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Daniels, Clarence N CIV USA AMC

From: Daniels, Clarence N ACQ
Sent: Wednesday, December 06, 2006 10:31 AM
To: Daniels, Clarence N ACQ
Subject: FW: Legal response to proposed \$2.9M unilateral ADU Reopener settlement under contract DAAH0194CA005.

-----Original Message-----

From: Daniels, Clarence N ACQ
Sent: Thursday, November 30, 2006 11:09 AM
To: Vollers, Tony K LEGAL; Snyder, James M ACQ; Cruze, Marlene ACQ; Allen, Fred W LEGAL; Cannon, S. Mike BG (PEOMS); Baddley, Laura L CID
Cc: Rodriguez, Colleen M ACQ; 'Williams, Deborah'; 'Jolly, Carolyn'; 'Brian.Kostyniak@dcaa.mil'; 'Chanay, Kelly, Ms, DCAA'; Pratte, Allen G (PEOMS); Cooper, Carol ACQ; Beam, Dayn T LEGAL
Subject: Legal response to proposed \$2.9M unilateral ADU Reopener settlement under contract DAAH0194CA005.

Mr. Vollers,

I respectfully and completely disagree with your legal opinion, for I reasonably believe it not to be in compliance with the negotiated terms of the legal contract, the False Claims Act, the Truth in Negotiations Act (TINA), and it totally dismisses Lockheed Martin Missiles and Fire Control (LMMFC), Dallas, TX twelve year noncompliance with the terms of the legal contract re-opener "H-14", clause and the more than four feloniously bogus ADU settlement cost proposals it has submitted for negotiations over the past 8 years.

I do not wish or plan to debate the above issues any further, as my views along with my civil and criminal allegations concerning the abysmal history of the ADU Reopener Settlement and the willful misconduct and recreant behavior of certain Government officials have been articulated and documented for over eight years running.

Sincerely,

Clarence N. Daniels

/s/

Contract Specialist

-----Original Message-----

From: Vollers, Tony K LEGAL
Sent: Thursday, November 30, 2006 9:21 AM
To: Daniels, Clarence N ACQ; Snyder, James M ACQ
Cc: Baddley, Laura L CID; Rodriguez, Colleen M ACQ; 'Williams, Deborah'; 'Jolly, Carolyn'; 'Brian.Kostyniak@dcaa.mil'; 'Chanay, Kelly, Ms, DCAA'; Pratte, Allen G (PEOMS); Cooper, Carol ACQ; Snyder, James M ACQ
Subject: RE: Proposed \$2.9M unilateral ADU Reopener settlement under contract DAAH0194CA005.

Clarence -

Your modification as originally written had a problem. Your reopener clause only allows a reduction to the final negotiated subcontract price. Since there never was or will

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be a subcontract, the reopener clause is premised on a mistake. There is nothing in the contract I saw that requires LM to award a subcontract for the ADU. If there is, you waived it by your inactions. You have no contractual authority to unilaterally reduce the price unless the contract is reformed and its price re-negotiated. All of this is a good reason why we should never do re-openers.

Tony Vollers

-----Original Message-----

From: Daniels, Clarence N ACQ
Sent: Wednesday, November 29, 2006 4:46 PM
To: Snyder, James M ACQ; Vollers, Tony K LEGAL
Cc: Baddley, Laura L CID; Rodriguez, Colleen M ACQ; 'Williams, Deborah'; 'Jolly, Carolyn'; 'Brian.Kostyniak@dcaa.mil'; 'Chanay, Kelly, Ms, DCAA'; Pratte, Allen G (PEOMS); Cooper, Carol ACQ
Subject: Proposed \$2.9M unilateral ADU Reopener settlement under contract DAAH0194CA005.

Jim and Tony,

There are no changes for me to make, the modification should be immediately unilaterally executed exactly the way I provided them to Tony Vollers as you asked in the attached e-mail dated, 8 Nov 06, with copies to both you and Colleen.

All changes made to mod P00067 after furnishing the mods to legal are a complete mystery to me, and I do not agree nor will I ever agree that the LMMFC intent to fabricate the ADUs in-house rather than to subcontract them to FWM was a mutual mistake of the parties or any otherwise mistake as clearly shown by the PostBCM, signed contract, and the executed Certificate of Current Cost or Pricing.

After having to endure numerous LMMFC felonious ADU cost proposals and false claims submissions one after another for over 8 years, and having literally wasted hundreds of Government man-hours and other costly resources in this seemingly endless pursuit of an equitable final settlement, a unilateral settlement as I have persistently proposed it over the last four years is the only viable settlement solution at this point in time!

Thank you,

Clarence N. Daniels
Contract Specialist

-----Original Message-----

From: Snyder, James M ACQ
Sent: Wednesday, November 29, 2006 3:52 PM
To: Daniels, Clarence N ACQ
Cc: Baddley, Laura L CID; Rodriguez, Colleen M ACQ; Vollers, Tony K LEGAL; 'Williams, Deborah'; 'Jolly, Carolyn'; 'Brian.Kostyniak@dcaa.mil'; 'Chanay, Kelly, Ms, DCAA'; Pratte, Allen G (PEOMS); Cooper, Carol ACQ
Subject: RE: Felonious revisions to proposed mod P00067, ADU Reopener settlement under contract DAAH0194CA005.

Make your recommended changes to the mod and get Legal concurrence. Originally you had indicated to me that you preferred Colleen write the mod. If you take out the word "mutual" that should remove your concerns. Jim S

-----Original Message-----

From: Daniels, Clarence N ACQ
Sent: Wednesday, November 29, 2006 2:03 PM

To: Snyder, James M ACQ
Cc: Baddley, Laura L CID; Rodriguez, Colleen M ACQ; Vollers, Tony K LEGAL; Williams, Deborah; Jolly, Carolyn; Brian.Kostyniak@dcaa.mil; Chanay, Kelly, Ms, DCAA; Pratte, Allen G (PEOMS)
Subject: Felonious revisions to proposed mod P00067, ADU Reopener settlement under contract DAAH0194CA005.

Mr. Snyder,

As a major negotiator and participant in the final negotiations of the subject contract and the original sole drafter of the "H-14", ADU re-opener clause, I am in complete objection to the revised language included in the attached revised modification P00067 as it refers to a "mutual mistake" of the parties.

The amended modifications' reference to an agreeable mutual mistake of the parties is a totally nefarious and felonious fabrication and was added to the original attached modification P00067 without my knowledge, consultation, or consent and I am not in agreement with it in any conceivable way. A fully executed copy of the contractor's applicable Certificate of Current Cost or Pricing Data is also attached.

As a primary negotiator of the original contract, I am demanding that all references to a mutual mistake be removed from the proposed modification and any subsequent future settlement negotiations. I also suggest the word "reasonable" profit be removed since no mutual agreeable definition of such has been established by either party.

The alleged intentional cost mischarging of more than \$2.9 million of ADU costs by LMMFC between concurrent cost-type and fixed price Government contracts has yet to be determined due to LMMFC's untimely 8 year felonious failures to provide adequate cost or pricing data to the Government for evaluation, audit, and final settlement negotiations.

If I am not to participate, be included in, or be informed of the final settlement negotiations of the subject contract ADU reopener clause for which I was a primary original negotiator and the sole 12 year final equitable settlement instigator, I wish to be informed of such by you in writing with copies to all the additional recipients of this e-mail no later than COB 30 Nov 06.

Thank you,

Clarence N. Daniels

/s/

Contract Specialist

256 876-8980

>
>From: Snyder, James M ACQ
>Sent: Wednesday, November 08, 2006 3:11 PM
>To: Daniels, Clarence N ACQ
>Cc: Vollers, Tony K LEGAL
>Subject: A005 Contract

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>Clarence,
> Would you take Tony a copy of the mod that was done to reduce the reopener value? I tried to explain it but didn't do a very good job. He is working on our unilateral mod language and needs that mod to see how we changed the original reopener (if we changed the original reopener). Thanks, Jim S

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Subject: Proposed \$2.9M unilateral ADU Reopener settlement under contract DAAH0194CA005.
Attachments: Copies of mod P00059 and P00067, ADU Reopner mod to A005 Contract.; P00067 (3).pdf

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>Cc: Vollers, Tony K LEGAL
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Subject: Felonious revisions to proposed mod P00067, ADU Reopener settlement under contract DAAH0194CA005.
Attachments: Revised P00067.pdf; ADU, BCM.pdf; Certificate of Current Cost or Pricing Data.pdf; P00059.pdf; P00067.pdf

Mr. Snyder,

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Tracking:

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Recipient

Snyder, James M ACQ
Baddley, Laura L CID
Rodriguez, Colleen M ACQ
Vollers, Tony K LEGAL
'Williams, Deborah'
Jolly, Carolyn
'Brian.Kostyniak@dcaa.mil'
Chanay, Kelly, Ms, DCAA
Pratte, Allen G (PEOMS)

Delivery

Delivered: 11/29/2006 2:03 PM
Delivered: 11/29/2006 2:03 PM
Delivered: 11/29/2006 2:03 PM
Delivered: 11/29/2006 2:03 PM

CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify, to the best of my knowledge and belief, the cost or pricing data (as defined in Section 15.801 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.804-2) submitted, either actually or by specific identification in writing to the Contracting Officer or to the Contracting Officer's Representative in support of the FY 94 MLRS Production Letter Contract DAAH01-94-C-A005 cost proposals dated 30 June 1994 as updated 2 November 1994 as well as all supporting data furnished/disclosed/provided are accurate, complete, and current as of 12 April 1995. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

FIRM: LORAL VOUGHT SYSTEMS

BY: *Kathy K Verrijcke*

NAME Kathy Kelley Verrijcke

Financial Manager -
TITLE: MLRS Production Contracts

DATE OF EXECUTION: 20 April 1995

TAB H

FOR OFFICIAL USE ONLY

POSTBUSINESS CLEARANCE

Contractor(s) (Name and Location) Contractor No. _____

Loral Vought Systems
1701 Marshall Dr.
Grand Prairie, TX 75051

Period of Performance: Commence 11 JAN 94 Finish 30 JAN 97

Contract Type: Firm fixed price

Pricing Structure for Proposed Contractor

	<u>Pre-BCM</u>	<u>Post-BCM</u>
Cost (Excl COM)	\$151,900,000	\$151,830,646
Cost of Money	1,600,000	1,600,000
Total Cost	153,500,000	153,430,646
Fee/Profit (13.5%)	20,700,000	20,700,000
Total Price	\$174,200,000	\$174,130,646

Preparer _____ Date _____

Reviewer _____ Date _____

Approved _____ Date _____

In accordance with AFARS 15.890-2(p), a post-BCR is not required since the negotiated price is within the approved pre-BCM objective, and there were no material changes to pre-BCM terms, conditions, or assumptions.

Contracting Officer *Mark B. Jester* Date 27 APR 95

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SECTION XI: POST-BCM COMPLIANCES

1. Compliances:

a. The Contractor has submitted a "Certificate of Current Cost or Pricing Data", dated 20 APR 95.

b. Type of Contract Determination & Finding has been approved by the Contracting Officer. Yes No N/A X .

c. Notification of Equal Employment Opportunity Compliance has been approved and will be included in the definitive contract. (FAR 22.805) Yes X

No .

d. Funds are available to cover the contract requirements. Yes X
No .

e. Subcontracting Plan review: LVS submitted a Small and Small Disadvantaged Business Subcontracting Plan dated. The plan was evaluated by the U.S. Small Business Administration Procurement Center Representative (SBA PCR) and the MICOM Small and Small Disadvantaged Business Utilization Office (SADBUO). The plan was found to be unacceptable by both offices because it contained a goal of less than 5 percent for Small Disadvantaged Businesses (SDB). This plan was incorporated into the letter contract as a preliminary. LVS was notified that its plan is unacceptable and was requested to review it for additional subcontracting opportunities during fact-finding sessions and negotiations. LVS prepared a letter to explain their position concerning the plan in more detail. The additional rationale contained in the letter along with additional efforts being taken by LVS as outlined in its plan to increase and promote the participation of Small Disadvantaged Businesses was sufficient to warrant approval of the plan by the contracting officer. The plan was scored in accordance with regulatory guidance and discussed during negotiations.

f. Multi-year Procurement: N/A

2. Negotiations:

Negotiations were conducted with Loral Vought Systems (LVS) from 23 Mar 95 through 12 Apr 95. The following individuals participated in negotiations:

Government Representatives

Title

1. Glarence Daniels	Contract Specialist
2. Fred Forst	Price Analyst
3. Jeffery Wright	Engineer
4. Lee Hendricks	Engineer
5. Thomas MacDonald	Engineer
6. Joe Gerry	Engineer
7. John O'Shields	Engineer
8. Robert Gibbs	Supervisory Engineer
9. Charlotte McReath	Electrical Technican
10. Maj. Ben Jester	Contracting Officer

728 #

- | | |
|---------------------|---------------------|
| 11. John Whitaker | Product Assurance |
| 12. Eston Lovingood | Contracting Officer |
| 13. Jerry McMurry | Contracting Officer |
| 14. Milt Peterson | Price Analyst |

LVS Representatives

Title

- | | |
|---------------------|-----------------------------------|
| 1. Kathy Verrijcke | LVS, Finance Mgr. |
| 2. Kerry Hargis | ADV, Program Mgr. |
| 3. Emilio Dieguez | Financial Proposals Mgr. |
| 4. Gordon Jenkinson | Financial Proposals Mgr. |
| 5. Jerry Wallace | Materials Estimator |
| 6. J. Larry Fuller | Materials Estimator Mgr. |
| 7. Roy Booth | LVS, Engineering TPM |
| 8. Ed Odette | LVS, PMO Mgr. |
| 9. Rudie Galbert | Observer, Education with industry |
| (LVS) | |
| 10. Brian Evans | Camden Finance Mgr. |
| 11. Mike Meeks | Camden Operations Estimator |
| 12. John Hamner | LVS, Finance Mgr. |
| 13. Cathy Sligh | Budget Analyst |

SECTION XII. PostBCM Summary.

1. References and Exhibts/Attachments.

- a. Price Analysis Report no. 94-0344, dated 30 Jan 95
- b. Technical Evaluation (ODS) with update dated, 18 Nov 94.
- c. Technical Evaluation (OBS) dated, 09 Jan 95 and 06 Mar 95.
- d. Quantitative Analysis report dated, 18 Nov 94.
- e. Justification and Approval, dated 04 Jan 94.
- f. Weighted Guidelines, DD Form 1547.
- g. Facilities Capital Cost of Money, DD Form 1861.

2. Background.

- a. The Pre-Business Clearance Memorandum (Pre-BCM) was approved on 11 Apr 95.
- b. There were no conditions for approval placed on the Pre-BCM.

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3. Results of Negotiations:

a. Shown below is a summary comparison of the contractor's proposed, the Pre-BCM Objective, and the Percieved Negotiated amounts by cost element:

	Proposed	Objective	Percieved Negotiated*
TOTAL U.S. AND FMS			
LVS - Dallas Cost			
Engineering Labor	\$5,014,167	\$1,987,098	\$2,671,926
Engineering Overhead	2,246,860	928,501	1,253,089
Engineer Oth Dir Chrg	2,246,125	1,091,336	1,344,559
Manufacturing Labor	505,869	66,073	237,085
Manufacturing Overhead	350,577	49,323	177,440
Other Costs	<u>4,765,515</u>	<u>2,971,305</u>	<u>2,968,776</u>
Dallas Subtotal	\$15,129,113	\$7,093,636	\$8,652,875
Camden Cost Center			
Subcontract/Material	\$95,315,435	\$93,688,264	\$95,678,556
Material Burden	4,226,590	4,025,883	4,111,297
Operations Labor	10,343,050	8,809,150	8,910,432
Operations Overhead	16,344,369	15,468,657	15,637,704
Other Direct Charges	<u>3,057,995</u>	<u>2,321,032</u>	<u>2,331,133</u>
Camden Subtotal	\$129,287,439	\$124,312,986	\$126,669,122
Total Dir Cost	\$144,416,552	\$131,406,622	\$135,321,997
G&A	<u>18,156,611</u>	<u>16,255,947</u>	<u>16,706,854</u>
Total Cost	\$162,573,163	\$147,662,569	\$152,028,851
GFE Rent w/G&A	968,674	968,489	-0-
FCCOM	1,520,307	1,518,392	1,575,900
Profit	<u>29,263,176</u>	<u>19,196,134</u>	<u>20,523,895</u>
Price	\$194,325,320	\$169,345,584	\$174,130,646

* Although each individual element of cost was discussed in detail no agreements on individual cost elements could be reached. Agreement was reached on total firm fixed price of \$174,130,646 which includes a percieved profit that equates to 13.5% of total cost.

b. There were no cost or pricing data submitted in which full reliance was not placed and which was not used by the contracting officer in determining the total price objective and in negotiating the final price. There was no cost or pricing data submitted by the contractor that was recognized by the contracting officer during negotiations as being inaccurate, incomplete, or noncurrent.

TAB #

c. Negotiation Re-opener clause.

