

# RECORD REPRODUCTION COVER SHEET

The attached records are:

**Releasable** to the Public

**Denied** to the Public

Subject:

F33657-00-C-0020, F-22 Lot 2

FOIA Control Number:

04-348 LK

Date Reproduced:

7/19/04

<b>AWARD / CONTRACT</b>	1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)	RATING DO-A1	PAGE of PAGES 1 of 23
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2. CONTRACT (PROC. INST. IDENT.) NO. F33657-00-C-0020	3. EFFECTIVE DATE <b>22 JAN 2001</b>	4. REQUISITION / PURCHASE REQUEST / PROJECT NO. See Schedule
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5. ISSUED BY ASC/YFK USAF/AFMC AERONAUTICAL SYSTEMS CENTER BUILDING 50, 2130 FIFTH STREET WRIGHT-PATTERSON AFB OH 45433-7003 GREGORY G. GRIFFITH (937) 255-1695 X2246 Greg.Griffith@asc-yf.wpafb.af.mil	CODE FAB611	6. ADMINISTERED BY (IF OTHER THAN ITEM 5) DCMC LOCKHEED MARTIN MARIETTA 86 SOUTH COBB DR BUILDING B-2 MARIETTA GA 30063-0260  SCD: B PAS: (NONE)	CODE S1111A
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7. NAME AND ADDRESS OF CONTRACTOR (NO., STREET, CITY, COUNTY, STATE AND ZIP CODE) LOCKHEED MARTIN CORPORATION LOCKHEED MARTIN AERONAUTICS CO. 86 SOUTH COBB DRIVE MARIETTA GA 30063-0001 COBB COUNTY See DD254 for Cleared Address	8. DELIVERY <input checked="" type="checkbox"/> FOB Origin <input type="checkbox"/> Other (see below)
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CAGE CODE 98897	FACILITY CODE	10. SUBMIT INVOICES (4 COPIES UNLESS OTHERWISE SPECIFIED) TO THE ADDRESS SHOWN IN	ITEM See Block 12
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11. SHIP TO / MARK FOR See Section F	CODE	12. PAYMENT WILL BE MADE BY DFAS-CO/SOUTH ENTITLEMENT OPER P O BOX 182264 COLUMBUS OH 43218-2264	CODE HQ0338
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13. AUTHORITY FOR OTHER THAN FULL AND OPEN COMPETITION 10 U.S.C. 2304(c)(1)	14. ACCOUNTING AND APPROPRIATION DATA See Section G
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15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
See Section B					

15G. TOTAL AMOUNT OF CONTRACT \$40,000,000.00

16. Table of Contents

SEC	DESCRIPTION	PAGE(S)	SEC	DESCRIPTION	PAGE(S)
	<b>PART I - THE SCHEDULE</b>			<b>PART II - CONTRACT CLAUSES</b>	
✓ A	SOLICITATION/CONTRACT FORM	1	✓ I	CONTRACT CLAUSES	17
✓ B	SUPPLIES OR SERVICES AND PRICES/COSTS	2	<b>PART III - LIST OF DOCUMENTS, EXHIBITS &amp; ATTACHMENTS</b>		
✓ C	DESCRIPTION/SPECS/WORK STATEMENT	4	✓ J	LIST OF ATTACHMENTS	23
✓ D	PACKAGING AND MARKING	5	<b>PART IV - REPRESENTATIONS AND INSTRUCTIONS</b>		
✓ E	INSPECTION AND ACCEPTANCE	8	K	REPRESENTATIONS, CERTIFICATIONS OTHER STATEMENTS OF OFFERORS	
✓ F	DELIVERIES OR PERFORMANCE	7	L	INSTRS, CONDS., AND NOTICES TO	
✓ G	CONTRACT ADMINISTRATION DATA	9	M	EVALUATION FACTORS FOR AWARD	
✓ H	SPECIAL CONTRACT REQUIREMENTS	11			

CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17.  **Contractor's Negotiated Agreement**  
 (Contractor is required to sign this document and return 1 copies to issuing office). Contractor agrees to furnish and deliver all items or perform all services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)

18.  **Award** (Contractor is not required to sign this document).  
 Your offer on solicitation number , including the additions or changes made by you which additions or changes set forth in full above, is hereby accepted as to items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

19A. NAME AND TITLE OF SIGNER (TYPE OR PRINT)  
T. A. STONER, F-22 CONTRACTS

20A. NAME OF CONTRACTING OFFICER  
PATRICIA E. BLAKELY

19B. Name of Contractor  
LOCKHEED MARTIN CORPORATION  
by T. A. Stoner  
(signature of person authorized to sign)

19C. Date Signed  
18 JAN 01

20B. United States of America  
by Patricia E. Blakely  
(signature of Contracting Officer)

20C. Date Signed  
22 Jan 01

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
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0001		1 LO	\$0.00 NTE -\$494,711,013.00
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*Noun:* F-22 LOT 2 PRODUCTION AIRCRAFT ADVANCE  
PROCUREMENT - DELETED

New Total Item Amt: \$0.00

*ACRN:* 9

*Security:* U

*NSN:* N - Not Applicable

*Contract type:* J - FIRM FIXED PRICE

*Inspection:* SOURCE

*Acceptance:* SOURCE

*FOB:* SOURCE

*Descriptive Data:*

All funds obligated against this CLIN have been subsumed by the remaining CLINs on the contract.

