intervals (in the case of dunnage shorter than 2 feet, each piece must still have the mark present). Foreign manufacturers shall have the heat treatment and marking of non-manufactured wood products verified in accordance with their National Plant Protection Organizations compliance program.

(j) Quality Assurance: The contractor is responsible for establishing a quality system. Full consideration to examinations, inspections, and tests will be given to ensure the acceptability of the commercial package.

## (k) SUPPLEMENTAL INSTRUCTIONS:

Each commercially packaged item of the EOD Optimization Kit shall be consolidated into a wooden crate built in accordance with ASTM D6251, TYPE III, CLASS 2, STYLE A. Any necessary blocking, bracing, cushioning, and VCI protection should also be included for each item in the crate to ensure all items are delivered without any damage or corrosion. Each crate shall be provided with skids designed to accommodate multiple forklift moves from the front and rear of the crate. Skid planks will not protrude past the footprint of the load for shipment and load shall not extend past the edges of skid. The crate will serve as the unit pack and shipping container for each EOD Optimization Kit.

In accordance with paragraph 7.3 - 7.3.2 of ASTM D3951, packaging shall successfully pass test levels of ASTM D 4169, Distribution Cycle 18, Assurance Level ( 1 for OCONUS shipments, or II for CONUS shipments), Acceptance Criterion 3. Testing shall be witnessed by the Government Quality Assurance Representative. Packaged gross weight and size shall be included on the test report as well as a detailed description of the packaging. The Contractor is exempted from testing if previous data for same or similar items can be provided (see

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Para. 5.6 of MIL-STD-2073-1D) and is acceptable to the Government. Contractor shall furnish the Contracting Office with shipping size and weight prior to shipment of first article.

[End of Clause]

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## SECTION I - CONTRACT CLAUSES

| <u>Status</u> | <u>Regulatory Cite</u> | <u>Title</u>                     | <u>Date</u> |
|---------------|------------------------|----------------------------------|-------------|
| I-1 ADDED     | 252.232-7004           | DOD PROGRESS PAYMENT RATES       | OCT/2001    |
| I-2 ADDED     | 252.242-7006           | ACCOUNTING SYSTEM ADMINISTRATION | FEB/2012    |
| I-3 CHANGED   | 52.232-16              | PROGRESS PAYMENTS                | APR/2012    |

The Government will make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly in amounts of \$2,500 or more approved by the Contracting Officer, under the following conditions:

(a) Computation of amounts.

(1) Unless the Contractor requests a smaller amount, the Government will compute each progress payment as 80 percent of the Contractors total costs incurred under this contract whether or not actually paid, plus financing payments to subcontractors (see paragraph (j) of this clause), less the sum of all previous progress payments made by the Government under this contract. The Contracting Officer will consider cost of money that would be allowable under FAR 31.205-10 as an incurred cost for progress payment purposes.

(2) The amount of financing and other payments for supplies and services purchased directly for the contract are limited to the amounts that have been paid by cash, check, or other forms of payment, or that are determined due will be paid to subcontractors--

(i) In accordance with the terms and conditions of a subcontract of invoice; and

(ii) Ordinarily within 30 days of the submission of the Contractors payment request to the Government.

(3) The Government will exclude accrued costs of Contractor contributions under employee pension plans until actually paid unless--

(i) The Contractors practice is to make contributions to the retirement fund quarterly or more frequently; and

(ii) The contribution does not remain unpaid 30 days after the end of the applicable quarter or shorter payment period (any contribution remaining unpaid shall be excluded from the Contractors total costs for progress payments until paid).

(4) The Contractor shall not include the following in total costs for progress payment purposes in paragraph (a)(1) of this clause:

(i) Costs that are not reasonable, allocable to this contract, and consistent with sound and generally accepted accounting principles and practices.

(ii) Costs incurred by subcontractors or suppliers.

(iii) Costs ordinarily capitalized and subject to depreciation or amortization except for the properly depreciated or amortized portion of such costs.

(iv) Payments made or amounts payable to the subcontractors or suppliers, except for--

(A) completed work, including partial deliveries, to which the Contractor has acquired title; and

(B) Work under cost-reimbursement or time-and-material subcontracts to which the Contractor has acquired title.

(5) The amount of unliquidated progress payments may exceed neither (i) the progress payments made against incomplete work (including allowable unliquidated progress payments to subcontractors) nor (ii) the value, for progress payment purposes, of the incomplete work. Incomplete work shall be considered to be the supplies and services required by this contract, for which delivery and invoicing by the Contractor and acceptance by the Government are incomplete.

(6) The total amount of progress payments shall not exceed 80 percent of the total contract price.

(7) If a progress payment or the unliquidated progress payments exceed the amounts permitted by subparagraphs (a)(4) or (a)(5) above, the Contractor shall repay the amount of such excess to the Government on demand.

(8) Notwithstanding any other terms of the contract, the Contractor agrees not to request progress payments in dollar amounts of less than \$2,500. The Contracting Officer may make exceptions.

(9) The costs applicable to items delivered, invoiced, and accepted shall not include costs in excess of the contract price of the items.

