

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. Contract ID Code
Firm-Fixed-Price

Page 1 Of 9

2. Amendment/Modification No.

38

3. Effective Date

2013FEB07

4. Requisition/Purchase Req No.

SEE SCHEDULE

5. Project No. (If applicable)

6. Issued By

U.S. ARMY CONTRACTING COMMAND
ED PRESSLEY
WARREN, MICHIGAN 48397-5000
HTTP://CONTRACTING.TACOM.ARMY.MIL

EMAIL: ED.PRESSLEY@US.ARMY.MIL

Code

W56HZV

7. Administered By (If other than Item 6)

DCMA DETROIT
35803 MOUND ROAD
STERLING HEIGHTS MI 48310

Code

S2305A

8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)

GENERAL DYNAMICS LAND SYSTEMS INC.
38500 MOUND RD
STERLING HEIGHTS, MI 48310-3200

9A. Amendment Of Solicitation No.

9B. Dated (See Item 11)

10A. Modification Of Contract/Order No.

W56HZV-06-G-0006/0016

10B. Dated (See Item 13)

2008AUG28

Code 7W356

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 (IF APPLICABLE)

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

- 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: _____
MUTUAL AGREEMENT
- D. Other (Specify type of modification and authority)

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

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

SEE SECOND PAGE FOR DESCRIPTION

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

15A. Name And Title Of Signer (Type or print)		16A. Name And Title Of Contracting Officer (Type or print)	
		LISA M. JONES LISA.M.JONES3@US.ARMY.MIL (586)282-6973	
15B. Contractor/Offendor	15C. Date Signed	16B. United States Of America	16C. Date Signed
_____ (Signature of person authorized to sign)		By _____ /SIGNED/ (Signature of Contracting Officer)	2013FEB07

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 2 of 9
	PIIN/SIIN W56HZV-06-G-0006/0016 MOD/AMD 38	
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

SECTION A - SUPPLEMENTAL INFORMATION

Buyer Name: ED PRESSLEY
 Buyer Office Symbol/Telephone Number: CCTA-ACP-A/(586)282-8296
 Type of Business: Large Business Performing in U.S.
 Surveillance Criticality Designator: B
 Weapon System: Tank, M1 Abrams Family of Vehicles
 Kind of Modification: Supplemental Agreement

*** End of Narrative A0000 ***

Contract: W56HZV-06-G-0006/0016
 Modification: 38
 Prepared by Ed Pressley

Previous Amt: \$34,590,192.40
 Current Action: -\$64,669.10
 New Amt: \$34,525,523.30

1. The purpose of this bilateral Modification 38 to Contract W56HZV-06-G-0006/0016 is to deobligate excess funds from three SubCLINs. The SubCLINs and their respective de-obligation amounts are as follows:

<u>CLIN</u>	<u>ACRN</u>	<u>De-obligation Amount</u>
0002AC	AF	-\$60,213.00
0002AD	AF	-\$ 4,456.00
0004AD	AB	-\$.10
TOTAL		-\$64,669.10

2. As a result of this modification, the following contract pages are changed:

<u>Section</u>	<u>Description</u>
B	CLIN 0002AC Funds are De-obligated
B	CLIN 0002AD Funds are De-obligated
B	CLIN 0004AD Funds are De-obligated
G	Page added

3. As a result of this modification, the contract price is decreased by \$64,669.10 from \$34,590,192.40 to \$34,525,523.30.

4. Except as stated herein, all other contract terms and conditions remain unchanged and in full force and effect.

*** END OF NARRATIVE A0039 ***

CONTINUATION SHEET

Reference No. of Document Being Continued
 PIIN/SIIN W56HZV-06-G-0006/0016 MOD/AMD 38