The Government and the contractor agreed to place a mutual agreeable provisions in the contract which would allow for re-negotiation of certain cost elements; notwithstanding any agreements reached on all other terms and conditions of the contract and signature of a modification definitizing the letter contract. The cost elements which may be subject to re-negotiation are as follows:

The major subcontract (over 1M), listed below which were not negotiated by LVS or evaluated by the Government before award are to be subject to re-negotiation by the Government for downward price adjustments only:

1. Allied Signal
2. FWM
3. Vought Aircraft Company
4. BEI

4. Other Information: None

5. Attachments:

- a. Certificate of Current Cost or Pricing Data.
- b. Certificate of Procurement Integrity.
- c. Weighted Guidelines Applicaton.

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Firm-Fixed-Price	Page 1 Of 5
2. Amendment/Modification No. P00067		3. Effective Date	4. Requisition/Purchase Req No. SEE SCHEDULE		5. Project No. (If applicable)
6. Issued By Code W31P4Q US ARMY AVIATION & MISSILE COMMAND AMSAM-AC-TM-C CLARENCE DANIELS (256) 876-8980 REDSTONE ARSENAL AL 35898-5280 EMAIL: CDANIEL@REDSTONE.ARMY.MIL WEAPON SYSTEM: MLRS		7. Administered By (If other than Item 6) Code S4420A DCMA LOCKHEED MARTIN DALLAS POST OFFICE BOX 650003, M/S PT-03 DALLAS TX 75265-0003 SCD B PAS NONE ADP PT FY7628			
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) LOCKHEED MARTIN CORPORATION 1701 W. MARSHALL DRIVE GRAND PRAIRIE, TX 75051-2704 TYPE BUSINESS: Large Business Performing in U.S.				9A. Amendment Of Solicitation No. <input type="checkbox"/>	
				9B. Dated (See Item 11)	
				10A. Modification Of Contract/Order No. <input checked="" type="checkbox"/> DAAH01-94-C-A005	
				10B. Dated (See Item 13) 1994JAN11	
Code 64059		Facility Code			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> 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) SEE SECTION G (IF APPLICABLE)					
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.					
KIND MOD CODE: B					
<input type="checkbox"/> A. This Change Order is Issued Pursuant To: The Changes Set Forth In Item 14 Are Made In The Contract/Order No. In Item 10A.					
<input checked="" 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 <input checked="" type="checkbox"/> is not, <input type="checkbox"/> 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					
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print) COLLEEN RODRIGUEZ CRODRIG@REDSTONE.ARMY.MIL (256) 876-8849	
15B. Contractor/Offeror _____ (Signature of person authorized to sign)		15C. Date Signed	16B. United States Of America By _____ (Signature of Contracting Officer)		16C. Date Signed

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.

AB

CONTINUATION SHEET	Reference No. of Document Being Continued		Page 2 of 5
	PIIN/SIIN DAAH01-94-C-A005	MOD/AMD P00067	

Name of Offeror or Contractor: LOCKHEED MARTIN CORPORATION

SECTION A - SUPPLEMENTAL INFORMATION

- A-1 THE PURPOSE OF THIS MODIFICATION IS REVISE THE SUBJECT CONTRACT AS SHOWN BELOW.
- A-2 THE CONTRACTOR HAS BEEN UNABLE TO SUBSTANTIATE THEIR COSTS IAW PARAGRAPH H-14 AND THE DEFENSE CONTRACT AUDIT AGENCY (DCAA) HAS BEEN UNABLE TO JUSTIFY THE REASONABLENESS OF THE COSTS PROPOSED. THEREFORE, CLINS 0001AA, 0005AA AND 0007AA ARE HEREBY REDUCED BY THE AMOUNTS REFLECTED THE ATTACHED SCHEDULE.
- A-3 AS A RESULT OF THE CHANGE INCLUDED IN THIS MODIFICATION THE TOTAL AMOUNT OF THIS CONTRACT IS DECREASED BY \$1,254,565 FROM \$321,788,974.51 TO A NEW TOTAL AMOUNT OF \$320,534,409.51.
- A-4 ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 0064 ***

17B H

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00067

Name of Offeror or Contractor: LOCKHEED MARTIN CORPORATION

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AA	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: LAUNCHER, M270...EFC01C PRON: A14EF10259 PRON AMD: 34 ACRN: BA AMS CD: 2230610801</p> <p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <u>REL_CD MILSTRIP ADDR SIG_CD MARK FOR TP_CD</u> 001 W80FLR2339EF03 W45G19 M 2</p> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u> (W45G19) XR W390 RED RIVER MUNITIONS CTR HIGHWAY 82 WEST CL V TPF GATE 44 BLDG 184 TEXARKANA TX 75507-5000</p>	34	EA	\$ 1,867,774.053	\$ 63,504,317.80
0005AA	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: LAUNCHER, M270 PRON: J54EF38759 PRON AMD: 15 ACRN: BB AMS CD: 430000 FMS CASE IDENTIFIER: IS-B-JAP</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS:</p> <p>LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>	6	EA	\$ 1,780,746.211	\$ 10,684,477.27
0007AA	<p><u>PRODUCTION QUANTITY</u></p> <p>NOUN: LAUNCHER, M270 PRON: J54EF40759 PRON AMD: 14 ACRN: BC AMS CD: 430000 FMS CASE IDENTIFIER: GR-B-JAX</p>	9	EA	\$ 2,061,465.495	\$ 18,553,189.45

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CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00067

Name of Offeror or Contractor: LOCKHEED MARTIN CORPORATION

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	<p><u>Description/Specs./Work Statement</u> TOP DRAWING NR: 13029700-203</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS:</p> <p>LEVEL PRESERVATION: Military LEVEL PACKING: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p>				

TAB #

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 5 of 5

PIIN/SIIN DAAH01-94-C-A005

MOD/AMD P00067

Name of Offeror or Contractor: LOCKHEED MARTIN CORPORATION

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	AMS CD/ ITEM	ACRN	OBLG STAT/ JOB ORD NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AA	PRON/ A14EF10259 2230610801 A14P20132U01	BA	1 D7NA31	\$ 64,276,040.80	\$ -771,723.00	\$ 63,504,317.80
0005AA	J54EF38759 430000 J5XISJAP01EF	BB	1 X7NKZ9	\$ 10,820,663.68	\$ -136,186.41	\$ 10,684,477.27
0007AA	J54EF40759 430000 J5XGRJAX01EF	BC	1 X7NLI5	\$ 18,899,845.07	\$ -346,655.62	\$ 18,553,189.45
				NET CHANGE	\$ -1,254,565.03	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	BA	21 42032 45L5L06P2230 31EM S01021	HQ0304	\$ -771,723.00
Army	BB	9711 X8242ISO1X635918JAP 00131EAISS01021	HQ0304	\$ -136,186.41
Army	BC	9711 X8242GRO1X635918JAX 00131EAGRS01021	HQ0304	\$ -346,655.62
NET CHANGE				\$ -1,254,565.03

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$ 321,788,974.51	\$ -1,254,565.03	\$ 320,534,409.48	

ACRN	EDI ACCOUNTING CLASSIFICATION
BA	21 949620320000 S01021 45L5L062230610801031EM 47NA31S01021
BB	97110X0X8242ISO1 S01021 X635918JAP0010000031EA X7NKZ9S01021
BC	97110X0X8242GRO1 S01021 X635918JAX0010000031EA X7NLI5S01021

Handwritten signature/initials: ABH

Daniels, Clarence N CIV USA AMC

From: Daniels, Clarence N ACQ
Sent: Wednesday, November 08, 2006 4:51 PM
To: Vollers, Tony K LEGAL
Cc: Snyder, James M ACQ; Rodriguez, Colleen M ACQ
Subject: Copies of mod P00059 and P00067, ADU Reopener mod to A005 Contract.
Attachments: P00059.pdf; P00067.pdf

>

>From: Snyder, James M ACQ
>Sent: Wednesday, November 08, 2006 3:11 PM
>To: Daniels, Clarence N ACQ
>Cc: Vollers, Tony K LEGAL
>Subject: A005 Contract

>
>Clarence,
> Would you take Tony a copy of the mod that was done to reduce the reopener value? I tried to explain it but didn't do a very good job. He is working on our unilateral mod language and needs that mod to see how we changed the original reopener (if we changed the original reopener). Thanks, Jim S

TAB H

Daniels, Clarence N ACQ

From: Kostyniak, Brian, Mr, DCAA [Brian.Kostyniak@dcaa.mil]
Sent: Tuesday, June 06, 2006 1:17 PM
To: Rodriguez, Colleen M ACQ
Cc: deborah.williams@dcma.mil; Daniels, Clarence N ACQ
Subject: FW: Request Status Update on MLRS '94 Production Reopener

Here is our status update for the '94 MLRS Production reopener. The communication below was between myself and the contractor's point of contact, Bill Kennedy. A meeting was held several weeks ago when we made the data support request described in my email below.

Feel free to contact me if you have any questions.

Thanks

Brian Kostyniak

Auditor

Defense Contract Audit agency

Central Region, Dallas Branch

Lockheed Martin: Missile and Fire Control Sub Office

brian.kostyniak@dcaa.mil

(972) 603-2568 voice

(972) 603-2582 fax

-----Original Message-----

From: Kennedy, Bill [mailto:bill.kennedy@lmco.com]
Sent: Monday, June 05, 2006 12:17 PM
To: Kostyniak, Brian, Mr, DCAA
Cc: Chanay, Kelly, Ms, DCAA; steven.marantz@lmco.com
Subject: RE: Request Status Update on MLRS '94 Production Reopener

Brian,

My folks in Camden have pulled together information I have requested. They are waiting for me to come to Camden to review the data with them to make sure they have answered my questions. I am trying to make arrangements to go to Camden on the company plane next Tuesday. If they have the data I need, I should be able to provide you the information by June 19th.

Bill

From: Kostyniak, Brian, Mr, DCAA [mailto:Brian.Kostyniak@dcaa.mil]
Sent: Monday, June 05, 2006 11:58 AM
To: Kennedy, Bill
Cc: Chanay, Kelly, Ms, DCAA; steven.marantz@lmco.com
Subject: Request Status Update on MLRS '94 Production Reopener

Bill,

We need a status update on your data gathering and research for this reopener. From our last meeting, we asked to be shown evidence that the cost incurred under the 3 project numbers in the proposal were in support of the ADU effort. Also we needed an explanation as to why two different BUY amounts were used to come to both credit proposal amounts. We need to inform our requestor where we are with this request. Please provide a

6/9/2006

CONTRACT NUMBER / NAME	LM & MOCAS OVERAGE/ COMPLETION DATE	CURRENT STATUS / PENDING ACTION	ACTION PARTY / NAME
<p>DAAH01-89-C-0336 # MLRS MYPII MANAGER: J. LINTNER WA # VARIOUS FFP & COST CLINS</p> <p>SAP S.O.'s 294,381,42,382, 383,257,258, 67</p> <p>DCMA CA: D. WILLIAMS ACO: M. SEELY PCO: C. RODRIGUEZ</p>	<p>AUG 2000</p> <p>MOCAS: AUG 2000</p> <p>DCMA OVERAGED</p> <p>WYNNE LIST</p> <p>AUG 2004</p>	<p>ACCOUNTABLE GOVERNMENT PROPERTY REMAINING AS OF 05/24/06:</p> <p>17 LINE ITEMS @ \$536,465.96</p> <p>17 ITEMS REPORTED LOST ON LDD – LDDGFE99-1 (LM HAS SUPPLIED CONTRACT AND 55 P.O. DOCUMENTS TO DCMA). DCMA AND LM AGREED TO A SCHEDULE TO SETTLE THIS LDD – SCHEDULE NOT MET: 6 MAY 2006 NEGOTIATIONS ARE AT AN IMPASSE.</p> <p>RECONCILIATION #4 OF 8 (USASAC CONCERNS WITH VISIBILITY FOR FMS CLINS AND FUNDS WITHIN RECONCILIATION TO BE RESOLVED.)</p> <p>NO OPEN PURCHASE ORDERS, AS OF 05/31/06.</p>	<p><u>WARHEAD DEMILITARIZATION STATUS:</u> LM: D&Z ADVISED THEY ARE CONDUCTING TESTING, TO REOPEN THE FIELD PENDING STATE OF TEXAS APPROVAL.- SIX WEEKS FROM 3 MAY 2006 (14 JUNE 2006).</p> <p>LM & DCMA: LDD STATUS – AS OF MAY 2006, PARTIES ARE \$445K APART IN SETTLING.</p> <p>LM: INVOICE RESUBMITTED 10/05/05. PENDING 2ND RECONCILIATION BY GOVERNMENT; ON-GOING.</p>
<p>DAAH01-94-C-A005 MLRS PRODUCTION FFP MANAGER: J. LINTNER</p> <p>PCs: # 4354, Etc. SAP S.O.'s 43, 46, 75</p> <p>DCMA CA: M. SEELY ACO: D. WILLIAMS PCO: J. COX POC: C. DANIELS</p>	<p>OCT 2001</p> <p>MOCAS: N/A SEC. 3</p> <p>DEC 2004</p>	<p>ALL PURCHASE ORDERS CLOSED, AS OF 07/13/05; RECONFIRMED 02/21/06.</p> <p>PROPERTY CLOSED BY GOVERNMENT ON 02/09/06.</p>	<p>PCO: REOPENER MOD FOR ADU (1998) UPDATE: PCO ADVISED 08/18/05 THAT CONTRACT IS INVOLVED WITH CID INVESTIGATION.</p> <p>LM: SUBMITTED UPDATED PROPOSAL 03/21/06; C. DANIELS FORWARDED TO CID, AND HAS ADVISED UPDATED PROPOSAL IS UNACCEPTABLE.</p> <p>LTC BUSHEY REQUESTED HORACE FLOYD TO CALL JAMES SNYDER REGARDING PROPOSAL. AFTER CLOSE OUT MEETING.</p>

response asap.

Brian Kostyniak

Auditor

Defense Contract Audit agency

Central Region, Dallas Branch

Lockheed Martin: Missile and Fire Control Sub Office

brian.kostyniak@dcaa.mil

(972) 603-2568 voice

(972) 603-2582 fax

-14B, H

Daniels, Clarence N ACQ

From: Williams, Deborah [Deborah.Williams@dcma.mil]
Sent: Tuesday, May 09, 2006 10:29 AM
To: Chanay, Kelly, Ms, DCAA
Cc: Daniels, Clarence N ACQ; Rodriguez, Colleen M ACQ; Kostyniak, Brian, Mr, DCAA
Subject: RE: Review of LMMFC Updated Subcontractor Re-Opener for Azimuth Drive Unit Under MLRS Production FY 1994

Thanks Kelly. I am available all day except for 1:30 until 2:30.

From: Chanay, Kelly, Ms, DCAA [mailto:Kelly.Chanay@dcaa.mil]
Sent: Tuesday, May 09, 2006 9:59 AM
To: Williams, Deborah
Cc: clarence.daniels@redstone.army.mil; Rodriguez, Colleen M ACQ; Kostyniak, Brian, Mr, DCAA
Subject: FW: Review of LMMFC Updated Subcontractor Re-Opener for Azimuth Drive Unit Under MLRS Production FY 1994

Debbie,

Regarding the subject above, we are arranging a meeting in regards to some of the email traffic between my auditor, Brian, Clarence, and yourself (see the message below). I have not heard from Bill Kennedy yet this morning, but I wanted let you know in case you wanted to attend. Once the meeting date and time is set, I will let you know.

Also, the results of our review were due yesterday (May 8, 2006). A revised due date will be depended on what we learn from the subject meeting. I will keep both you and Colleen informed as to when we may be able to complete the review.

If you or anyone else has a concern or additional information concerning this review, please contact me.

Kelly Chanay, CPA
Supervisory Auditor
DCAA Dallas Branch Office
LMMFC Suboffice
Phone No. (972) 603-2599
FAX No. (972) 603-2582
Email: kelly.chanay@dcaa.mil

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6/9/2006

TAB H

From: Chanay, Kelly, Ms, DCAA
Sent: Monday, May 08, 2006 7:19 PM
To: 'steven.marantz@lmco.com'; 'bill.kennedy@lmco.com'
Cc: Kostyniak, Brian, Mr, DCAA
Subject: Review of LMMFC Updated Subcontractor Re-Opener for Azimuth Drive Unit Under MLRS Production FY 1994

Bill and Steve,

I would like to arrange a meeting with the both of you concerning the subject proposal. I might suggest you invite some one from your management. We now have a better understanding of the history and sensitivity regarding this proposal. In addition to your response to our previously raised issue of an approximate \$90,000 difference in the NTE price contained in the original proposal and the NTE price used in this proposal, we need detail information regarding the incurred cost for this effort. We need to understand how the cost specific for this effort was identifiable in the Lockheed accounting records. We have been provided the cost reports; however, we need to ensure these cost runs include only cost for these units. This would include the documentation and authorization for establishing these projects in the accounting system and a detail analysis of the cost recorded to these projects. Being uniformed about the effort to produce these units, we may want a copy of the production bill-of-material reconciled to the accounting records. We can discuss other data requests during the meeting.

As far as scheduling the meeting, are you available Wednesday morning around 10:00AM? If not, please suggest another time. We are not available tomorrow.