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(b) Liquidation. Except as provided in the Termination for Convenience of the Government clause, all progress payments shall be liquidated by deducting from any payment under this contract, other than advance or progress payments, the unliquidated progress payments, or 80 percent of the amount invoiced, whichever is less. The Contractor shall repay to the Government any amounts required by a retroactive price reduction, after computing liquidations and payments on past invoices at the reduced prices and adjusting the unliquidated progress payments accordingly. The Government reserves the right to unilaterally change from the ordinary liquidation rate to an alternate rate when deemed appropriate for proper contract financing.

(c) Reduction or suspension. The Contracting Officer may reduce or suspend progress payments, increase the rate of liquidation, or take a combination of these actions, after finding on substantial evidence any of the following conditions:

(1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (f) and (g) below).

(2) Performance of this contract is endangered by the Contractors --

- (i) Failure to make progress; or
- (ii) Unsatisfactory financial condition.

(3) Inventory allocated to this contract substantially exceeds reasonable requirements.

(4) The Contractor is delinquent in payment of the costs of performing this contract in the ordinary course of business.

(5) The fair value of the undelivered work is less than the amount of unliquidated progress payments for that work.

(6) The Contractor is realizing less profit than that reflected in the establishment of any alternate liquidation rate in paragraph (b) above, and that rate is less than the progress payment rate stated in subparagraph (a)(1) above.

(d) Title.

(1) Title to the property described in this paragraph (d) shall vest in the Government. Vestiture shall be immediately upon the date of this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

(2) Property, as used in this clause, includes all of the below-described items acquired or produced by the Contractor that are or should be allocable or properly chargeable to this contract under sound and generally accepted accounting principles and practices.

(i) Parts, materials, inventories, and work in process;

(ii) Special tooling and special test equipment to which the Government is to acquire title;

(iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment, and other similar manufacturing aids, title to which would not be obtained as special tooling under subparagraph (ii) above; and

(iv) Drawings and technical data, to the extent the Contractor or subcontractors are required to deliver them to the Government by other clauses of this contract.

(3) Although title to property is in the Government under this clause, other applicable clauses of this contract; e.g., the termination clauses, shall determine the handling and disposition of the property.

(4) The Contractor may sell any scrap resulting from production under this contract without requesting the Contracting Officers approval, but the proceeds shall be credited against the costs of performance.

(5) To acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Contractor must obtain the Contracting Officers advance approval of the action and the terms. The Contractor shall

(i) exclude the allocable costs of the property from the costs of contract performance, and

(ii) repay to the Government any amount of unliquidated progress payments allocable to the property. Repayment may be by cash or credit memorandum.

(6) When the Contractor completes all of the obligations under this contract, including liquidation of all progress payments, title shall vest in the Contractor for all property (or the proceeds thereof) not --

(i) Delivered to, and accepted by, the Government under this contract; or

(ii) Incorporated in supplies delivered to, and accepted by, the Government under this contract and to which title is vested in the

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Government under this clause.

(7) The terms of this contract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this clause.

(e) Risk of loss. Before delivery to and acceptance by the Government, the Contractor shall bear the risk of loss for property, the title to which vests in the Government under this clause, except to the extent the Government expressly assumes the risk. The Contractor shall repay the Government an amount equal to the unliquidated progress payments that are based on costs allocable to property that is lost (see 45.101).

(f) Control of costs and property. The Contractor shall maintain an accounting system and controls adequate for the proper administration of this clause.

(g) Reports, forms, and access to records.

(1) The Contractor shall promptly furnish reports, certificates, financial statements, and other pertinent information (including estimates to complete) reasonably requested by the Contracting Officer for the administration of this clause. Also, the Contractor shall give the Government reasonable opportunity to examine and verify the Contractor's books, records, and accounts.

(2) The Contractor shall furnish estimates to complete that have been developed or updated within six months of the date of the progress payment request. The estimates to complete shall represent the Contractor's best estimate of total costs to complete all remaining contract work required under the contract. The estimates shall include sufficient detail to permit Government verification.

(3) Each Contractor request for progress payment shall:

(i) Be submitted on Standard Form 1443, Contractor's Request for Progress Payment, or the electronic equivalent as required by agency regulations, in accordance with the form instructions and the contract terms; and

(ii) Include any additional supporting documentation requested by the Contracting Officer.

(h) Special terms regarding default. If this contract is terminated under the Default clause,

(i) the Contractor shall, on demand, repay to the Government the amount of unliquidated progress payments and

(ii) title shall vest in the Contractor, on full liquidation of progress payments, for all property for which the Government elects not to require delivery under the Default clause. The Government shall be liable for no payment except as provided by the Default clause.

(i) Reservations of rights.

(1) No payment or vesting of title under this clause shall --

(i) Excuse the Contractor from performance of obligations under this contract; or

(ii) Constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Governments rights and remedies under this clause --

(i) Shall not be exclusive but rather shall be in addition to any other rights and remedies provided by law or this contract; and

(ii) Shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(j) Financing payments to subcontractors. The financing payments to subcontractors mentioned in paragraphs (a)(1) and (a)(2) of this clause shall be all financing payments to subcontractors or divisions, if the following conditions are met:

(1) The amounts included are limited to --

(i) The unliquidated remainder of financing payments made; plus

(ii) Any unpaid subcontractor requests for financing payments.