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT									
	<p>AMS CD: 31206406018</p> <p>1 LOT consists of 30 units at a unit price of \$372.13 each for a total price of \$11,163.90</p> <p>NOTE: PER COMPL DATE has defaulted to "Undefinitized" however it should read "SEE SECTION F"</p> <p>(End of narrative B001)</p> <p><u>Inspection and Acceptance</u> INSPECTION: Origin ACCEPTANCE: Origin</p> <p><u>Deliveries or Performance</u></p> <table border="0"> <tr> <td>DLVR SCH</td> <td></td> <td>PERF COMPL</td> </tr> <tr> <td><u>REL CD</u></td> <td><u>QUANTITY</u></td> <td><u>DATE</u></td> </tr> <tr> <td>001</td> <td>1</td> <td>UNDEFINITIZED</td> </tr> </table> <p style="text-align: right;">\$ 11,163.90</p>	DLVR SCH		PERF COMPL	<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>	001	1	UNDEFINITIZED				
DLVR SCH		PERF COMPL												
<u>REL CD</u>	<u>QUANTITY</u>	<u>DATE</u>												
001	1	UNDEFINITIZED												

CONTINUATION SHEET

Reference No. of Document Being Continued

PIIN/SIIN W56HZV-06-G-0006/0016 **MOD/AMD** 38

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ <u>ITEM</u> <u>MIPR</u>	OBLG <u>STAT</u>	JO NO/ <u>ACCT ASSIGN</u>	<u>ACRN</u>	<u>PRIOR AMOUNT</u>	<u>INCREASE/ DECREASE</u>	<u>CUMULATIVE AMOUNT</u>
0002AC	471AIM6047 123207NC000	2	1GA123	AF \$	299,000.00 \$	-60,213.00 \$	238,787.00
0002AD	471AIM6047 123207NC000	2	1GA123	AF \$	5,000.00 \$	-4,456.00 \$	544.00
0004AD	478APM0047 31206406018 A18P30182RSM	2	8GAAMM	AB \$	11,164.00 \$	-0.10 \$	11,163.90
NET CHANGE						\$ -64,669.10	

<u>ACRN</u>	<u>ACCOUNTING CLASSIFICATION</u>	<u>INCREASE/ DECREASE</u>
AB 21	82033000085R5R02P31206431E9 S20113	\$ -0.10
AF 21	12020000015R5R02P12320731E9 S20113	\$ -64,669.00
NET CHANGE		\$ -64,669.10

	<u>PRIOR AMOUNT OF AWARD</u>	<u>INCREASE/DECREASE AMOUNT</u>	<u>CUMULATIVE OBLIG AMT</u>
NET CHANGE FOR AWARD:	\$ 34,590,192.40	\$ -64,669.10	\$ 34,525,523.30

LINE	<u>ACRN</u>	<u>EDI/SFIS ACCOUNTING CLASSIFICATION</u>
0002AC	AF 21	111120200000 W56HZV 15R5R02123207NC00031E9471AIM6047 1GA123GA S20113
0002AD	AF 21	111120200000 W56HZV 15R5R02123207NC00031E9471AIM6047 1GA123GA S20113
0004AD	AB 21	081020330000 S20113 85R5R023120640601831E9 8GAAMMS20113 W56HZV

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 6 of 9
	PIIN/SIIN W56HZV-06-G-0006/0016 MOD/AMD 38	
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

G.1 ADMINISTRATION TACOM (APR 1985)

a. Procuring Contracting Officer (PCO). Pursuant to Paragraph 42.202(b) of the Federal Acquisition Regulation, the PCO has retained performance of the contract administration functions set forth in FAR Paragraphs 42.302(b)(4), (7) through (11) and 42.302(c) and all other approval and directional functions set forth in Sections C through I of this Contract.

b. Administrative Contracting Officer (ACO). The administration of this Contract shall be performed by an ACO designated by the cognizant administration office. The administration of this Contract shall be performed in accordance with Paragraph 42.302(a) of the Federal Acquisition Regulation, and 42.302(b) through (3), (5) and (6), except for changes in the scope of the Contract, which will be made only by the PCO.

G.2 RELEASE OF INFORMATION TACOM (APR 1991)

The contractor shall comply with the requirements of Chapter 9 of AR 360-5 dated 31 May 89, Release of Information by Manufacturers, Research Organizations, Educational Institutions Holding Army Contracts, and Other Commercial Entities prior to contemplated release of any procurement information. Approval of the Contracting Officer is required prior to release of any such information. A copy of AR 360-5 may be obtained from web address, <http://contracting.tacom.army.mil>.