Kelly Chanay, CPA
Supervisory Auditor
DCAA Dallas Branch Office
LMMFC Suboffice
Phone No. (972) 603-2599
FAX No. (972) 603-2582
Email: kelly.chanay@dcaa.mil

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From: Chanay, Kelly, Ms, DCAA
Sent: Friday, April 21, 2006 6:13 PM
To: 'Rodriguez, Colleen M ACQ'
Cc: 'clarence.daniels@redstone.army.mil'; 'deborah.williams@dcma.mil'; Kostyniak, Brian, Mr, DCAA
Subject: Review of LMMFC Updated Subcontractor Re-Opener for Azimuth Drive Unit Under MLRS Production FY 1994

6/9/2006

TAB H

SUBJECT: Request for Review of LMMFC Updated Subcontractor Re-Opener for Azimuth Drive Unit

Under MLRS Production FY 1994 Contract No. DAAH01-94-C-A005

<< File: 11 DCAA Acknowledgment Letter.doc >>

Kelly Chanay, CPA
Supervisory Auditor
DCAA Dallas Branch Office
LMMFC Suboffice
Phone No. (972) 603-2599
FAX No. (972) 603-2582
Email: kelly.chanay@dcaa.mil

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6/9/2006

TAB H

Daniels, Clarence N ACQ

From: Daniels, Clarence N ACQ
Sent: Thursday, May 04, 2006 2:28 PM
To: 'Kostyniak, Brian, Mr, DCAA'
Cc: 'Chanay, Kelly, Ms, DCAA'; 'Hicks, Rick, Mr, DCAA'; 'Williams, Deborah'; 'Jolly, Carolyn'; Snyder, James M ACQ; Rodriguez, Colleen M ACQ; Pratte, Allen G (PEOMS); Vollers, Tony K LEGAL; Baddley, Laura L CID
Subject: Additonal comments to LMMFC proposed ADU Re-opener settlement for DAAH01-94-C-A005.

Brian,

Thank you for comments, in reference to the your question on the "initial contract modification of estimated costs to be updated to actual costs incurred." The intent of the H-14 clause was to contractually amend the total adjusted NTE contract price of 2,978,852.00 to the total LMMFC negotiated subcontract price for 49 each ADUs acquired from FWM, to whichever price was the lower.

There was no Contracting office intent or any knowledge of LMMFC's intent to perform "in-house" fabrication of the 49 ADUs rather than to subcontract for them at the time of contract negotiations or mutual agreement to the H-14 clause. There was absolutely no Government intent to settle and adjust the total contract price using this ADU re-opener clause some 12 years after the fact, based solely on LMMFC's purported in-house CY1998, 2001, 2002, "estimated actuals" or present "updated actuals".

The Government was not formally notified by LMMFC of its intent to fabricate the 49 ADUs in-house until some four years after contract award and repeated requests from the Contracting office for a settlement proposal IAW the H-14 clause, nor was there any notification from LMMFC that significant costs were being incurred at government expense under concurrent on-going cost-type MLRS engineering services contracts to facilitate LMMFC in-house qualification, testing, and production of ADUs through a myriad of ECPs, RFD/Ws, and technical direction letters which were initiated by LMMFC throughout the subject contract ADU qualification, testing, prototype, and fabrication period.

Given the 12 year period LMMFC has been allowed to "cook" and "re-cook" the books to their obvious advantage as clearly evidenced by their previous untimely and bogus ADU settlement proposals which consistently failed to address DAAH01-94-C-A005 contract specific incurred costs for the 49 ADUs, I have little hope this current proposal will be even remotely supportable by LMMFC or auditable by the Government as presented.

Considering LMMFC's 12 year noncompliance with the terms of the contract, the Truth in Negotiations Act (TINA), and their persistent and seemingly endless attempts at deception and obfuscation of the subject contract ADU costs, an additional immediate unilateral contract price reduction of \$1,254,565.00 by the Government is warranted. This amount represents the remaining ADU obligated contract balance and the additional amount that should be refunded to the Government for costs that LMMFC has not come close to proving to have been incurred under contract DAAH01-94-C-A005 over the last 12 years.

Situations such as this and other on-going and past LMMFC alleged and admitted multi-million dollar cost mischarging occurring between concurrent Government funded fixed price production, cost- type engineering services, and cost-type research and development contracts makes one wonder how LMMFC's cost accounting, cost estimating, and purchasing systems could possibly be approved by the Government, and how LMMFC could ever be in full compliance with TINA.

I believe a unilateral price reduction by the Government, as I have requested over the last 4 years, to be the only viable final solution to the subject contract ADU re-opener settlement at this point in time.

Please call me if you have any additional questions.

6/9/2006

-FB H

Sincerely,
Clarence N. Daniels
/s/
Contract Specialist
256-876-8980

From: Kostyniak, Brian, Mr, DCAA [mailto:Brian.Kostyniak@dcaa.mil]
Sent: Wednesday, May 03, 2006 4:31 PM
To: Daniels, Clarence N ACQ
Cc: Chanay, Kelly, Ms, DCAA; Hicks, Rick, Mr, DCAA
Subject: FW: LMMFC proposed ADU Re-opener settlement for DAAH01-94-C-A005.

Clarence,

We are in the process of auditing the Subcontract Reopener for the ADU. I am attempting to touch base with you and let you know about our progress. We are also interested to hear any input, concerns, and guidance on any of the following issues.

We share your concern with the actuals being claimed by LMMFC. We plan to review the three Projects/WBS Elements, C-4354, C-4355, & C-4356. We will verify that the costs are in support of the ADU effort. They will be checked for costs outside the period of performance and also for any cost transfers. Regarding the H-14 Reopener Clause, we are wondering about the acceptability of the initial contract modification of estimated costs to be updated to actual costs incurred. What is your take on this?

The second concern we have are the numbers that were used in calculating the two government credit amounts. In particular, we are looking at two different cost to BUY amounts.

In the Reopener Proposal on the Introduction and Summary page, they showed the govt. credit amount, \$1,473,590, to be the difference between the cost to BUY from FWM and the cost to MAKE by LM (~~\$2,978,852~~- \$1,505,262).

In the Sept. 1998 (Original) Credit Proposal on the Contract Pricing Proposal Sheet, they showed the govt. credit amount, \$1,724,287, to be the difference between the cost to BUY from FWM and the cost to MAKE by LM (~~\$3,068,808~~- \$1,344,521). The difference between the two cost to BUY amounts is about \$90,000. The difference of \$90,000 is acting as a reduction to the govt. credit value. Bill Kennedy, Contract Admin LMMFC, was just shown this discrepancy. He didn't have an explanation, but informed us he would take a look at it. I have attached the Contract Pricing Proposal Cover Sheet as well as the Price Breakdown of the Original Credit Proposal for your use.

Please comment.

Thanks

Brian Kostyniak

Auditor

Defense Contract Audit agency

Central Region, Dallas Branch

Lockheed Martin: Missile and Fire Control Sub Office

brian.kostyniak@dcaa.mil

(972) 603-2568 voice

(972) 603-2582 fax

-----Original Message-----

From: Williams, Deborah [mailto:Deborah.Williams@dcma.mil]

Sent: Wednesday, May 03, 2006 1:40 PM

To: Kostyniak, Brian, Mr, DCAA; Hicks, Rick, Mr, DCAA

Subject: FW: LMMFC proposed ADU Re-opener settlement for DAAH01-94-C-A005.

6/9/2006

-TAB # H

Brian/Rick,

This should help you understand a little the Government's concerns and why this has gone on so long unsettled.

Colleen can fill you in on more than I but LM just needs to support with some back-up, not just actuals what happened in the ADU settlement.

Debbie

From: Daniels, Clarence N ACQ [mailto:clarence.daniels@us.army.mil]
Sent: Friday, April 07, 2006 11:35 AM
To: Baddley, Laura L CID
Cc: Rodriguez, Colleen M ACQ; Williams, Deborah; Vollers, Tony K LEGAL; Snyder, James M ACQ; Pratte, Allen G (PEOMS)
Subject: LMMFC proposed ADU Re-opener settlement for DAAH01-94-C-A005.

Laura,

Attached for your information is yet another LMMFC obfuscation of the final settlement amount due the Government pursuant to the ADU re-opener clause of contract DAAH01-94-C-A005. An audit of this latest proposal will be requested by this office however; the purported LMMFC "actuals" are not supported by any discernable back-up data (i.e., vendor quotes, WBS, performance periods, etc.)

Judging by LMMFC's persistent failure to specifically address any ADU costs incurred under the subject contract in any of the three previous settlement proposals presented to the Government to date for the 49 each ADUs for which the re-opener clause of the contract was exclusively written, this latest LMMFC proposal is highly suspect. After close to 12 years of LMMFC's obfuscation of this issue which involves the alleged LMMFC mischarging of ADU production and delivery costs between government fixed price production and concurrent cost-type engineering services contracts, the likelihood of the Government ever receiving an auditable ADU settlement proposal from LMMFC absent unilateral Government action is remote.

The only logical conclusion based on LMMFC's 12 year continuous failure to address the actual incurred costs associated with the production and delivery of the 49 each ADUs pursuant to the contract clause, is that the cost of their production and delivery was not incurred under the subject contract and a complete refund credit of the entire contract fixed price amount paid of \$2,978,852 is warranted. Call me if you have any questions.

Sincerely,
Clarence N. Daniels
Contract Specialist

6/9/2006

TAB #

Daniels, Clarence N ACQ

From: Daniels, Clarence N ACQ
Sent: Friday, April 21, 2006 1:51 PM
To: Daniels, Clarence N ACQ
Subject: FW: Required Back-up data for LMMFC proposed ADU Re-opener settlement for DAAH01-94-C-A005.
Attachments: ADU Re-opener, 27 Mar 06.pdf

1. Bill of Materials for 49 ea. ADUs
2. Purchase Orders, Vendor quotes that date to time of performance and traceable to contract for 49 ea. ADUs.
3. LMMFC ADU Qualification Costs for 49 ea. ADUs:
 - a. First Article hardware costs
 - b. First Article Testing costs.
 - c. First Article test dates, test reports.
 - d. Date LMMFC certified as qualified ADU producer.
4. Actual delivery by LMMFC of the 49 ADUs manufactured in-house by LMMFC.
5. Where are the production, manufacturing, fabrication, or ADU assembly hours for the 49?

From: Daniels, Clarence N ACQ
Sent: Friday, April 07, 2006 11:35 AM
To: Baddley, Laura L CID
Cc: Rodriguez, Colleen M ACQ; 'Williams, Deborah'; Vollers, Tony K LEGAL; Snyder, James M ACQ; Pratte, Allen G (PEOMS)
Subject: LMMFC proposed ADU Re-opener settlement for DAAH01-94-C-A005.

Laura,

Attached for your information is yet another LMMFC obfuscation of the final settlement amount due the Government pursuant to the ADU re-opener clause of contract DAAH01-94-C-A005. An audit of this latest proposal will be requested by this office however; the purported LMMFC "actuals" are not supported by any discernable back-up data (i.e., vendor quotes, WBS, performance periods, etc.)

Judging by LMMFC's persistent failure to specifically address any ADU costs incurred under the subject contract in any of the three previous settlement proposals presented to the Government to date for the 49 each ADUs for which the re-opener clause of the contract was exclusively written, this latest LMMFC proposal is highly suspect. After close to 12 years of LMMFC's obfuscation of this issue which involves the alleged LMMFC mischarging of ADU production and delivery costs between government fixed price production and concurrent cost-type engineering services contracts, the likelihood of the Government ever receiving an auditable ADU settlement proposal from LMMFC absent unilateral Government action is remote.

The only logical conclusion based on LMMFC's 12 year continuous failure to address the actual incurred costs associated with the production and delivery of the 49 each ADUs pursuant to the contract clause, is that the cost of their production and delivery was not incurred under the subject contract and a complete refund credit of the entire contract fixed price amount paid of \$2,978,852 is warranted. Call me if you have any questions.

6/9/2006

AFAB H

Sincerely,
Clarence N. Daniels
Contract Specialist

6/9/2006

TAB H

Daniels, Clarence N ACQ

From: Rodriguez, Colleen M ACQ
Sent: Friday, April 07, 2006 11:51 AM
To: 'Rick.sigwing@dcaa.mil'
Cc: Daniels, Clarence N ACQ; Snyder, James M ACQ
Subject: Lockheed Martin Proposal No. MY06-001
Attachments: ADU Re-opener 27 Mar 06.pdf

Dear Mr. Sigwing,

I am hereby requesting a complete audit as well as verification of any actual costs for the attached proposal:

- Contractor: Lockheed Martin Missiles & Fire Control - Dallas
- Description: MLRS Production FY-94, Subcontract Reopener
- Type of Contract: Firm Fixed Price
- Contract No: DAAH01-94-C-A005
- Contractor Point of Contact: Mr. Bill Kennedy, telephone (972) 603-9091

A suspense date of 08 May 2006 is requested for the written audit report.

The Contract Specialist Mr. Clarence Daniels (256) 876-8980) should be notified during the course of the audit of significant unsupported costs, unresolved costs or suspense date problems.

An advanced copy of the audit report is to be sent to clarence.daniels@redstone.army.mil.

Sincerely,
Colleen Rodriguez
Contracting Officer

4/7/2006

TAB H



3-19210/2006L-5186

27 March 2006

To: Commander
U.S. Army Aviation and Missile Command
Redstone Arsenal, Alabama 35898-5280

Attn: AMSAM-AC-TM-C/Mr. James Snyder

Subj: Contract DAAH01-94-C-A005, MLRS Production
Submittal of Updated Subcontract Re-Opener for Azimuth Drive Unit (ADU)

Encl: (1) DAAH01-94-C-A005 Clause H-14; Subcontract Re-opener for FWM – ADU

Ref: (a) Lockheed Martin Letter 3-19210/2001L-5488 dated 19 October 2001, Updated Credit Proposal MY7-004 Rev. C
(b) Lockheed Martin Letter 19210/2002L-5316 dated 12 June 2002, Updated Actuals for ADU Re-opener
(c) DAAH01-94-C-A005 – P00059 dated 1 October 1998
(d) Lockheed Martin Letter 3-19210/8L-5258 dated 15 September 1998, Credit Proposal MY7-004 Rev. B

1. Lockheed Martin, Missiles and Fire Control (herein after "Lockheed Martin") hereby submit the enclosure (1) update to reference (a). The only thing that has been updated is the actuals incurred. Updated actuals had been presented by reference (b) and this update supersedes what was presented in June 2002. The FWM calculations have not been updated since this figure was defined by modification PZ0008, clause H-14.
2. The reference (c) modification reduced the subject contract value for the FWM re-opener by \$1,724,287 which was the value of the reference (d) original Credit Proposal. Based on the enclosure (1) update, the credit value is now \$1,473,590. The results of this update reveal that an overage of \$250,697 was credited to the government on P00059 in October 1998.
3. Should you have any questions regarding this matter, please contact Mr. Bill Kennedy at (972) 603-9091

Sincerely,


H.J. Floyd
Financial Manager
Tactical Missiles

cc: AMCOM/SFAE-MSLS-PF-BM-AP/Mr. A. Pratte
DCMA/Lockheed Martin/Ms. D. Williams
DCAA/Lockheed Martin/Resident Auditor

TAB H

LOCKHEED MARTIN PROPRIETARY INFORMATION

MULTIPLE LAUNCH ROCKET SYSTEM (MLRS)

MLRS Production-FY'94 Subcontract re-opener

Proposal No.: MY06-001

Dated 31 March 2006

Supersedes MY7-004-B dated 15 September 1998

Submitted to: U. S. Army Aviation and Missile Command
(AMCOM)
Redstone Arsenal, AL 35898

In support of Contract No. DAAH01-94-C-A005

**LOCKHEED MARTIN MISSILES AND FIRE CONTROL
PROPRIETARY INFORMATION
PUBLIC DISCLOSURE OF INFORMATION CONTAINED HEREIN
IS PROHIBITED BY 18 USC 1905 AND 5 USC 552**

This proposal or quotation includes data that shall not be disclosed outside the Government and shall not be duplicated, used or disclosed in whole or in part for any purpose other than to evaluate this proposal or quotation. If however, a contract is awarded to this offeror or quoter as a result of, or in connection with, the submission of this data, the Government shall have the right to duplicate, use or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use the information contained in this data if it is obtained from another source without restriction. The data subject to his restriction are contained in sheets - all.

**FOR OFFICIAL USE ONLY
THE INFORMATION CONTAINED HEREIN IS PROPRIETARY INFORMATION
PURSUANT TO PUBLIC LAW 100-679.**

Submitted by:

Lockheed Martin Corporation,
Missiles and Fire Control
P.O. Box 650003
Dallas, Texas 75265-0003

LOCKHEED MARTIN



LOCKHEED MARTIN MISSILES AND FIRE CONTROL PROPRIETARY INFORMATION
Use or disclosure of data contained on this sheet is subject to the restrictions on the title page of this proposal (or quotation).

TAB H

LOCKHEED MARTIN PROPRIETARY INFORMATION

INTRODUCTION AND SUMMARY

LOCKHEED MARTIN CORPORATION, Missiles and Fire Control (hereinafter, referred to as "Lockheed Martin") is pleased to submit this pricing update to adjust contract DAAH01-94-C-A005 price in accordance with clause H-14. Further this proposal supersedes any and all previous data provided.

Contract clause H-14 requires an adjustment to the not-to-exceed (NTE) price of Lockheed Martin's subcontractor, FWM, to fabricate the Azimuth Drive Unit (ADU) for the M270 launcher. However, due to performance issues, Lockheed Martin terminated the FWM subcontract and the ADU became a Lockheed Martin "make" item. The proposed price adjustment reflects the deletion (credit) of the FWM NTE with appropriate burdens contained within contract clause H-14 and the addition (debit) of the Lockheed Martin cost to make the ADU.