000101	CLIN Change		
	<i>Noun:</i> Funding Info Only		
	<i>ACRN:</i> AA		-\$393,222,000.00

*Descriptive Data:*

This information SubCLIN is for funding purposes only.

000102	CLIN Change		
	<i>Noun:</i> Funding Info Only		
	<i>ACRN:</i> AB		-\$101,489,013.00

*Descriptive Data:*

This information SubCLIN is for funding purposes only.

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
0002	CLIN Change	13 EA	\$ 139,760,422.5385 \$ 494,039.00

Noun: LOT 2 PRODUCTION AIRCRAFT  
 New Total Item Amount: \$1,816,885,493.00  
 ACRN: 9  
 NSN: N – Not Applicable  
 Contract type: J – FIRM FIXED PRICE  
 Inspection: SOURCE  
 Acceptance: SOURCE  
 FOB: SOURCE

**Descriptive Data:**

- A. The contractor shall produce and deliver thirteen (13) F-22 Lot 2 Aircraft (aircraft serial numbers 02-4028, 02-4029, 02-4030, 02-4031, 02-4032, 02-4033, 02-4034, 02-4035, 02-4036, 02-4037, 02-4038, 02-4039, 02-4040) in accordance with paragraphs 3.1 and 3.4 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.
- B. Payments against this CLIN shall be made in accordance with Section I clause FAR 52.232-32, "Performance-Based Payments"; Section J, Attachment 11, Lot 2 Performance-Based Payments; Section J, Attachment 12, Lot 2 Liquidation (DD 250) Payments; and Section J, Attachment 13, Lot 2 Performance-Based Payments and DD 250 Liquidation Payment Instructions. The price of this CLIN subsumes \$393,222,000.00 of the NTE price of CLIN 0001, F-22 Lot 2 Production Aircraft Advance Procurement.
- C. The definitive price of this CLIN was negotiated using those cost elements identified as Target Price Curve (TPC) costs in the F-22 Production Target Price Curve Element Definition in Section J, Attachment 8. As such, the price of this CLIN will serve as the TPC price for Lot 2.
- D. The contractor shall also deliver ten (13) –21 Maintenance Safety Protective Equipment (MSPE) Flyaway Kits (one for each aircraft) in accordance with paragraphs 3.1 and 3.4 of the Statement of Work for Lot 2 Production, Section J, Attachment 3. The MSPE kit consists of the following items:

QTY	PER	TOTAL		
A/C	QTY		NOMENCLATURE (5HY00128-123)	PART NO.
1	13		Micro Data Transfer Cartridge (uD1C)	5VK00151
1	13		Video Data Cartridge (VDC)	5VK00150
3	39		Safing Pin, MLG NLG Downlock	5HG00117
1	13		Safing Pin, Tail Hook	5HG90024
1	13		Pin Assembly, Seat	C119078
1	13		Pin, Canopy Jettison	16A12005

000201 CLIN Establish

Noun: Funding Info Only  
 ACRN: AA +\$393,222,000.00

**Descriptive Data:**

This SubCLIN subsumes \$393,222,000.00 of the ACRN AB Lot 2 Advance Buy funds previously obligated under CLIN 000101 of the basic contract.

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
000202	CLIN Change Noun: Funding Info Only ACRN: AB +\$135,587.00 Descriptive Data: This SubCLIN subsumes \$65,869,820.00 of ACRN AB funds previously obligated under CLIN 000102 of the basic contract. The remaining \$1,347,164,047.00 was obligated under modification PZ0007.		
000203	CLIN Establish Noun: Funding Info Only ACRN: AG \$10,000,000.00 PR/MIPR: GYFFS047200014		\$10,000,000.00
0003	CLIN Change Noun: LOT 2 PRODUCTION EQUIPMENT – FLYAWAY & INSTALLED Total Item Amount: \$20,181,74600 ACRN: AB NSN: N – Not Applicable Contract type: J – FIRM FIXED PRICE Inspection: SOURCE Acceptance: SOURCE FOB: SOURCE Descriptive Data: A. The Contractor shall install the following Loose Equipment, Flyaway (5HY00126-123) and Mission Equipment, Installed (5HY00126-121) in the current configuration at the time of delivery on the F-22 Production aircraft in accordance with paragraph 3.1 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.	13 ST	\$1,552,442.00 -\$ 494,039.00