G.3. PERFORMANCE BASED PAYMENTS

G.3.1. The parties agree to establish the form of contract financing as Performance Based Payments pursuant to FAR 52.232-32.

G.3.2. Performance Based Payments will be made on the whole contract less any scope or separately funded requirements identified in this section. The parties have identified two major categories of events or milestones the Contractor is required to meet to trigger a finance payment. These two major categories of events are:

1. Material Received
2. Marriage of Hulls and Turrets

G.3.2.1 Each Event and what constitutes successful performance, is described in the following paragraphs. The schedules and event values for successful performance are contained in appropriate attachments. The contractor is authorized payment for meeting an event up to 30 days in advance of the planned event schedule. The contractor shall request an early payment no more than 5 times throughout the life of the contract.

G.3.2.2. The Government and the Contractor acknowledge the potential need to reevaluate the existing milestone plan that supports the Contractor performance-based payment request. Therefore, the two parties agree to perform a reevaluation of the contractually established milestone schedule in the event of an excusable delay or when either party feels it is appropriate to do so, in order to validate the accuracy of the milestone schedule. If it is mutually agreed that if there is a deficiency in the accuracy of the contractually established milestone plan, as a result of the reevaluation, then the Government and the Contractor agree to reopen negotiations to establish an accurate milestone schedule.

G.3.2.3 The expected dates noted on Exhibit C are the dates both parties expect to achieve the milestone event.

G.3.3. PERFORMANCE EVENTS

G.3.3.1. Material Received. Receipt of material at the Contractors plant(s) is a performance measurement. The event schedule and values are provided in Exhibit C. The Material Received Event is successfully completed when the contractor has received the percentage of material noted in Exhibit C and is represented by the receipt of critical or major subassemblies as identified in Exhibit C.

G.3.3.2 Marriage of Hull and Turret. The marriage of the hull and turret is a performance measurement. The event schedule and values are provided in Exhibit C. The Marriage Event is successfully completed when the scheduled number of turrets and hulls have been physically married together as a single unit.

G.3.3.2.1 If the contractor misses a milestone because of GFM issues (i.e. late, does not meet specification), the contractor is entitled to the milestone payment assuming all critical conditions (i.e. have to be complete prior to marriage) have been met.

G.3.5. LIQUIDATION RATE

G.3.5.1. The Liquidation Rate for this contract is 90%. FAR 52.232-32 and the information provided in this section in no way limit the Government's rights pursuant to the "Inspection of Supplier-Fixed Price" clause of the contract.

G.3.6. CONTRACT REGULATORY REQUIREMENTS

Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.

G.3.6.1. Performance Based Payments under this provision G.1. is subject to the terms and conditions of this contract, and FAR 32.1005 and FAR 52.232-32 "Performance-Based Payments" (Feb 2002). In addition, for subcontractors receiving finance payments from the Contractor under this Order, the following applies:

(a) Financing payments to subcontractors. Finance payments to subcontractors shall be all financing payments to subcontractors or divisions, if the following conditions are met:

(1) The amounts included are limited to --

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

(ii) Any unpaid subcontractor requests for financing payments.

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

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

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

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

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

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

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

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

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

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

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

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

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

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

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

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

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

(A) The Contractor defaults; or

(B) The subcontractor becomes bankrupt or insolvent.

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

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

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

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

G.3.7. Contract Financing of any type does not apply to CLINs entitled Damaged or Defective Government Material (CLIN 0002) and Anniston Manufacturing Support (CLIN 0003).

G.3.8 CONTRACT MODIFICATIONS

G.3.8.1 The Contractor and the Government recognize a need may arise where modifications to this contract may require revisions to the contracted PBP's.

G.3.8.2 In an effort to minimize the administrative burdens associated with such actions, the following parameters provide the Parties with guidance:

(a) PBP's will be revised for contractual modifications or cumulative contractual modifications/adjustments with a threshold equal

CONTINUATION SHEET	Reference No. of Document Being Continued	Page 8 of 9
	PIIN/SIIN W56HZV-06-G-0006/0016 MOD/AMD 38	
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

to or greater than Five Million (\$5,000,000) Dollars.