The contract clause recognizes the baseline amount of \$2,170,700 as FWM's NTE price to Lockheed Martin and a composite factor of 37.23% to adjust to contract price. Table 1.0-2 reflects the resultant calculation. The cost for Lockheed Martin to fabricate the ADU's is now actual cost. These costs were collected in three project numbers C-4354, C-4355, and C-4356 representing hardware for the United States, Israel, and Greece respectively. Table 1.0-3 summarizes these costs and includes profit at 13.49%. Cost breakdowns by project number and element of cost for each project number are also included. A summary of the proposed dollars is summarized in Table 1.0-1 below:

TABLE 1.0-1 TOTAL PROGRAM SUMMARY			
CATEGORY	DESCRIPTION	PRICE	REFERENCE
CREDIT	Cost to BUY FWM ADU Complete	(\$2,978,852)	EXHIBIT 1.0-1
DEBIT	Lockheed Martin Cost to MAKE ADU	\$1,505,262	EXHIBIT 1.0-2
NET COST OF CHANGE		(\$1,473,590)	

Questions regarding this proposal should be directed to Steve Marantz at (972) 603-3318. Questions pertaining to contractual issues should be directed to Bill Kennedy at (972) 603-9091.

TAB 4

LOCKHEED MARTIN PROPRIETARY INFORMATION

-FAB #

Table 1.0-2

From contract clause H-14	
Not-to-exceed (NTE) FWM subcontract	\$2,170,700
Effect of composite factor of 37.230%	\$808,152
Price to buy FWM ADU's complete	<u>\$2,978,852</u>

Table 1.0-3

	U.S.	ISRAEL	GREECE	
Project No.:	<u>C-4354</u>	<u>C-4355</u>	<u>C-4356</u>	<u>Total</u>
Actual cost through G&A	\$996,759	\$134,970	\$189,329	\$1,321,058
FCCOM	<u>\$4,445</u>	<u>\$663</u>	<u>\$886</u>	<u>\$5,994</u>
Subtotal	\$1,001,204	\$135,633	\$190,215	\$1,327,052
Profit on cost through G&A at 13.49%	\$134,463	\$18,207	\$25,540	\$178,210
Lockheed Martin price to make ADU's	<u>\$1,135,667</u>	<u>\$153,840</u>	<u>\$215,755</u>	<u>\$1,505,262</u>
Reference:	Attach. A	Attach. B	Attach. C	

LOCKHEED MARTIN MISSILES AND FIRE CONTROL PROPRIETARY INFORMATION

Use or disclosure of data contained on this sheet is subject to the restrictions on the title page of this proposal (or quotation).

Project(s), Cumulative-To-Date

CE Group2	CE Category	CTD Actual Dol	CTD Actual Hrs
CAM OPS HrlLbr	MATL HRL LBR	2,036.00	206.00
CAM OPS HrlLbr	MFG ENG HRL LBR	9,569.00	848.50
CAM OPS HrlLbr	OPS HRL LBR	8,443.00	0.00
CAM OPS HrlLbr	QA HRL LBR	4,275.00	354.50
CAM OPS Sallbr	MATL SAL LBR	4,577.00	370.10
CAM OPS Sallbr	MFG ENG SAL LBR	320.00	12.50
CAM OPS Sallbr	OPS SAL LBR	3,027.00	0.00
CAM OPS Sallbr	QA SAL LBR	3,689.00	171.00
Subtotal: CAM		35,936.00	1,962.60
CAM OPS O/H	OPS OH	49,324.00	0.00
Subtotal: CAM OH		49,324.00	0.00
MATL	Direct Material	756,568.19	0.00
MATL	Nonrecur. Dir Mat	438.56	0.00
MATL	Shop Supplies	11.31	0.00
Subtotal: MATL		757,018.06	0.00
MATL BURDEN	MATL BURDEN	31,989.37	0.00
Subtotal: MATL BURDEN		31,989.37	0.00
ODC	ODC OTHER	8,567.18	0.00
Subtotal: ODC		8,567.18	0.00
G & A	G & A	113,923.92	0.00
FCCOM	FCCOM	4,444.61	0.00
TOTAL		1,001,203.14	1,962.60

Excluded from Pricing Cost Disclosure:
- Estimated Actuals, Plan S

Includes to Pricing Cost Disclosure:
- Performance Based Payments

Cost Category Headings:

- CE Group 2: Cost Elements are grouped the same as Value Category on the Structure CPR report, and CE Group2 on PS List reports.
- CE Category: Cost Elements are grouped the same as CE Group 3 on the PS List Reports, except for Material Cost Elements, which uses the Cost Element description.

SELECTION CRITERIA

WBS Element(s): C-4354-01-BAL -EQ-I-
Cost History Period/Year: 02 / 2006
Report Format: CTD: Project(s) by Dept.

User: WALLACD1
System: PRD 6.20

LOCKHEED MARTIN MISSILES AND FIRE CONTROL - DALLAS PROPRIETARY INFORMATION
Use or disclosure of data contained on this sheet is subject
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7/25/06

ATTACHMENT

PS Actual Cost Data - Pricing

Lockheed Martin
ZPRPT823
CTD thru Feb 2006

Page: 1
Date: 03/15/2006
Time: 15:37:21

Project(s), Cumulative-To-Date

CE Group2	CE Category	CTD Actual Dol	CTD Actual Hrs
CAM OPS HrlLbr	MATL HRL LBR	535.00	53.80
CAM OPS HrlLbr	MFG ENG HRL LBR	1,965.00	168.60
CAM OPS HrlLbr	OPS HRL LBR	1,764.00	0.00
CAM OPS HrlLbr	QA HRL LBR	820.00	66.70
CAM OPS SalLbr	MATL SAL LBR	838.00	63.00
CAM OPS SalLbr	MFG ENG SAL LBR	75.00	3.00
CAM OPS SalLbr	OPS SAL LBR	328.00	0.00
Subtotal: CAM		6,325.00	355.10
CAM OPS O/H	OPS OH	8,697.00	0.00
Subtotal: CAM OH		8,697.00	0.00
MATL	Direct Material	99,202.00	0.00
MATL	Shop Supplies	0.67	0.00
Subtotal: MATL		99,202.67	0.00
MATL BURDEN	MATL BURDEN	4,245.07	0.00
Subtotal: MATL BURDEN		4,245.07	0.00
ODC	ODC OTHER	1,089.72	0.00
Subtotal: ODC		1,089.72	0.00
G & A	G & A	15,410.32	0.00
FCCOM	FCCOM	662.92	0.00
TOTAL		135,632.70	355.10

Excluded from Pricing Cost Disclosure:
- Estimated Actuals, Plan S

Cost Category Headings:

Includes to Pricing Cost Disclosure:
- Performance Based Payments.

- CE Group 2: Cost Elements are grouped the same as Value Category on the Structure CPR report, and CE Group2 on PS List reports.
- CE Category: Cost Elements are grouped the same as CE Group 3 on the PS List Reports, except for Material Cost Elements, which uses the Cost Element description.

SELECTION CRITERIA

WBS Element(s): C-4355-01-BAL -EQ-I-
Cost History Period/Year: 02 / 2006
Report Format: CTD: Project(s) by Dept.

User: WALLACD1
System: PRD 6.20

LOCKHEED MARTIN MISSILES AND FIRE CONTROL - DALLAS PROPRIETARY INFORMATION
Use or disclosure of data contained on this sheet is subject
to the restrictions on the title page of this proposal (or quotation).

23 A

Project(s), Cumulative-To-Date

CE Group2	CE Category	CTD Actual Dol	CTD Actual Hrs
CAM OPS HrlLbr	MATL HRL LBR	677.00	71.10
CAM OPS HrlLbr	MFG ENG HRL LBR	2,243.00	197.80
CAM OPS HrlLbr	OPS HRL LBR	2,107.00	0.00
CAM OPS HrlLbr	QA HRL LBR	1,044.00	83.80
CAM OPS Sallbr	MATL SAL LBR	1,205.00	90.30
CAM OPS Sallbr	MFG ENG SAL LBR	75.00	3.00
CAM OPS Sallbr	OPS SAL LBR	456.00	0.00
Subtotal: CAM		7,807.00	446.00
CAM OPS O/H	OPS OH	10,688.00	0.00
Subtotal: CAM OH		10,688.00	0.00
MATL	Direct Material	142,424.13	0.00
MATL	Shop Supplies	8.81	0.00
Subtotal: MATL		142,432.94	0.00
MATL BURDEN	MATL BURDEN	6,087.12	0.00
Subtotal: MATL BURDEN		6,087.12	0.00
ODC	ODC OTHER	770.47	0.00
Subtotal: ODC		770.47	0.00
G & A	G & A	21,543.60	0.00
FCCOM	FCCOM	885.69	0.00
TOTAL		190,214.82	446.00

Excluded from Pricing Cost Disclosure:
 - Estimated Actuals, Plan S

Cost Category Headings:

- CE Group 2: Cost Elements are grouped the same as Value Category on the Structure CPR report, and CE Group2 on PS List reports.
- CE Category: Cost Elements are grouped the same as CE Group 3 on the PS List Reports, except for Material Cost Elements, which uses the Cost Element description.

Includes to Pricing Cost Disclosure:
 - Performance Based Payments

SELECTION CRITERIA

WBS Element(s): C-4356-01-BAL -EQ-I-
 Cost History Period/Year: 01 / 2005
 Report Format: CTD: Project(s) by Dept.

User: WALLACD1
 System: PRD 6.20

Daniels, Clarence N ACQ

From: Daniels, Clarence N ACQ
Sent: Tuesday, January 28, 2003 2:22 PM
To: Baites, Nell (TactMSL); Daniels, Clarence N ACQ
Cc: Pratte, Allen (TactMSL); Snyder, James M ACQ; Cooper, Carol ACQ; Baddley, Laura L CID; 'dwilliams@dcmwdw.dcma.mil'; Vollers, Tony K LEGAL
Subject: RE: ADU Reopener Actuals, DAAH0194CA005.

Nell,

I will have to get with Jim on this again and try and come up with a realistic date for settlement. The recent so-called actuals submitted by LMMFC on the ADU reopener, (WBS BALA) are in fact actuals for a subsequent option quantity of 62 each and not the original 49 each addressed in the basic contract reopener clause. At this point I see no other option other than a unilateral decrease to the contract price, as it appears after 8 years with still no creditable or auditable final settlement proposal from LMMFC and apparently no real intention by them to ever submit one, I foresee no other Government alternatives.

Thanks, Clarence

-----Original Message-----

From: Nell Baites [mailto:Nell.Baites@msl.army.mil]
Sent: Tuesday, January 28, 2003 1:48 PM
To: Clarence.Daniels@redstone.army.mil
Cc: Allen Pratte
Subject: Fwd: FW: ADU Reopener Actuals

Clarence,

I am trying to update IDSS again for the ADU Reopener - the last info I had was as of 15 Nov 02 LMMFC had not provided any actuals. Do you have any forecast of when this will be accomplished/settled?

Thanks,
Nell

>>> "Daniels, Clarence N ACQ" <clarence.daniels@redstone.army.mil>
09/09/02 01:30PM >>>
Jim,

I have yet to receive any response on our request to LMMFC, have you heard anything?

Clarence

-----Original Message-----

From: Nell Baites [mailto:Nell.Baites@msl.army.mil]
Sent: Friday, September 06, 2002 10:26 AM
To: Clarence.Daniels@redstone.army.mil
Subject: Fwd: FW: ADU Reopener Actuals

Clarence,

I'm trying to update IDSS for the latest info - do you know what is going on with the "dreaded" ADU Reopener? The forwarded message is the latest I have.

Thanks,
Nell

>>> "Daniels, Clarence N ACQ" <clarence.daniels@redstone.army.mil>
07/19/02 10:28AM >>>

> -----Original Message-----

> From: Snyder, James M ACQ
> Sent: Monday, July 15, 2002 5:49 PM
> To: 'horace.floyd@lmco.com'
> Cc: Daniels, Clarence N ACQ

> Subject: ADU Reopener Actuals

>

> The ADU actuals for 49 each submitted by LMMFC do not track. They appear to be actuals for the LMMFC "in-house" fabrication of 62 each ADU's under WBS "BALA" added by P00012 of the contract for the production of an additional 62 launchers. LMMFC must provide actuals related to their "in-house" production of the initial ADU quantity for 49 each launchers finalized by PZ0008 of the contract. Thanks, Jim Snyder

>

Tracking:

Recipient

Delivery

Baites, Nell (TactMSL)

Daniels, Clarence N ACQ

Pratte, Allen (TactMSL)

Snyder, James M ACQ

Cooper, Carol ACQ

Baddley, Laura L CID

'dwilliams@dcmdw.dema.mil'

Vollers, Tony K LEGAL

Delivered: 1/28/2003 2:22 PM

Delivered: 1/28/2003 2:22 PM

Delivered: 1/28/2003 2:22 PM

Delivered: 1/28/2003 2:22 PM

Delivered: 1/28/2003 2:22 PM

Lockheed Martin Missiles and Fire Control - Dallas
P.O. Box 650003 Dallas, TX 75265-0003
Telephone 972-603-1000

LOCKHEED MARTIN



3-19210/2002L-5316

12 June 2002

To: Commander
U. S. Army Aviation and Missile Command
Redstone Arsenal, Alabama 35898-5000

Attn: AMSAM-AC-TM-C/Mr. James Snyder PCO

Subj: Contract DAAH01-94-C-A005, FY 94/95, MLRS GFY 94
Production Contract, Azimuth Drive Unit

Ref: (a) AMSAM request for Azimuth Drive Units actual cost per Telecon
6 June 2002 between AMCOM and LMMFC-Dallas

Encl: (1) Actual Cost for Azimuth Drive Units (ADU's) produced at
LMMFC-Camden Arkansas

1. In accordance with the reference (a) request, Lockheed Martin Missile and Fire Control-Dallas (hereinafter referred to as Lockheed Martin) herewith provides as Enclosure (1) actuals for the production of the ADU's at LMMFC- Camden, Arkansas.
2. The Chronology of Events for the ADU's were presented to the Government in the Lockheed Martin letters 3-19210/2001L-5546 dated 20 November 2001 and 3-19210/2002L-5273 dated 22 May 2002.
3. Should you have questions regarding this matter, please contact the undersigned at (972) 603-0454.

Respectfully,

J. J. Crouch
Financial Manager - MLRS Launcher Production

cc: AMSAM-AC-TM-C/Mr. C. Daniels
SFAE-MSL-PF-BM-AP/Mr. A. Pratte
DCMC Lockheed Martin Corp/Ms. D. Williams, ACO

Object Displayed in	CTD Act H 1 USD	CTD Act D 1 USD
5* PRJ C-4354	0.0	1,001,203
4* WBS C-4354-01-BAL	0.0	1,001,203
*** WBS C-4354-01-BALA	0.0	1,001,203
** WBS C-4354-01-BALA-200R	0.0	40,428
* NWA 4354BALA 200R	0.0	40,428
** WBS C-4354-01-BALA-300R	0.0	3,411
* NWA 4354BALA 300R	0.0	3,411
** WBS C-4354-01-BALA-500R	0.0	14,284
* NWA 4354BALA 500R	0.0	14,284
** WBS C-4354-01-BALA-5FWM	0.0	17,797
* NWA 4354BALA 5FWM	0.0	17,797
** WBS C-4354-01-BALA-6001	0.0	847,766
* NWA 4354BALA 6001	0.0	847,003
** WBS C-4354-01-BALA-600B	0.0	16,892
* NWA 4354BALA 600B	0.0	16,892
** WBS C-4354-01-BALA-600N	0.0	33,026
* NWA 4354BALA 600N	0.0	33,026
** WBS C-4354-01-BALA-600R	0.0	19,652
* NWA 4354BALA 600R	0.0	19,652
** WBS C-4354-01-BALA-6FWM	0.0	6,634
* NWA 4354BALA 6FWM	0.0	6,634
** WBS C-4354-01-BALA-7001	0.0	1,312
* NWA 4354BALA 7001	0.0	1,312
Result	0.0	1,001,203

4354
 US Actuals 1,001,203
 4356
 Greece Actuals 190,215
 4355
 Zairia Actuals 135,633
 Cost. 1,326,051
 Profit 13.49 178,884
 1,504,935

Bud, Act S, EV 001

Current data (06/04/2002 15:02:00)

Object Displayed in	CTD Act D 1 USD	
5* PRJ C-4356	190,215	
4* WBS C-4356-01-BAL	190,215	
*** WBS C-4356-01-BALA	190,215	
** WBS C-4356-01-BALA-200R	9,449	
* NWA 4356BALA 200R	9,449	
** WBS C-4356-01-BALA-500R	4,402	
* NWA 4356BALA 500R	4,402	
** WBS C-4356-01-BALA-6001	168,791	
* NWA 4356BALA 6001	168,791	
** WBS C-4356-01-BALA-600R	7,298	
* NWA 4356BALA 600R	7,298	
** WBS C-4356-01-BALA-7001	275	
* NWA 4356BALA 7001	275	
Result	190,215	