(2) The subcontract or interdivisional order is expected to involve a minimum of approximately 6 months between the beginning of work and the first delivery, or, if the subcontractor is a small business concern, 4 months.

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(3) If the financing payments are in the form of progress payments, the terms of the subcontract or interdivisional order concerning progress payments --

(i) Are substantially similar to the terms of the clause for any subcontractor that is a large business concern, or that clause with its Alternate I for any subcontractor that is a small business concern;

(ii) Are at least as favorable to the Government as the terms of this clause;

(iii) Are not more favorable to the subcontractor or division than the terms of this clause are to the Contractor;

(iv) Are in conformance with the requirements of FAR 32.504(e); and

(v) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if --

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

(4) If the financing payments are in the form of performance-based payments, the terms of the subcontract or interdivisional order concerning payments--

(i) Are substantially similar to the Performance-Based Payments clause at FAR 52.232-32 and meet the criteria for, and definition of, performance-based payments in FAR Part 32;

(ii) Are in conformance with the requirements of FAR 32.504(f); and

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

(5) If the financing payments are in the form of commercial item financing payments, the terms of the subcontract or interdivisional order concerning payments

(i) Are constructed in accordance with FAR 32.206(c) and included in a subcontract for a commercial item purchase that meets the definition and standards for acquisition of commercial items in FAR Part 2 and 12;

(ii) Are in conformance with the requirements of FAR 32.504(g); and

(iii) Subordinate all subcontractor rights concerning property to which the Government has title under the subcontract to the Government's right to require delivery of the property to the Government if--

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

(6) If financing is in the form of progress payments, the progress payment rate in the subcontract is the customary rate used by the contracting agency, depending on whether the subcontractor is or is not a small business concern.

(7) Concerning any proceeds received by the Government for property to which title has vested in the Government under the subcontract terms, the parties agree that the proceeds shall be applied to reducing any unliquidated financing payments by the Government to the Contractor under this contract.

(8) If no unliquidated financing payments to the Contractor remain, but there are unliquidated financing payments that the Contractor has made to any subcontractor, the Contractor shall be subrogated to all the rights the Government obtained through the terms required by this clause to be in any subcontract, as if all such rights had been assigned and transferred to the Contractor.

(9) To facilitate small business participation in subcontracting under this contract, the Contractor shall provide financing payments to small business concerns, in conformity with the standards for customary contract financing payments stated in Subpart 32.113. The Contractor shall not consider the need for such financing payments as a handicap or adverse factor in the award of subcontracts.

(k) Limitations on undefinitized contract actions. Notwithstanding any other progress payment provisions in this contract, progress

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payments may not exceed 80 percent of costs incurred on work accomplished under undefinitized contract actions. A contract action is any action resulting in a contract, as defined in Subpart 2.1, including contract modifications for additional supplies or services, but not including contract modifications that are within the scope and under the terms of the contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes. This limitation shall apply to the costs incurred, as computed in accordance with paragraph (a) of this clause, and shall remain in effect until the contract action is definitized. Costs incurred which are subject to this limitation shall be segregated on Contractor progress payment requests and invoices from those costs eligible for higher progress payment rates. For purposes of progress payment liquidation, as described in paragraph (b) of this clause, progress payments for undefinitized contract actions shall be liquidated at 80 percent of the amount invoiced for work performed under the undefinitized contract action as long as the contract action remains undefinitized. The amount of unliquidated progress payments for undefinitized contract actions shall not exceed 80 percent of the maximum liability of the Government under the undefinitized contract action or such lower limit specified elsewhere in the contract. Separate limits may be specified for separate actions.

(l) Due date. The designated payment office will make progress payments on the -1- day after the designated billing office receives a proper progress payment request. In the event that the Government requires an audit or other review of a specific progress payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make a payment by the specified due date. Progress payments are considered contract financing and are not subject to the interest penalty provisions of the Prompt Payment Act.

(m) Progress payments under indefinitized delivery contracts. The Contractor shall account for and submit progress payment requests under individual orders as if the order constituted a separate contract, unless otherwise specified in this contract.

(End of Clause)

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SECTION J - LIST OF ATTACHMENTS

| <u>List of</u><br><u>Addenda</u> | <u>Title</u>   | <u>Date</u> | <u>Number</u><br><u>of Pages</u> | <u>Transmitted By</u> |
|----------------------------------|----------------|-------------|----------------------------------|-----------------------|
| Attachment 0001                  | COMPONENT LIST | 14-FEB-2012 | 001                              | DATA                  |
| Attachment 0004                  | DFP 611        | 27-FEB-2013 | 011                              |                       |

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SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

| <u>Status</u> | <u>Regulatory Cite</u> | <u>Title</u>                | <u>Date</u> |
|---------------|------------------------|-----------------------------|-------------|
| L-1 ADDED     | 52.232-13              | NOTICE OF PROGRESS PAYMENTS | APR/1984    |