(b) Modifications to PBP's will be made once per quarter for contractual modifications/adjustments with a threshold equal to or greater than the Five Million (\$5,000,000) Dollar threshold.

(c) The Five Million (\$5,000,000) Dollar threshold is cumulative and additive over multiple quarters.

(d) As appropriate and mutually agreed the Parties will either add the modification/adjustment dollars into existing events, or add event(s) to reflect the change in performance.

G.3.9 PRICED OPTION

G.3.9.1 PBP's for the priced, unexercised Option are included in Exhibit C.

G.3.9.2 The Contractor is not authorized to bill for these Option PBP's until this Option is exercised, and then shall bill in accordance with this plan.

G.3.9.3 After the Option is exercised, modifications to these PBP's will be effected as stated in Paragraph G.3.8.2.

****G.4 BILLING INSTRUCTIONS FOR RESERVOIR ASSEMBLY & SUPPORT (MODIFICATION 01)**

Under modification 01 the contractor will be authorized to bill the Government in a 2 and 1 (service) invoice through WAWF under SLIN 0003AA, ACRN AC, in the total amount of \$113,127.90 after final vehicle delivery upon the negotiated settlement of the ANAD part shortage final proposal or upon submission of Certificate of Conformance (CoC) IAW 52.246-16, attachment 0012."

G.4.1 The contractor is authorized to invoice the Government for the full value of CLIN 0003AA upon final vehicle delivery referenced in Section F.

G.5 BILLING INSTRUCTIONS FOR ROAD ARMS (CLIN 0004AA)

G.5.1 The contractor is authorized to invoice each set of Road Arms procured under CLIN 0004AA in accordance with the contract delivery schedule referenced in Section F.1.3.

G.6 BILLING INSTRUCTIONS FOR COOLING FANS (CLIN 0004AB)

G.6.1 The contractor is authorized to invoice each set of Cooling Fans procured under CLIN 0004AB in accordance with the contract delivery schedule referenced in Section F.1.3.

G.7 BILLING INSTRUCTIONS FOR ECP GDLV 4668 AND ECP GDLV 4669 "ROAD WHEEL BRACKETS" (Added by Mod 14)

G.7.1 The contractor is authorized to invoice at the unit price under SLIN 0004AD ACRN AD in accordance with the vehicle delivery schedule in Section F. Support for this invoice is a signed vehicle DD250 verifying Government acceptance of vehicle.

Added by Modification 14

G.8 BILLING INSTRUCTIONS FOR ANNISTON PART SHORTAGES (CLINs 0003AB and 0003AC)

G.8.1 Under Modification 20 the contractor will be authorized to bill the Government in a 2 and 1 (service) invoice through WAWF under SLIN 0003AB, ACRN AF, in the total amount of \$4,059.00 after final vehicle delivery and upon the negotiated settlement of the ANAD part shortage final proposal or upon submission of a Certificate of Conformance (CoC), IAW 52.246-16, attachment 0012.

G.8.2 Under Modification 20 the contractor will be authorized to bill the Government in a 2 and 1 (service) invoice through WAWF under SLIN 0003AC, ACRN AF, in the total amount of \$31,812 after final vehicle delivery and upon the negotiated settlement of the ANAD part shortage final proposal or upon submission of a Certificate of Conformance (CoC), IAW 52.246-16, attachment 0012.

Added/Changed by Modification 20

The Terms and Conditions and contract clauses specific to Section D of the Basic Order Agreement (W56HZV-06-G-0006) are incorporated by reference into this Delivery Order W56HZV-06-G-0006/0016.

** updated by modification 0036

CONTINUATION SHEET	Reference No. of Document Being Continued PIIN/SIIN W56HZV-06-G-0006/0016 MOD/AMD 38	Page 9 of 9
Name of Offeror or Contractor: GENERAL DYNAMICS LAND SYSTEMS INC.		

*** END OF NARRATIVE G0001 ***