Bud, Act 9, EV 001

Current data (06/04/2002 15:03:32)

Object Displayed in	CTD Act D 1 USD	
5* FBJ C-4355	135,633	
4* WBS C-4355-01-BAL	135,633	
*** WBS C-4355-01-BALA	135,633	
** WBS C-4355-01-BALA-200R	8,476	
* NWA 4355BALA 200R	8,476	
** WBS C-4355-01-BALA-500R	3,616	
* NWA 4355BALA 500R	3,616	
** WBS C-4355-01-BALA-6001	117,651	
* NWA 4355BALA 6001	117,651	
** WBS C-4355-01-BALA-600R	5,571	
* NWA 4355BALA 600R	5,571	
** WBS C-4355-01-BALA-7001	319	
* NWA 4355BALA 7001	319	
Result	135,633	

6/4/2002
3:28 PM

4357

JUNE 1998 LRE

	DALLAS ONLY - 4357 (\$ 000'S)			
	1984-	APR 96-	JAN 98 -	TOTAL
	MAR 96	DEC 97	DEC 98	
FN 0 1325	-	-	-	-
FN 0 \$	\$ -	\$ -	\$ -	\$ -
FN 1 CMD 1325	-	-	-	-
FN 1 CMD \$	\$ -	\$ -	\$ -	\$ -
FN 1 DAL 1325	411	98	-	509
FN 1 DAL \$	\$ 19	\$ 4	\$ -	\$ 23
FN 2 1325	5	-	-	5
FN 2 \$	\$ 0	\$ -	\$ -	\$ 0
FN 3 1325	-	-	-	-
FN 3 \$	\$ -	\$ -	\$ -	\$ -
FN 3 1325	-	-	-	-
FN 3 \$	\$ -	\$ -	\$ -	\$ -
FN 4 1325	-	-	-	-
FN 4 \$	\$ -	\$ -	\$ -	\$ -
FN5CMD 1325	-	-	-	-
FN5CMD \$	\$ -	\$ -	\$ -	\$ -
FN5DAL 1325	69	-	-	69
FN5DAL \$	\$ 3	\$ -	\$ -	\$ 3
FN 6 1325	2	-	-	2
FN 6 \$	\$ 0	\$ -	\$ -	\$ 0
FN 6 1325	-	-	-	-
FN 6 \$	\$ -	\$ -	\$ -	\$ -
FN 6 1325	-	-	-	-
FN 6 \$	\$ -	\$ -	\$ -	\$ -
FN 7 CMD 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 7 DAL 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 7 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 8 1325	-	-	-	-
FN 8 \$	\$ -	\$ -	\$ -	\$ -
HRS	-	-	-	-
\$	\$ -	\$ -	\$ -	\$ -
TOTAL HOURS	488	98	0	586
TTL LABOR \$	\$ 22	\$ 4	\$ -	\$ 26
OVERHEAD COST	\$ 10	\$ 2	\$ -	\$ 12
MATERIAL COST:				
DIRECT MAT.	\$ -	\$ -	\$ -	\$ -
TOOL MATERIALS	\$ -	\$ -	\$ -	\$ -
IDWA	\$ -	\$ -	\$ -	\$ -
TTL MATERIALS	\$ -	\$ -	\$ -	\$ -
MAT. BURDEN	\$ -	\$ -	\$ -	\$ -
DIRECT CHARGES:				
FN 0	\$ -	\$ -	\$ -	\$ -
FN 1	9	0	-	9
FN 2	0	0	-	0
FN 3	-	-	-	-
FN 4	-	-	-	-
FN 5	0	0	-	0
FN 6	-	-	-	-
FN 7	-	-	-	-
FN 8	-	-	-	-
FN 9	8	0	-	8
TOTAL ODC	\$ 15	\$ 1	\$ -	\$ 16
GAINSHARING	\$ -	\$ -	\$ -	\$ -
TTL MFG COST	\$ 47	\$ 8	\$ -	\$ 55
G&A	\$ 5	\$ 1	\$ -	\$ 6
TOTAL COST	\$ 53	\$ 7	\$ -	\$ 60

	TOTAL PROGRAM - 4357 (\$ 000'S)			
	1984-	APR 96-	JAN 98 -	TOTAL
	MAR 96	DEC 97	DEC 98	
FN 1 DAL 1325	-	-	-	-
FN 1 DAL \$	\$ -	\$ -	\$ -	\$ -
FN 1 CMD 1325	-	-	-	-
FN 1 CMD \$	\$ -	\$ -	\$ -	\$ -
FN 1 DAL 1325	411	98	-	509
FN 1 DAL \$	\$ 19	\$ 4	\$ -	\$ 23
FN 2 1325	4,792	5	-	4,797
FN 2 \$	\$ 84	\$ 0	\$ -	\$ 84
FN 3 1325	116	-	-	116
FN 3 \$	\$ 4	\$ -	\$ -	\$ 4
FN 3 1325	-	-	-	-
FN 3 \$	\$ -	\$ -	\$ -	\$ -
FN 4 1325	-	-	-	-
FN 4 \$	\$ -	\$ -	\$ -	\$ -
FN5CMD 1325	874	1	-	875
FN5CMD \$	\$ 23	\$ 0	\$ -	\$ 23
FN5DAL 1325	69	-	-	69
FN5DAL \$	\$ 3	\$ -	\$ -	\$ 3
FN 6 1325	946	3	-	949
FN 6 \$	\$ 18	\$ 0	\$ -	\$ 18
FN 6 1325	890	3	-	892
FN 6 \$	\$ 17	\$ 0	\$ -	\$ 17
FN 6 1325	774	2	-	777
FN 6 \$	\$ 12	\$ 0	\$ -	\$ 12
FN 7 CMD 1325	1,537	-	-	1,537
FN 7 \$	\$ 53	\$ -	\$ -	\$ 53
FN 7 DAL 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 7 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 8 1325	-	-	-	-
FN 8 \$	\$ -	\$ -	\$ -	\$ -
HRS	-	-	-	-
\$	\$ -	\$ -	\$ -	\$ -
TOTAL HOURS	10,409	111	0	10,521
TTL LABOR \$	\$ 233	\$ 4	\$ -	\$ 237
OVERHEAD COST	\$ 325	\$ 2	\$ 0	\$ 327
MATERIAL COST:				
DIRECT MAT.	\$ 1,684	\$ 137	\$ 3	\$ 1,824
TOOL MATERIALS	\$ -	\$ -	\$ -	\$ -
IDWA	\$ -	\$ -	\$ -	\$ -
TTL MATERIALS	\$ 1,684	\$ 137	\$ 3	\$ 1,824
MAT. BURDEN	\$ 71	\$ 8	\$ 0	\$ 77
DIRECT CHARGES:				
FN 0	\$ -	\$ -	\$ -	\$ -
FN 1	8	0	-	8
FN 2	2	0	0	2
FN 3	2	-	-	2
FN 4	-	-	-	-
FN 5	1	0	-	1
FN 6	7	0	0	8
FN 7	-	-	-	-
FN 8	-	-	-	-
FN 9	15	13	1	28
TOTAL ODC	\$ 36	\$ 13	\$ 1	\$ 50
GAINSHARING	\$ 25	\$ 1	\$ 0.075	\$ 25
TTL MFG COST	\$ 2,374	\$ 163	\$ 3.734	\$ 2,540
G&A	\$ 264	\$ 21	\$ 0.470	\$ 286
TOTAL COST	\$ 2,838	\$ 184	\$ 4.204	\$ 2,826

	DALLAS ONLY - 4357			
	(\$000'S)			
	1984- MAR 96	APR 96- DEC 97	JAN 98 - DEC 98	TOTAL
FN 0 1325	-	-	-	-
FN 0 \$	\$ -	\$ -	\$ -	\$ -
FN 1 CMD 1325	-	-	-	-
FN 1 CMD \$	\$ -	\$ -	\$ -	\$ -
FN 1 DAL 1325	411	98	-	509
FN 1 DAL \$	\$ 19	\$ 4	\$ -	\$ 23
FN 2 1325	5	-	-	5
FN 2 \$	\$ 0	\$ -	\$ -	\$ 0
FN 3 1325	-	-	-	-
FN 3 \$	\$ -	\$ -	\$ -	\$ -
FN 3 1326	-	-	-	-
FN 3 \$	\$ -	\$ -	\$ -	\$ -
FN 4 1325	-	-	-	-
FN 4 \$	\$ -	\$ -	\$ -	\$ -
FN5CMD 1325	-	-	-	-
FN5CMD \$	\$ -	\$ -	\$ -	\$ -
FN5DAL 1325	69	-	-	69
FN5DAL \$	\$ 3	\$ -	\$ -	\$ 3
FN 6 1325	2	-	-	2
FN 6 \$	\$ 0	\$ -	\$ -	\$ 0
FN 6 1325	-	-	-	-
FN 6 \$	\$ -	\$ -	\$ -	\$ -
FN 6 1326	-	-	-	-
FN 6 \$	\$ -	\$ -	\$ -	\$ -
FN 7 CMD 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 7 DAL 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 7 1326	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 8 1325	-	-	-	-
FN 8 \$	\$ -	\$ -	\$ -	\$ -
HRS	-	-	-	-
\$	\$ -	\$ -	\$ -	\$ -
TOTAL HOURS	488	98	0	586
TTL LABOR \$	\$ 22	\$ 4	\$ -	\$ 26
OVERHEAD COST	\$ 10	\$ 2	\$ -	\$ 12
MATERIAL COST:				
DIRECT MAT.	\$ -	\$ -	\$ -	\$ -
TOOL MATERIALS	\$ -	\$ -	\$ -	\$ -
IDWA	\$ -	\$ -	\$ -	\$ -
TTL MATERIALS	\$ -	\$ -	\$ -	\$ -
MAT. BURDEN	\$ -	\$ -	\$ -	\$ -
DIRECT CHARGES:				
FN 0	\$ -	\$ -	\$ -	\$ -
FN 1	9	0	-	9
FN 2	0	0	-	0
FN 3	-	-	-	-
FN 4	-	-	-	-
FN 5	0	0	-	0
FN 6	-	-	-	-
FN 7	-	-	-	-
FN 8	-	-	-	-
FN 9	6	0	-	6
TOTAL ODC	\$ 15	\$ 1	\$ -	\$ 15
GAINSHARING	\$ -	\$ -	\$ -	\$ -
TTL MFG COST	\$ 47	\$ 6	\$ -	\$ 53
G&A	\$ 5	\$ 1	\$ -	\$ 6
TOTAL COST	\$ 53	\$ 7	\$ -	\$ 58

	TOTAL PROGRAM - 4357			
	(\$000'S)			
	1984- MAR 96	APR 96- DEC 97	JAN 98 - DEC 98	TOTAL
FN 1 DAL 1325	-	-	-	-
FN 1 DAL \$	\$ -	\$ -	\$ -	\$ -
FN 1 CMD 1325	-	-	-	-
FN 1 CMD \$	\$ -	\$ -	\$ -	\$ -
FN 1 DAL 1325	411	98	-	509
FN 1 DAL \$	\$ 19	\$ 4	\$ -	\$ 23
FN 2 1325	4,792	5	-	4,797
FN 2 \$	\$ 84	\$ 0	\$ -	\$ 84
FN 3 1325	116	-	-	116
FN 3 \$	\$ 4	\$ -	\$ -	\$ 4
FN 3 1326	-	-	-	-
FN 3 \$	\$ -	\$ -	\$ -	\$ -
FN 4 1325	-	-	-	-
FN 4 \$	\$ -	\$ -	\$ -	\$ -
FN5CMD 1325	874	1	-	875
FN5CMD \$	\$ 23	\$ 0	\$ -	\$ 23
FN5DAL 1325	69	-	-	69
FN5DAL \$	\$ 3	\$ -	\$ -	\$ 3
FN 6 1325	946	3	-	949
FN 6 \$	\$ 18	\$ 0	\$ -	\$ 18
FN 6 1325	890	3	-	892
FN 6 \$	\$ 17	\$ 0	\$ -	\$ 17
FN 6 1326	774	2	-	777
FN 6 \$	\$ 12	\$ 0	\$ -	\$ 12
FN 7 CMD 1325	1,537	-	-	1,537
FN 7 \$	\$ 53	\$ -	\$ -	\$ 53
FN 7 DAL 1325	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 7 1326	-	-	-	-
FN 7 \$	\$ -	\$ -	\$ -	\$ -
FN 8 1325	-	-	-	-
FN 8 \$	\$ -	\$ -	\$ -	\$ -
HRS	-	-	-	-
\$	\$ -	\$ -	\$ -	\$ -
TOTAL HOURS	10,406	111	0	10,521
TTL LABOR \$	\$ 233	\$ 4	\$ -	\$ 237
OVERHEAD COST	\$ 325	\$ 2	\$ 0	\$ 327
MATERIAL COST:				
DIRECT MAT.	\$ 1,684	\$ 137	\$ 3	\$ 1,824
TOOL MATERIALS	\$ -	\$ -	\$ -	\$ -
IDWA	\$ -	\$ -	\$ -	\$ -
TTL MATERIALS	\$ 1,684	\$ 137	\$ 3	\$ 1,824
MAT. BURDEN	\$ 71	\$ 6	\$ 0	\$ 77
DIRECT CHARGES:				
FN 0	\$ -	\$ -	\$ -	\$ -
FN 1	9	0	-	9
FN 2	2	0	0	2
FN 3	2	-	-	2
FN 4	-	-	-	-
FN 5	1	0	-	1
FN 6	7	0	0	8
FN 7	-	-	-	-
FN 8	-	-	-	-
FN 9	15	13	1	28
TOTAL ODC	\$ 36	\$ 13	\$ 1	\$ 50
GAINSHARING	\$ 25	\$ 1	\$ 0.075	\$ 25
TTL MFG COST	\$ 2,374	\$ 163	\$ 3.734	\$ 2,540
G&A	\$ 284	\$ 21	\$ 0.470	\$ 286
TOTAL COST	\$ 2,838	\$ 184	\$ 4.204	\$ 2,826

DATA REQUEST/RESPONSE

ORIGINATOR

NAME: Jeff Wright
AGENCY: MICOM
SUBJECT: Azimuth Drive Unit
AUDIT:

TEL/EXT: 205-842-7319
REQUEST NO: UT 6
REQUEST DATE: 3/11/96
AUDIT NO:

DATA REQUESTED:

Referring to pages II-307 thru II-322, this section was not included in the original proposal. Is this a previous buy part that is now a make part? If not, please explain. If there is a corresponding decrease, for example in materials, for this increase, Azimuth Drive Unit Labor Hours; please explain and cite page numbers.

RESPONSE ASSIGNED TO: K. Hargis / M. Hunka /
A. Human

DUE DATE: 3-11-96

RESPONSE:

YES, THE AZIMUTH DRIVE UNIT HAS BEEN RESOURCED FROM A BUY TO A MAKE PART. THERE IS A CORRESPONDING DECREASE IN ADU MATERIAL DOLLARS DUE TO LESS PURCHASED LABOR IN THE ADU PIECE PARTS THAN IN THE COMPLETED UNIT. REFER TO ~~BOOK~~ BOOK III -17, CLIN 0001 SUMMARY, AND BOOK III -42, CLIN 0005 SUMMARY. FURTHER DETAIL CAN BE FOUND IN BOOK III -60-62 AND 233-235.

SIGNED: A. Human (Department Estimating) 03-11-96

RESPONSE DATE: 3-11-96

SIGNED: A. J. Pennington (Financial Proposals)

DATE: 3-12-96

K. Hargis

Lockheed Martin Missiles and Fire Control - Dallas
P.O. Box 650003 Dallas, TX 75265-0003
Telephone 972-603-1000

LOCKHEED MARTIN 

3-19210/2002L-5273

22 May 2002

To: Commander
U. S. Army Aviation and Missile Commander
Redstone Arsenal, Alabama 35898-5000

Attn: AMCOM-AC-TM-C/Mr. James Snyder, PCO

Subj: Contract DAAH01-94-C-A005, FY 94/95, MLRS GFY 94
Azimuth Drive Unit (ADU) Reopener Update for CLINs 0001AA (US)
0005AA (Israel) and 0007AA (Greece)

Ref: (a) Telecon Government Request for Chronology of Events

Encl: (1) FWM "Time Line" 22 May 1997
(2) Buyer Summary/Review of PO 4070871 9 January 1997
(3) Interoffice Correspondence 21 May 1997
(4) Memorandum of Agreement 10 July 1996
(5) Certification of Current Cost or Pricing Data 20 April 1995
(6) Feinmechanische Werke Mainz (FWM) GMBH Purchase Order P4070871

1. Pursuant to Reference (a) telecon request by the Government, Lockheed Martin Corporation, Missiles and Fire Control - Dallas (hereinafter Lockheed Martin) herewith submits as Enclosure (1) through (6) a chronology of events that lead to the termination of Purchase Order 4070871 with FWM GMBH to provide Azimuth Drive Units (ADU's) for the subject contract. These same events were just cause for a make decision at Lockheed Martin, Camden Arkansas in order to meet the Contract Delivery Schedule.
2. Should you have any questions concerning the above please contact the undersigned at (972) 603-0454.

Sincerely,



Jimmy J. Crouch

Financial Manager MLRS - Launcher Production Contracts

cc: AMSAM-AC-TM-C/Mr. C. Daniels
SFAE-MSL-PF-BM-AP/Mr. A. Pratte
DCMC Lockheed Martin Corp/Ms. D. Williams, ACO

FWM "Time Line"

<u>DATE</u>	<u>DESCRIPTION</u>
7-19-94	Request for Proposal issued to FWM
9-19-94	Receipt of FWM Quote
9-27-94	PO P-4070871 - Letter NTE Contract (29 ADU plus Non-Recurring) \$1,225,055 to FWM
12-14-94	Materials Requirements Change - Buy ADU to Make
12-14-94	PO P-4070871, Supplement 01X - Add 29 More ADU, Letter Contract NTE
1-5-95	Buyer's Rationale for using FWM for FY94 - Note 3) of Rationale stated LMV's plans to make ADU <u>except</u> for FY94, however, not certain whose ADU's would be used, i.e. either Lucas', FWM's, or LMVS'. The intent was to use FWM.
1-31-95	ADU Cost Recap - background information. Recap of Lucas-Buy and Loral-Make by contract as set up in the materials requirements system as of 1-24-95.
2-9-95	Price increase notification from FWM due to Engineering changes to the TDP.
4-18-95	Negotiated Material Unit Cost GFY94 including NTE BOE for FWM at \$44,300 each for 49 units plus \$390,000 Non-Recurring
5-22-95	MOA to definitize firm fix price of \$26,600 per unit (58 units) plus \$50,272 Non-Recurring First Article Inspection and pre-Qualification Testing
6-26-95	SPI950001-2 - Sourced ADU as Buy for GFY95 Follow on Program. ADU sourcing for GFY94 remains BUY
11-8-95	Memo Dahlke to Mike Wilson, 4-21000/95AVO-019, ADU from "Buy" to "Make" for FY95, Japan C-4, Japan C-5. "... urgent request is to ensure that Loral can continue to make launcher deliveries if FWM is not able to meet its required delivery schedule, which is to begin January 1996."
4-24-96	SPI6001-1 - ADU sourcing for GFY94, Japan C-3 and all subsequent contract as "Make".
7-10-96	Settlement Agreement with FWM
5-22-97	Final Close out Agreement PO 4070871. Pay invoice submitted by FWM in the amount of \$416,748.69.

Enclosure (2) to
3-19210/2002L-5273

MEMORANDUM

TO: PO 4070871 File **DATE:** 09 January 1997
SUBJECT: Buyer's Summary/Review **MEMO:** 4-83130/97AVO-006

As a result of the problems encountered at Lucas Western, a new source was needed for the Azimuth Drive Unit (ADU). Loral Vought Systems (now Lockheed Martin Vought Systems) developed a production facility at their Camden, AR plant and at the request/direction of MICOM officials, the EPG supplier for the ADU (FWM) was solicited.

After a plant survey and factfinding mission were performed at FMW's Germany plant, a purchase order was placed with them for 49 P/N 13026372 ADU's for FY94 U.S. requirements and nine (9) units for Japan C-3; a total of 58 units.

In time, it became apparent that FWM was not going to be able to meet Camden's production schedule. In order to support production of the MLRS, additional material components, etc, was purchased by Loral and the required units were built in the Camden facility.

After approximately one (1) year of P.O. delinquency, along with numerous phone calls and conferences, a Loral management decision was made to pull out of FWM and cancel their purchase orders. With this in mind, the general consensus of Loral management was to purchase from FWM all conforming hardware that they had acquired. This was done to maintain good relations between Loral, FWM and MICOM.

This \$474,315 procurement is the cost of the conforming hardware, along with the non-recurring cost for pre-production qualification and First Article inspection incurred by FWM.

A review of the prices for the hardware was made and compared with data provided during the original factfinding, along with the prices paid for like material used in Camden. In view of all factors available and in the opinion of those knowledgeable, the prices appear in line and reasonable.

A memo of agreement, a settlement agreement, along with a complete list of hardware purchased can be found in this supplement file.

Purchase Order P-4070871 is amended to cancel all items with ADU deliveries and a new item added for one (1) lot of category (1) hardware at a price of \$424,043 and a non-recurring charge (NRC) of \$50,272 for a total PO value of \$474,315. This is a \$1,118,757 reduction in the original P.O. package price.

Please contact the undersigned for further information if needed.



Ben K. Jordan
Procurement Section Manager

Enclosure (3) to
3-19210/2002L-5273

INTEROFFICE CORRESPONDENCE

TO: P.O. P-4070871 File

DATE: 21 May 1997

SUBJECT: Buyer's Summary/Review

MEMO: 4-83130/97AVO-266

This \$57,567 reduction in the purchase order is a result of:

- 1) Quantities shipped and received were less than the PO quantities on 14 items. Those are listed on Attachment (1) to this memo and amounted to \$9,766.31. The P.O. is changed accordingly.
- 2) Consistent with the Memorandum of Agreement dated 10 July 1996, a 100% inspection was performed on all hardware shipped. The non-conforming hardware was rejected and the value reduced from the purchase order. There were 13 items in this category amounting to \$47,800.94. Withholding tags were processed reducing the P.O. accordingly. At the direction of FWM, these items will be scrapped and destroyed here in Camden. A certification of destruction will be furnished to FWM and this file.

In summary, this action is to close out purchase order P-4070871 and pay the invoice submitted by FWM in the amount of \$416,748.69.

Please contact the undersigned for further information, if needed.



Ben K. Jordan
Procurement Section Manager

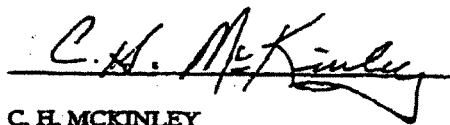
Enclosure (4) to

3-19210/2002L-5273

Memorandum of Agreement

This document represents an agreement between Lockheed Martin Vought Systems and FWM GMBH Controls and Systems of Germany on the following issues.

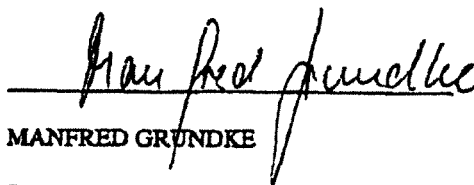
- Final Agreement is per the attached "Settlement Agreement".
- Lockheed Martin will change Purchase Order P-4070871 to procurement of component hardware and non-recurring cost as follows:
 - One (1) lot Category (1) Material
Per Exhibit "1" Rev. "B"
(Subject to reduction of non-conforming hardware) \$424,043.94
 - One (1) lot Non-Recurring cost for First Article
Inspection and Pre-Production Qualification \$ 50,272.00
 - Total PO Value / Settlement \$474,315.94
- The Hardware indicated in Exhibit "1" will be shipped to Camden, Arkansas, USA at FWM's expense.
- A 100% inspection will be performed and any non-conforming hardware will be returned at FWM's expense and will be deducted from the settlement total.
- Upon completion of inspection of hardware, FWM will be notified to submit appropriate invoicing.
- Purchase Order P-4087713 is to be canceled in its entirety.



C. H. MCKINLEY

VICE PRESIDENT
LOCKHEED MARTIN VOUGHT SYSTEMS CORPORATION

DATE: 10 July 96



MANFRED GRUNDKE

GENERAL MANAGER
FEINMECHANISCHE WERKE MAINZ GMBH

DATE: 10.07.1996

Attach: Settlement Agreement
Exhibit "1" Rev. "B" FWM ADU Category (1) Inventory

CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify, to the best of my knowledge and belief, the cost or pricing data (as defined in Section 15.801 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.804-2) submitted, either actually or by specific identification in writing to the Contracting Officer or to the Contracting Officer's Representative in support of the FY 94 MLRS Production Letter Contract DAAH01-94-C-A005 cost proposals dated 30 June 1994 as updated 2 November 1994 as well as all supporting data furnished/disclosed/provided are accurate, complete, and current as of 12 April 1995. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

FIRM: LORAL VOUGHT SYSTEMS

BY: *Kathy Kelley Verrijcke*

NAME Kathy Kelley Verrijcke

TITLE: Financial Manager -
MLRS Production Contracts

DATE OF EXECUTION: 20 April 1995

238712

LOCKHEED MARTIN



3-19210/2001L-5488

19 October 2001

To: Commander
U. S. Army Aviation and Missile Commander
Redstone Arsenal, Alabama 35898-5000

Attn: AMCOM-AC-TM-C/Mr. James Snyder, PCO

Subj: Contract DAAH01-94-C-A005, FY 94/95, MLRS GFY 94
Azimuth Drive Unit (ADU) Reopener Update for CLINs 0001AA (US)
0005AA (Israel) and 0007AA (Greece)

Ref: (a) Lockheed Martin Corporation, Firm Fixed Price Submittal
Letter Dated 15 September 1998

(b) AMCOM De-obligation Modification P00059 to Contract
DAAH01-94-C-A005 Dated 01 October 1998

Effct: (1) Firm Fixed Price (FFP) Proposal MY7-004, Rev.C

1. Pursuant to a telecon request by the Government, Lockheed Martin Corporation, Missiles and Fire Control - Dallas (hereinafter Lockheed Martin) herewith submits as Enclosure (1) a Firm Fixed Price (FFP) credit proposal update to the reference (a) credit proposal related to the ADU re-opener for CLINs 0001AA (US), 0005AA (Israel) and 0007AA (Greece), in the amount of (\$1,722,395). This updated credit proposal incorporates Lockheed Martin current rate and factors.
2. The reference (b) de-obligation modification reflected an interim reduction to the subject contract in the amount of \$1,724,287.02 prior to negotiations. Lockheed Martin respectfully requests the Government provide a final modification at the agreed to amount established for the ADU re-opener CLINs in contract DAAH01-94-C-A005; P00059.

3-1921-/20011-5488

Page 2

3. Should you have any questions regarding this proposal please contact the undersigned at (972) 603-0454.

Sincerely,



Jimmy J. Crouch
Financial Manager MLRS
Production Contracts

Cc: AMSAM-AC-TM-C/Mr. C. Daniels
SFAE-MSL-ML-MG/Mr. A. Pratte
DCMC Lockheed Martin/Ms. D. Williams, ACO

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm-Fixed-Price

Page 1 Of 5

2. Amendment/Modification No. P00059	3. Effective Date 1 OCT 98	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)
6. Issued By US ARMY AVIATION & MISSILE COMMAND AMSAM-AC-TM-C MR CLARENCE DANIELS (256) 876-8980 REDSTONE ARSENAL AL 35898-5280 EMAIL: CDANIEL@REDSTONE.ARMY.MIL		7. Administered By (If other than Item 6) DCMC LOCKHEED MARTIN VOUGHT SYS P O BOX 650003 PT-03 DALLAS TX 75265-0003	Code S4420A

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) LOCKHEED MARTIN VOUGHT SYSTEMS 1701 W MARSHALL DR GRAND PRAIRIE TX 75051-0003	<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. DAAH01-94-C-A005
		10B. Dated (See Item 13) 1994JAN11

Code 64059 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)
SEE SECTION G

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

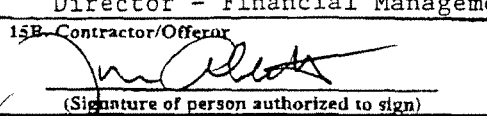
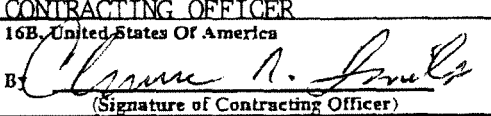
KIND MOD CODE: G

<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:	
<input type="checkbox"/>	D. Other (Specify type of modification and authority)	

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 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) J. M. Abbott Director - Financial Management	16A. Name And Title Of Contracting Officer (Type or print) CLARENCE N. DANIELS CONTRACTING OFFICER
15B. Contractor/Officer  (Signature of person authorized to sign)	16B. United States Of America By  (Signature of Contracting Officer)
15C. Date Signed 9/16/98	16C. Date Signed 1 OCT 98

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 2 of 5

PIIN/SIIN DAAH01-94-C-A005

MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

SECTION A - SUPPLEMENTAL INFORMATION

- A-1. This modification is issued to mutually reduce the total contract funding for the not less than amounts specified herein.
- A-2. Pending final negotiations between the Government and the contractor establishing the total amount to be refunded pursuant to the Re-opener clause of the contract, the contractor agrees that the total amounts as specified by CLIN in section "G" of this modification is available for immediate de-obligation by the Government.
- A-3. As a result of this modification the total firm fixed price amounts for CLINS 0001AA, 0005AA, and 0007AA are hereby decreased by a total of \$1,724,287.02 as shown elsewhere in this modification and the total contract firm fixed price contract amount is decreased from \$323,492,185.99 to \$321,767,898.97.
- A-4. All other terms and conditions of the contract remain the same, except as specifically changed herein.

*** END OF NARRATIVE A053 ***

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AA	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS <u>PRODUCTION QUANTITY</u> NSN: 1055-01-329-6826 NOUN: LAUNCHER, M270...EFC01C FSCM: 18876 PART NR: 13029700-203 SECURITY CLASS: Unclassified PRON: A14EF10259 PRON AMD: 28 ACRN: BA AMS CD: 2230610801	34	EA	\$ 1,890,471.788	\$ 64,276,040.80
0005AA	<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 W80FLR2339EP03 W45G19 M 2 FOB POINT: Origin SHIP TO: <u>PARCEL POST ADDRESS</u> (W45G19) TRANS OFF RED RIVER ARMY DEPOT TEXARKANA TX 75507-5000 <u>PRODUCTION QUANTITY</u> NSN: 1055-01-329-6826 NOUN: LAUNCHER, M270 FSCM: 18876 PART NR: 13029700-203 SECURITY CLASS: Unclassified PRON: J54EF38759 PRON AMD: 14 ACRN: BB AMS CD: 430000 FMS CASE IDENTIFIER: IS JAP <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: LEVEL PROTECTION: A LEVEL PACK: A <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 BISK4N40269001 W45G19 M WISK00 3 PROJ_CD BRK_BLK_PT GGF FOB POINT: Origin SHIP TO: <u>PARCEL POST ADDRESS</u>	6	EA	\$ 1,803,443.946	\$ 10,820,663.68

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	(W45G19) TRANS OFF RED RIVER ARMY DEPOT TEXARKANA TX 75507-5000 MARK FOR: CONTRACTOR TO CONTACT DCM AO FOR SHIPPING INSTRUCTIONS PRIOR TO SHIPMENT.				
0007AA	<u>PRODUCTION QUANTITY</u> NSN: 1055-01-329-6826 NOUN: LAUNCHER, M270 FSCM: 18876 PART NR: 13029700-203 SECURITY CLASS: Unclassified PRON: J54EF40759 PRON AMD: 12 ACRN: BC AMS CD: 430000 FMS CASE IDENTIFIER: GR JAX <u>Description/Specs./Work Statement</u> TOP DRAWING NR: 13029700-203 <u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: LEVEL PROTECTION: A LEVEL PACK: A <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 BGRA4Z41229001 W45G19 M WGRA00 3 PROJ_CD BRK_RLK_FT GGF FOB POINT: Origin SHIP TO: <u>PARCEL POST ADDRESS</u> (W45G19) TRANS OFF RED RIVER ARMY DEPOT TEXARKANA TX 75507-5000 MARK FOR: CONTRACTOR TO CONTACT DCM AO FOR SHIPPING INSTRUCTIONS PRIOR TO SHIPMENT.	9	EA	\$ 2,099,982.785	\$ 18,899,845.07

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 5 of 5

PIIN/SIIN DAAH01-94-C-A005

MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS_CD	OBLG STAT/ ACRN JOB_ORD_NO	PRIOR AMOUNT	INCREASE/DECREASE AMOUNT	CUMULATIVE AMOUNT
0001AA	A14EF10259 2230610801	BA 1	\$ 65,472,864.82	\$ -1,196,824.02	\$ 64,276,040.80
0005AA	J54EF38759 430000	BB 1	\$ 11,031,682.68	\$ -211,019.00	\$ 10,820,663.68
0007AA	J54EF40759 430000	BC 1	\$ 19,216,289.07	\$ -316,444.00	\$ 18,899,845.07
NET CHANGE				\$ -1,724,287.02	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	BA	21 42032 45L5L06P2230 31EM S01021	HQ0304	\$ -1,196,824.02
Army	BB	9711 X8242ISO1X635918JAP 00131EAISS01021	HQ0304	\$ -211,019.00
Army	BC	9711 X8242GRO1X635918JAX 00131EAGRS01021	HQ0304	\$ -316,444.00
NET CHANGE				\$ -1,724,287.02

NET CHANGE FOR AWARD:	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
\$	323,492,185.99	\$ -1,724,287.02	\$ 321,767,898.97

~~AMSAM-AC-TM-C~~

~~AMSAM-AC-CBCB~~

AMSAM-L-A-A

DATE 15 SEP 98

MEMORANDUM FOR ~~AMSAM-AC-AL-C~~

SUBJECT: Solicitation/Contractual Instrument Number DAAH01-51-C-A005

It is requested that subject Solicitation/Contractual Instrument (more specifically identified below) and supporting documents be reviewed for legal sufficiency.

SYSTEM: MLRS () Repair Parts

DOLLAR AMOUNT: 1,724,287.02 (X) Major Items

REMARKS:

C. DANIELS 6-8980
Contract Specialist Phone Number

FAX 5-8478

~~AMSAM-L-A-A~~

~~AMSAM-AC-AL-C~~

MEMORANDUM FOR AMSAM-AC-CBCB

DATE 17 Sep 98

1. The subject Solicitation/Contractual Instrument and supporting documents have been reviewed.
2. () This office concurs.
- (X) This office concurs subject to the exceptions stated below.
- () Subject file is returned for re-work in accordance with the following comments. File must be returned to this office after corrections are made.
- () This office does not concur for the reasons stated below.
3. Recycled language NOT provided. Ass'n. Action is consistent w. the clause.
4. In Block 13.C., cite recycled clause and mutual agreement.

Don T. Brown
Attorney Advisor
Acquisition Law Division

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code <i>Firm-Fixed-Price</i>	Page 1 Of 5
2. Amendment/Modification No. P00059	3. Effective Date	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)		
6. Issued By US ARMY AVIATION & MISSILE COMMAND AMSAN-AC-TM-C MR CLARENCE DANIELS (256) 876-8980 REDSTONE ARSENAL AL 35898-5260 MAIL: CDANIEL@REDSTONE.ARMY.MIL	Code N51P40	7. Administered By (If other than Item 6) OCCO LOCKHEED MARTIN VOUGHT SYS P O BOX 650003 FT-03 DALLAS TX 75265-0003		Code 5620A	
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) LOCKHEED MARTIN VOUGHT SYSTEMS 1701 W MARSHALL DR GRAND PRAIRIE TX 75051-0003			9A. Amendment Of Solicitation No. <input type="checkbox"/>		
			9B. Dated (See Item 11)		
			10A. Modification Of Contract/Order No. <input checked="" type="checkbox"/> DAAN01-94-C-2005		
			10B. Dated (See Item 13) 1990JRM11		
TYPE BUSINESS: Large Business Performing in U.S. Code 64059 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)
SEE SECTION G

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

KIND MOD CODE: G

A. This Change Order is Issued Pursuant To: _____ The Changes Set Forth In Item 14 Are Made In _____
The Contract/Order No. In Item 10A.

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).

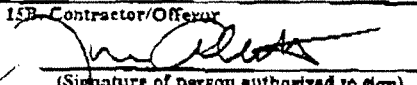
C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of: _____

D. Other (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 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) J. M. Abbott Director - Financial Management	16A. Name And Title Of Contracting Officer (Type or print)
15B. Contractor/Officer  (Signature of person authorized to sign)	15C. Date Signed 9/16/78
16B. United States Of America By _____ (Signature of Contracting Officer)	16C. Date Signed

NSN 7540-01-152-8070

PREVIOUS EDITIONS UNUSABLE

30-105-02

STANDARD FORM 30 (REV. 10-83)

Prescribed by GSA FAR (48 CFR) 53.243

RECEIVED TIME SEP. 15. 3:00PM

PRINT TIME SEP. 15. 3:03PM

FAX

Date 15 SEP 98

Number of pages including cover sheet 5

TO:

Robert Hall

FROM: CLARENCE N. DANIELS

Phone

603 6241

Phone (256) 876-8980

Fax Phone

603 8204

Fax Phone (256) 955-8478

CC:

REMARKS:



Urgent



For your review



Reply ASAP



Please Comment

P0059 to DAAND 94-C-A005
De-obligation of \$1,700,000.00.

Revised P0059

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm-Fixed-Price

Page 1 Of 5

2. Amendment/Modification No. P00059	3. Effective Date 1 OCT 98	4. Requisition/Purchase Req No. SEE SCHEDULE	5. Project No. (If applicable)
Issued By US ARMY AVIATION & MISSILE COMMAND AMSAM-AC-TM-C MR CLARENCE DANIELS (256) 876-8980 REDSTONE ARSENAL AL 35898-5230 EMAIL: CDANIEL@REDSTONE.ARMY.MIL		Code W31P4Q 7. Administered By (If other than Item 6) DCMC LOCKHEED MARTIN VOUGHT SYS P O BOX 650003 FT-03 DALLAS TX 75265-0003	Code S4420A SCD 2 PAS NONE ADP PT FT7625

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code) LOCKHEED MARTIN VOUGHT SYSTEMS 1701 W MARSHALL DR GRAND PRAIRIE TX 75051-0003	<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. DAAH01-94-C-A005 <input type="checkbox"/> 10B. Dated (See Item 13) 1994JAN11
TYPE BUSINESS: Large Business Performing in U.S. Code 64059 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)
SEE SECTION G

13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS

KIND MOD CODE: G


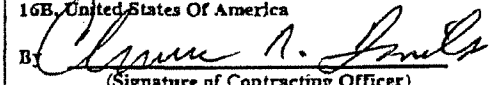
It Modifies The Contract/Order No. As Described In Item 14.

<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:	
<input type="checkbox"/>	D. Other (Specify type of modification and authority)	

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 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) J. M. Abbott Director - Financial Management	16A. Name And Title Of Contracting Officer (Type or print) CLARENCE N. DANIELS CONTRACTING OFFICER
15B. Contractor/Officer  (Signature of person authorized to sign)	16B. United States Of America B.  (Signature of Contracting Officer)
15C. Date Signed 9/16/98	16C. Date Signed 1 OCT 98

NSN 7540-01-152-8070

30-105-02

STANDARD FORM 30 (REV. 10-83)

PREVIOUS EDITIONS UNUSABLE

Prescribed by GSA FAR (48 CFR) 53.243

RECEIVED TIME SEP. 15. 3:00PM

PRINT TIME SEP. 15. 3:03PM

CONTINUATION SHEET

Reference No. of Document Being Continued

Page 2 of 5

PIIN/SIIN DAAH01-94-C-A005

MOD/AMD P00050

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

SECTION A - SUPPLEMENTAL INFORMATION

. This modification is issued to mutually reduce the total contract funding for the not less than amounts specified herein.

A-2. Pending final negotiations between the Government and the contractor establishing the total amount to be refunded pursuant to the Re-opener clause of the contract, the contractor agrees that the total amounts as specified by CLIN in section "G" of this modification is available for immediate de-obligation by the Government.

A-3. As a result of this modification the total firm fixed price amounts for CLINS 0001AA, 0005AA, and 0007AA are hereby decreased by a total of \$1,724,287.02 as shown elsewhere in this modification and the total contract firm fixed price contract amount is decreased from \$323,492,185.99 to \$321,767,898.97.

A-4. All other terms and conditions of the contract remain the same, except as specifically changed herein.

*** END OF NARRATIVE A053 ***

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VUGHT SYSTEMS

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001AA	<p>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NSN: 1055-01-329-6826 NOUN: LAUNCHER, M270...EFC01C FSCM: 18876 PART NR: 13029700-203 SECURITY CLASS: Unclassified PRON: A14EF10259 PRON AMD: 28 ACRN: BA AMS CD: 2230610801</p>	34	EA	\$ 1,890,471.788	\$ 64,276,040.80
0005AA	<p><u>Packaging and Marking</u></p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL_CD MILSTRIP ADDR SIG_CD MARK FOR TP_CD 001 W80FLR2339EF03 W45G19 M 2</p> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u> (W45G19) TRANS OFF RED RIVER ARMY DEPOT TEXARKANA TX 75507-5000</p> <p><u>PRODUCTION QUANTITY</u></p> <p>NSN: 1055-01-329-6826 NOUN: LAUNCHER, M270 FSCM: 18876 PART NR: 13029700-203 SECURITY CLASS: Unclassified PRON: J54EF38759 PRON AMD: 14 ACRN: BB AMS CD: 430000 FMS CASE IDENTIFIER: IS JAP</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS:</p> <p>LEVEL PROTECTION: A LEVEL PACK: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL REL_CD MILSTRIP ADDR SIG_CD MARK FOR TP_CD 001 BISK4N40269001 W45G19 M WISK00 3 PROJ_CD BRK_BLK_PT GGF</p> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u></p>	6	EA	\$ 1,803,443.946	\$ 10,820,663.68

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT												
	(W45G19) TRANS OFF RED RIVER ARMY DEPOT TEXARKANA TX 75507-5000 MARK FOR: CONTRACTOR TO CONTACT DCMAO FOR SHIPPING INSTRUCTIONS PRIOR TO SHIPMENT.																
0007AA	<p><u>PRODUCTION QUANTITY</u></p> <p>NSN: 1055-01-329-6826 NOUN: LAUNCHER, M270 FSCM: 18876 PART NR: 13029700-203 SECURITY CLASS: Unclassified PRON: J54EF40759 PRON AMD: 12 ACRN: BC AMS CD: 430000 FMS CASE IDENTIFIER: GR JAX</p> <p><u>Description/Specs /Work Statement</u> TOP DRAWING NR: 13029700-203</p> <p><u>Packaging and Marking</u> PACKAGING/PACKING/SPECIFICATIONS: LEVEL PROTECTION: A LEVEL PACK: A</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u> DOC SUPPL <table border="1"> <thead> <tr> <th>REL CD</th> <th>MILSTRIP</th> <th>ADDR</th> <th>SIG CD</th> <th>MARK FOR</th> <th>TP CD</th> </tr> </thead> <tbody> <tr> <td>001</td> <td>BGRA4Z41229001</td> <td>W45G19</td> <td>M</td> <td>WGRA00</td> <td>3</td> </tr> </tbody> </table> <p style="margin-left: 40px;">PROJ CD BRK BLK PT GGF</p> <p>FOB POINT: Origin</p> <p>SHIP TO: <u>PARCEL POST ADDRESS</u> (W45G19) TRANS OFF RED RIVER ARMY DEPOT TEXARKANA TX 75507-5000</p> <p>MARK FOR: CONTRACTOR TO CONTACT DCMAO FOR SHIPPING INSTRUCTIONS PRIOR TO SHIPMENT.</p> </p>	REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD	001	BGRA4Z41229001	W45G19	M	WGRA00	3	9	EA	\$ 2,099,982.785	\$ 18,899,845.07
REL CD	MILSTRIP	ADDR	SIG CD	MARK FOR	TP CD												
001	BGRA4Z41229001	W45G19	M	WGRA00	3												

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN DAAH01-94-C-A005 MOD/AMD P00059

Name of Offeror or Contractor: LOCKHEED MARTIN VOUGHT SYSTEMS

SECTION G - CONTRACT ADMINISTRATION DATA

LINE ITEM	PRON/ AMS_CD	ACRN	OBLG STAT/ JOB ORD NO		PRIOR AMOUNT		INCREASE/DECREASE AMOUNT		CUMULATIVE AMOUNT
0001AA	A14EF10259 2230610801	BA	1	\$	65,472,864.82	\$	-1,196,824.02	\$	64,276,040.80
0005AA	J54EF38759 430000	BB	1	\$	11,031,682.68	\$	-211,019.00	\$	10,820,663.68
0007AA	J54EF40759 430000	BC	1	\$	19,216,289.07	\$	-316,444.00	\$	18,899,845.07
					NET CHANGE	\$	-1,724,287.02		

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION	ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	BA	21 42032 45L5L06P2230 31EM S01021	HQ0304	\$ -1,196,824.02
Army	BB	9711 X8242IS01X635918JAP 00131EAISS01021	HQ0304	\$ -211,019.00
Army	BC	9711 X8242GRO1X635918JAX 00131EAGRS01021	HQ0304	\$ -316,444.00
NET CHANGE				\$ -1,724,287.02

	PRIOR AMOUNT OF AWARD	INCREASE/DECREASE AMOUNT	CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD:	\$ 323,492,185.99	\$ -1,724,287.02	\$ 321,767,898.97

FAX

Date 18 SEP 98

Number of pages including cover sheet 10

TO: DAYN BEAM

FROM: C. DANIELS

Phone 6-8195
Fax Phone 2-7810

Phone 876-8980
Fax Phone 5-~~709~~8478

CC:

REMARKS: Urgent For your review Reply ASAP Please Comment

20059 to DRAH01-94-C-A05

~~AMSAM-AC-TM-C~~

~~AMSMI-AC-CBCB~~

AMSAM-L-A-A

DATE

15 SEP 98

MEMORANDUM FOR ~~AMSMI-GC-AL-C~~

SUBJECT: Solicitation/Contractual Instrument Number DAAH01-94-C-A005

It is requested that subject Solicitation/Contractual Instrument (more specifically identified below) and supporting documents be reviewed for legal sufficiency.

SYSTEM: MLRS

() Repair Parts

DOLLAR AMOUNT: 1,724,287.02

(X) Major Items

REMARKS:

C. DANIELS 6-8980
Contract Specialist Phone Number

FAX 5-8478

~~AMSAM-L-A-A~~

~~AMSMI-GC-AL-C~~

MEMORANDUM FOR AMSMI-AC-CBCB

DATE

1. The subject Solicitation/Contractual Instrument and supporting documents have been reviewed.
2. () This office concurs.
 - () This office concurs subject to the exceptions stated below.
 - () Subject file is returned for re-work in accordance with the following comments. File must be returned to this office after corrections are made.
 - () This office does not concur for the reasons stated below.

Attorney Advisor
Acquisition Law Division

Date 9/10/98

Number of pages including cover sheet 3

FAX

TO: Ms. Kathy James

FROM: Brian Evans

Lockheed Martin Vought
Systems

P.O. Box 650003

Dallas, Texas 75265-
0003

Phone (205) 876-7347

Fax Phone (205) 876-3452

Phone (972) 603-2848

Fax Phone (972) 603-0204

CC:

REMARKS: Urgent For your review Reply ASAP Please Comment

September 10, 1998


Kathy,

As you are aware the contract DAAH01-94-C-A005, FY 94 US & FMS Launcher, contains a reopener for the Azimuth Drive Unit (ADU). LMVS desired to procure the ADU from a European source, however, Schedule and producibility drove the decision to continue to manufacture the part at our Camden facility. A debit/credit proposal will be provided your office by September 17 as the basis for definitization. An US and FMS contract price reduction of \$1.7M will result upon definitization. I am sending pertinent information relative to 34 quantity US Launcher clin 0001AA with funding pro#: A14EF10259.

\$1.7M

Please contact me if you have any questions.

Brian Evans



153	PRICE BREAKDOWN - ALL SITES SORT CO	ACROSS	
154	MY7-004 MARS FY 94 ADD REOPENER		
155			
156	TOTAL PROGRAM		
157			
158		TOTAL	
159			
160			
161	KFC ENGINEERING		
162	SALARY HOURS		63
163	SALARY DOLLARS		2,014
164	HOURLY HOURS		10
165	HOURLY DOLLARS		306
166	TOTAL - HOURS		73
167	TOTAL - DOLLARS		2,320
168	OVERHEAD		3,039
169	MISCELLANEOUS ODC		4
170	TRAVEL		-1,388
171	TOTAL - KFC ENGINEERING	\$	4,004
172	OPS CONTROL		
173	SALARY HOURS		205
174	SALARY DOLLARS		6,480
175	TOTAL - HOURS		205
176	TOTAL - DOLLARS		6,480
177	OVERHEAD		8,872
178	MISCELLANEOUS ODC		62
179	TOTAL - OPS CONTROL	\$	15,414
180	PRODUCTION		
181	HOURLY HOURS		1,215
182	HOURLY DOLLARS		21,481
183	TOTAL - HOURS		1,215
184	TOTAL - DOLLARS		21,481
185	OVERHEAD		29,407
186	MISCELLANEOUS ODC		741
187	TOTAL - PRODUCTION	\$	51,629
188	QUALITY		
189	SALARY HOURS		339
190	SALARY DOLLARS		10,226
191	HOURLY HOURS		539
192	HOURLY DOLLARS		10,555
193	TOTAL - HOURS		877
194	TOTAL - DOLLARS		20,781
195	OVERHEAD		28,203
196	MISCELLANEOUS ODC		991
197	TRAVEL		-5,983
198	OFFSITE ODC LABOR		10,551
199	TOTAL - QUALITY	\$	54,543
200	MATERIAL		
201	SALARY HOURS		491
202	SALARY DOLLARS		9,256
203	HOURLY HOURS		63
204	HOURLY DOLLARS		1,009
205	TOTAL - HOURS		554
206	TOTAL - DOLLARS		10,265
207	OVERHEAD		13,973
208	RAW MATERIAL		49,182
209	PURCHASED PARTS		794,687
210	MAJOR SUBCONTRACTORS		-2,270,577
211	TOTAL DIRECT MATERIAL		-1,426,740
212	BURDEN		-59,318
213	FREIGHT & EXPRESS		-4,136
214	MISCELLANEOUS ODC		986
215	TRAVEL		-1,359
216	TOTAL - MATERIAL	\$	-1,466,336
217			
218	TOTAL DIRECT COST & OVRD	\$	-1,340,746
219	G & A		-176,284
220	SUBTOTAL		-1,517,030
221			
222	FCCOM		-2,485
223	COST	\$	-1,519,495
224	PROFIT		-204,792
225	PRICE	\$	-1,724,287
226			

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77 PRICE BREAKDOWN - ALL SITES SORT COL ACROSS
 78 NY7-004 NLRN FY 94 ADV REOPENER

80 TOTAL PROGRAM

	53 IS-LMV NEW WORK	TOTAL ISRAEL	71 GR-FHW DELETED	72 GR-FHW FIXED PARTS	73 GR-LMV NEW WORK	TOTAL GREECH
85 MFG ENGINEERING						
86 SALARY HOURS	13	8	-7	0	19	12
87 SALARY DOLLARS	431	253	-241	0	629	309
88 HOURLY HOURS	1	1	0	0	2	2
89 HOURLY DOLLARS	28	28	0	0	56	56
90 TOTAL - HOURS	14	9	-7	0	21	14
91 TOTAL - DOLLARS	459	287	-241	0	685	444
92 OVERHEAD	628	375	-364	0	939	584
93 MISCELLANEOUS ODC	3	1	-4	0	4	0
94 TRAVEL	0	-166	-250	0	0	-250
95 TOTAL - MFG ENGINEERING	\$ 1,090 \$	497 \$	-649 \$	0 \$	1,627 \$	778
96 OPS CONTROL						
97 SALARY HOURS	25	25	0	0	39	39
98 SALARY DOLLARS	804	804	0	0	1,222	1,222
99 HOURLY HOURS	25	25	0	0	39	39
100 HOURLY DOLLARS	804	804	0	0	1,222	1,222
101 TOTAL - HOURS	1,101	1,101	0	0	1,673	1,673
102 OVERHEAD	0	0	0	0	11	11
103 MISCELLANEOUS ODC	0	0	0	0	11	11
104 TOTAL - OPS CONTROL	\$ 1,913 \$	1,913 \$	0 \$	0 \$	2,906 \$	2,906
105 PRODUCTION						
106 HOURLY HOURS	148	148	0	0	223	223
107 HOURLY DOLLARS	2,637	2,637	0	0	3,947	3,947
108 TOTAL - HOURS	149	149	0	0	223	223
109 TOTAL - DOLLARS	2,637	2,637	0	0	3,947	3,947
110 OVERHEAD	3,610	3,610	0	0	5,403	5,403
111 MISCELLANEOUS ODC	91	91	0	0	136	136
112 TOTAL - PRODUCTION	\$ 6,338 \$	6,338 \$	0 \$	0 \$	9,486 \$	9,486
113 QUALITY						
114 SALARY HOURS	51	41	-15	0	77	62
115 SALARY DOLLARS	1,553	1,249	-457	0	2,365	1,898
116 HOURLY HOURS	50	46	0	34	75	99
117 HOURLY DOLLARS	984	1,239	0	672	1,475	1,947
118 TOTAL - HOURS	101	107	-15	74	152	161
119 TOTAL - DOLLARS	2,537	2,548	-457	672	3,620	3,635
120 OVERHEAD	3,473	3,457	-671	646	5,229	5,204
121 MISCELLANEOUS ODC	127	122	-7	0	190	183
122 TRAVEL	0	-734	-1,100	0	0	-1,100
123 OFFSITE ODC LABOR	1,628	1,031	-506	0	2,442	1,936
124 TOTAL - QUALITY	\$ 7,765 \$	6,686 \$	-2,741 \$	1,118 \$	11,681 \$	10,058
125 MATERIAL						
126 SALARY HOURS	50	60	-8	23	75	90
127 SALARY DOLLARS	953	1,240	-158	430	1,429	1,709
128 HOURLY HOURS	5	8	0	4	8	12
129 HOURLY DOLLARS	81	130	8	65	130	195
130 TOTAL - HOURS	55	68	-8	27	83	102
131 TOTAL - DOLLARS	1,034	1,270	-158	503	1,559	1,904
132 OVERHEAD	1,416	1,730	-232	689	2,134	2,591
133 RAW MATERIAL	6,017	6,017	0	0	9,025	9,025
134 PURCHASED PARTS	97,308	97,308	0	0	145,964	145,964
135 MAJOR SUBCONTRACTORS	0	-278,030	-417,044	0	0	-417,044
136 TOTAL DIRECT MATERIAL	103,325	-174,705	-417,044	0	154,969	-262,055
137 BURDEN	4,296	-7,263	-17,339	0	6,441	-10,896
138 FREIGHT & EXPRESS	300	-506	-1,200	0	449	-759
139 MISCELLANEOUS ODC	123	121	-4	0	186	182
140 TRAVEL	0	-166	-250	0	0	-250
141 TOTAL - MATERIAL	\$ 110,494 \$	-179,519 \$	-436,235 \$	1,192 \$	165,760 \$	-269,293
142 TOTAL DIRECT COST & OVHD	\$ 127,600 \$	-164,887 \$	-439,825 \$	2,310 \$	191,460 \$	-246,055
143 G & A	16,893	-21,572	-58,001	310	25,343	-32,348
144 SUBTOTAL	144,493	-185,659	-497,826	2,620	216,803	-278,403
145						
146 PCCOM	762	-304	-1,644	47	1,145	-453
147 COST	\$ 145,255 \$	-185,963 \$	-499,470 \$	2,667 \$	217,948 \$	-278,855
148 PROFIT	19,510	-25,056	-67,210	354	29,267	-37,589
149 PRICE	\$ 164,765 \$	-211,019 \$	-566,680 \$	3,021 \$	247,215 \$	-316,444

150
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1 PRICE BREAKDOWN - ALL SITES SORT CO ACROSS
 2 MY7-004 MLRS FY 94 ADD REOPENER

4 TOTAL PROGRAM

	11 US-FWK DELETED	12 US-FWK PIECE PARTS	13 US-LKV NEW WORK	TOTAL U.S.	51 IS-FWK DELETED	52 IS-FWK PIECE PARTS
9 MFG ENGINEERING						
10 SALARY HOURS	-20	0	71	43	-5	0
11 SALARY DOLLARS	-963	0	2,330	1,367	-172	0
12 HOURLY HOURS	0	0	7	7	0	0
13 HOURLY DOLLARS	0	0	222	222	0	0
14 TOTAL - HOURS	-20	0	78	50	-5	0
15 TOTAL - DOLLARS	-963	0	2,552	1,589	-172	0
16 OVERHEAD	-1,415	0	3,494	2,079	-253	0
17 MISCELLANEOUS ODC	-14	0	17	3	-2	0
18 TRAVEL	-942	0	0	-942	-166	0
19 TOTAL - MFG ENGINEERING	\$ -3,334 \$	0 \$	6,063 \$	2,729 \$	-593 \$	0
20 OPS CONTROL						
21 SALARY HOURS	0	0	142	142	0	0
22 SALARY DOLLARS	0	0	4,454	4,454	0	0
23 TOTAL - HOURS	0	0	142	142	0	0
24 TOTAL - DOLLARS	0	0	4,454	4,454	0	0
25 OVERHEAD	0	0	6,098	6,098	0	0
26 MISCELLANEOUS ODC	0	0	43	43	0	0
27 TOTAL - OPS CONTROL	\$ 0 \$	0 \$	10,595 \$	10,595 \$	0 \$	0
28 PRODUCTION						
29 HOURLY HOURS	0	0	843	843	0	0
30 HOURLY DOLLARS	0	0	14,897	14,897	0	0
31 TOTAL - HOURS	0	0	843	843	0	0
32 TOTAL - DOLLARS	0	0	14,897	14,897	0	0
33 OVERHEAD	0	0	20,394	20,394	0	0
34 MISCELLANEOUS ODC	0	0	514	514	0	0
35 TOTAL - PRODUCTION	\$ 0 \$	0 \$	35,805 \$	35,805 \$	0 \$	0
36 QUALITY						
37 SALARY HOURS	-56	0	291	235	-10	0
38 SALARY DOLLARS	-1,705	0	8,794	7,089	-304	0
39 HOURLY HOURS	0	91	283	374	0	16
40 HOURLY DOLLARS	0	1,790	5,519	7,309	0	315
41 TOTAL - HOURS	-56	91	574	609	-10	16
42 TOTAL - DOLLARS	-1,705	1,790	14,313	14,398	-304	315
43 OVERHEAD	-2,504	2,451	19,595	19,542	-447	431
44 MISCELLANEOUS ODC	-28	0	714	686	-5	0
45 TRAVEL	-4,149	0	0	-4,149	-734	0
46 OFFSITE ODC LABOR	-1,903	0	8,227	7,324	-337	0
47 TOTAL - QUALITY	\$ -10,209 \$	4,241 \$	43,849 \$	37,801 \$	-1,827 \$	746
48 MATERIAL						
49 SALARY HOURS	-38	86	393	341	-5	15
50 SALARY DOLLARS	-554	1,638	5,323	5,407	-99	286
51 HOURLY HOURS	0	15	28	43	0	3
52 HOURLY DOLLARS	0	243	441	684	0	49
53 TOTAL - HOURS	-38	101	311	384	-5	18
54 TOTAL - DOLLARS	-554	1,881	5,764	7,091	-99	335
55 OVERHEAD	-814	2,575	7,891	9,652	-145	459
56 RAW MATERIAL	0	0	34,100	34,100	0	0
57 PURCHASED PARTS	0	0	551,415	551,415	0	0
58 MAJOR SUBCONTRACTORS	-1,575,503	0	0	-1,575,503	-278,030	0
59 TOTAL DIRECT MATERIAL	-1,575,503	0	585,515	-989,988	-278,030	0
60 BURDEN	-65,502	0	24,343	-41,159	-11,558	0
61 FREIGHT & EXPRESS	-4,569	0	1,697	-2,871	-806	0
62 MISCELLANEOUS ODC	-14	0	697	683	-2	0
63 TRAVEL	-942	0	0	-942	-166	0
64 TOTAL - MATERIAL	\$ -1,647,897 \$	4,456 \$	625,907 \$	-1,017,536 \$	-290,807 \$	794
65						
66 TOTAL DIRECT COST & OVRD	\$ -1,661,520 \$	8,697 \$	722,219 \$	-930,604 \$	-293,227 \$	1,540
67 G & A	-219,116	1,168	95,604	-122,344	-38,672	207
68 SUBTOTAL	-1,880,636	9,865	817,823	-1,052,948	-331,899	1,747
69						
70 PCCOM	-6,219	178	4,312	-1,729	-2,097	31
71 COST	\$ -1,886,855 \$	10,043 \$	822,135 \$	-1,054,677 \$	-332,996 \$	1,778
72 PROFIT	-253,885	1,333	118,496	-142,147	-64,803	237
73 PRICE	\$ -2,140,741 \$	11,376 \$	932,541 \$	-1,196,824 \$	-377,799 \$	2,015

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 76]

LOCKHEED MARTIN



Vought Systems

P.O. Box 650003

Dallas, Texas 75265-0003

Date: 06 January 1999

Number of pages including cover sheet: 4

To:

Clarence Daniels

AMCOM

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Fax phone: (256) 955-8478

CC:

From:

Robert Hall

MLRS Contracts

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REMARKS: Urgent For your review Reply ASAP Please comment

labor actuals for proposal my7-004, rev. b adu reopener, as requested.

Take care -

valiii
robert

1/5/99
1:37 PM

4354

JUNE 1996 LRE

ADU ONLY - 4354
(\$ 000'S)

	1984- MAR 96	APR 96- DEC 97	JAN 98 - JUN 98	TOTAL
FN 0 1325	.	.	.	.
FN 0 \$	\$.	\$.	\$.	\$.
FN 1 CMD 1325	.	.	.	.
FN 1 CMD \$	\$.	\$.	\$.	\$.
FN 1 DAL 1325	.	.	.	.
FN 1 DAL \$	\$.	\$.	\$.	\$.
FN 2 1326	.	849	.	849
FN 2 \$	\$.	\$ 15	\$.	\$ 15
FN 3 1325	.	.	.	.
FN 3 \$	\$.	\$.	\$.	\$.
FN 3 1326	.	.	.	.
FN 3 \$	\$.	\$.	\$.	\$.
FN 4 1325	.	.	.	.
FN 4 \$	\$.	\$.	\$.	\$.
FN5CMD 1325	.	171	.	171
FN5CMD \$	\$.	\$ 5	\$.	\$ 5
FN5DAL 1325	.	.	.	.
FN5DAL \$	\$.	\$.	\$.	\$.
FN 5 1326	.	355	.	355
FN 5 \$	\$.	\$ 7	\$.	\$ 7
FN 6 1325	.	370	.	370
FN 6 \$	\$.	\$ 6	\$.	\$ 6
FN 6 1326	.	206	.	206
FN 6 \$	\$.	\$ 3	\$.	\$ 3
FN 7 CMD 1325	10	3	.	13
FN 7 \$	\$ 0	\$ 0	\$.	\$ 0
FN 7 DAL 1325	.	.	.	.
FN 7 \$	\$.	\$.	\$.	\$.
FN 7 1326	.	.	.	.
FN 7 \$	\$.	\$.	\$.	\$.
FN 8 1325	.	.	.	.
FN 8 \$	\$.	\$.	\$.	\$.
HRS	.	.	.	.
\$	\$.	\$.	\$.	\$.
TOTAL HOURS	10	1,953	0	1,963
TTL LABOR \$	\$ 0	\$ 38	\$.	\$ 38
OVERHEAD COST	\$ 1	\$ 49	\$.	\$ 50

CLIN 1AA - U.S.

1/5/99
1:37 PM

4355

JUNE 1996 LRE

ADU ONLY - 4355

(\$ 000'S)

	1984- MAR 96	APR 96- DEC 97	JAN 98 - JUN 98	TOTAL
FN 0 1325	.	.	.	.
FN 0 \$	\$.	\$.	\$.	\$.
FN 1 CMD 1326	.	.	.	.
FN 1 CMD \$	\$.	\$.	\$.	\$.
FN 1 DAL 1325	.	.	.	.
FN 1 DAL \$	\$.	\$.	\$.	\$.
FN 2 1326	.	169	.	169
FN 2 \$	\$.	\$ 3	\$.	\$ 3
FN 3 1325	.	.	.	.
FN 3 \$	\$.	\$.	\$.	\$.
FN 3 1326	.	.	.	.
FN 3 \$	\$.	\$.	\$.	\$.
FN 4 1325	.	.	.	.
FN 4 \$	\$.	\$.	\$.	\$.
FN5CMD 1325	.	.	.	.
FN5CMD \$	\$.	\$.	\$.	\$.
FN5DAL 1325	.	.	.	.
FN5DAL \$	\$.	\$.	\$.	\$.
FN 5 1326	.	67	.	67
FN 5 \$	\$.	\$ 1	\$.	\$ 1
FN 6 1325	.	63	.	63
FN 6 \$	\$.	\$ 1	\$.	\$ 1
FN 6 1326	.	54	.	54
FN 6 \$	\$.	\$ 1	\$.	\$ 1
FN 7 CMD 1325	3	.	.	3
FN 7 \$	\$ 0	\$.	\$.	\$ 0
FN 7 DAL 1325	.	.	.	.
FN 7 \$	\$.	\$.	\$.	\$.
FN 7 1326	.	.	.	.
FN 7 \$	\$.	\$.	\$.	\$.
FN 8 1325	.	.	.	.
FN 8 \$	\$.	\$.	\$.	\$.
HRS	.	.	.	.
\$	\$.	\$.	\$.	\$.
TOTAL HOURS	3	352	0	355
TTL LABOR \$	\$ 0	\$ 6	\$ -	\$ 6
OVERHEAD COST	\$ 0	\$ 9	\$ -	\$ 9

CLIN 5AA - ISRAEL

1/5/99
1:37 PM

4356

JUNE 1996 LRE

ADU ONLY - 4356
(\$ 000'S)

	1984- MAR 96	APR 96- DEC 97	JAN 98 - JUN 98	TOTAL
FN 0 1325	.	.	.	.
FN 0 \$	\$.	\$.	\$.	\$.
FN 1 CMD 1325	.	.	.	.
FN 1 CMD \$	\$.	\$.	\$.	\$.
FN 1 DAL 1325	.	.	.	.
FN 1 DAL \$	\$.	\$.	\$.	\$.
FN 2 1326	.	198	.	198
FN 2 \$	\$.	\$ 198	\$.	\$ 198
FN 3 1325	.	.	.	.
FN 3 \$	\$.	\$.	\$.	\$.
FN 3 1326	.	.	.	.
FN 3 \$	\$.	\$.	\$.	\$.
FN 4 1325	.	.	.	.
FN 4 \$	\$.	\$.	\$.	\$.
FN5CMD 1325	.	.	.	.
FN5CMD \$	\$.	\$.	\$.	\$.
FN5DAL 1325	.	.	.	.
FN5DAL \$	\$.	\$.	\$.	\$.
FN 5 1326	.	84	.	84
FN 5 \$	\$.	\$ 84	\$.	\$ 84
FN 6 1325	.	80	.	80
FN 6 \$	\$.	\$ 80	\$.	\$ 80
FN 6 1326	.	71	.	71
FN 6 \$	\$.	\$ 71	\$.	\$ 71
FN 7 CMD 1325	3	.	.	3
FN 7 \$	\$ 3	\$.	\$.	\$ 3
FN 7 DAL 1325	.	.	.	.
FN 7 \$	\$.	\$.	\$.	\$.
FN 7 1326	.	.	.	.
FN 7 \$	\$.	\$.	\$.	\$.
FN 8 1325	.	.	.	.
FN 8 \$	\$.	\$.	\$.	\$.
HRS	.	.	.	.
\$	\$.	\$.	\$.	\$.
TOTAL HOURS	3	443	0	446
TTL LABOR \$	\$ 0	\$ 8	\$.	\$ 8
OVERHEAD COST	\$ 0	\$ 11	\$.	\$ 11

CLIN 7AA - GREECE