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
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QTY PER	TOTAL QTY		PART NO.
A/C		NOMENCLATURE (SHY00126-121)	
6	78	LAU-142A Launcher and Instl. Kit	5HA49300
2	26	Fitting Assy (Adapters for LAU-142A)	5HF43767
2	26	Fitting Assy (Adapters for LAU-142A)	5HF43775
2	26	CRL Parts Assy (AIM-9 Trapeze Launcher)	5HA46801
2	26	Wing Panel Box, Fwd Sprt Inst	5HA42800
2	26	Wing Panel Box, Wing Pnl Case	5HA42800
1	13	Restrain Installation (AIM-120 Missile), Left	5HA49225
1	13	Restraint Installation (AIM-120 Missile), Right	5HA49225
1	13	Fwd Guide Installation (AIM-120 Missile), Left	5HA49225
1	13	Fwd Guide Installation (AIM-120 Missile), Right	5HA49225
2	26	AIM-9 Nose Cover Rack, Storage	5HA42800
2	26	Missile Fin Box, Aft Sprt Inst	5HA42800
2	26	Missile Fin Box, Msl Pnl Case	5HA42800

- B. Payments against this CLIN shall be made in accordance with Section I clause FAR 52.232-32, "Performance-Based Payments"; Section J, Attachment 11, Lot 2 Performance-Based Payments; Section J, Attachment 12, Lot 2 Liquidation (DD250) Payments; and Section J, Attachment 13, Lot 2 Performance-Based Payments and DD250 Liquidation Payment Instructions.
- C. The price of this CLIN includes the price of CLIN 0004, F-22 Lot 2 Production Equipment – Nonflyaway, Shipped and Other.
- D. This CLIN subsumes \$4,947,110.00 of ACRN AB funds previously obligated under CLIN 000102 of this contract. The remaining \$15,728,675.00 was obligated in PZ0007.

0004	CLIN Change	13	NSP
		ST	NSP
	Noun:	LOT 2 PRODUCTION EQUIPMENT NONFLYAWAY, SHIPPED & OTHER	
	Total Item Amount:	\$0.00	
	ACRN:	AB	
	NSN:	N Not Applicable	
	Contract type:	J – FIRM FIXED PRICE	
	Inspection:	SOURCE	
	Acceptance:	SOURCE	
	FOB:	SOURCE	

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
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Descriptive Data:

A. The Contractor shall provide the following Loose Equipment, Non-Flyaway (5IIT00126-125), Mission Equipment, Shipped (5HY00126-113) and Associated Equipment (5HY00126-109) in the current configuration at the same time of delivery, for F-22 Lot 2 Production Aircraft in accordance with paragraph 3.1 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.

QTY			
PER	TOTAL		
A/C	QTY	NOMENCLATURE (5HY00126-125)	PART NO.
3	39	Micro Data Transfer Cartridge (uDTC)	5VK00151
1	13	Video Data Cartridge (VDC)	5VK00150
2	26	Protector Plug, Engine Inlet Duct	5HG00131
2	26	Cover, Air Data Alpha Probe	5VV50011
2	26	Cover, Air Data Beta Probe	5VV50016
1	13	Combiner Cover (Heads-Up Display)	962167
1	13	Camera Cover (Heads-Up Display)	2545-0005/T1
1	13	ICP Cover (Heads-Up Display)	229-53090/F1
1	13	Cover, Multi Function Display	5IIG00192
1	13	Protector Cover, ACFC/ECS Duct, Lefthand	5IIG00209
1	13	Protector Cover, ACFC/ECS Duct, Righthand	5HG00209

QTY			
PER	TOTAL		
A/C	QTY	NOMENCLATURE (5HY00126-113)	PART NO.
2	46	BRU-46 Adapters for GBU-32	5IIA49100
1	13	Diverter Lip Install Kit, Left Hand Side	5HU13000
1	13	Diverter Lip Install Kit, Right Hand Side	5HU13000
2	26	AIM-9X Mod Kit	5HA46501

QTY			
PER	TOTAL		
A/C	QTY	NOMENCLATURE (5HY00126-109)	PART NO.
18	234	Advanced Flare Magazine (MJU-41/A)	5VK50251
12	156	Advanced Flare Retainer Plate	5VK50251
6	78	MJU-10 Retainer Plate	5VK50251
6	78	MJU-7 Magazine (MJU-43/A)	5VK50252
6	78	MJU-7 Retainer Plate	5VK50252
6	78	Chaff Magazine (MJU-44/A)	5VK50253
6	78	RR-170 Retainer Plate	5VK50253
6	78	RR-180 Retainer Plate	5VK50253

B. This CLIN shall be established as a "Not Separately Priced (NSP)" CLIN. The total price of this CLIN is included in the price of CLIN 0003 (F-22 Lot 2 Production Equipment - Flyaway and Installed).

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
0005	CLIN Establish	1	\$3,472,472.00
		LO	\$3,472,472.00

Noun: LOT 2 PRODUCTION SUPPORT SYSTEM PRODUCTS

ACRN: AB

NSN: N - Not Applicable

Contract type: J - FIRM FIXED PRICE

Inspection: SOURCE

Acceptance: SOURCE

FOB: SOURCE

Descriptive Data:

- A. The Contractor shall produce and deliver the Support Systems Products listed in Section J, Exhibit B, in accordance with paragraph 3.3 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.
- B. Payments against this CLIN shall be made in accordance with Section I clause FAR 52.232-32, "Performance-Based Payments;" Section J, Attachment 11, Lot 2 Performance-Based Payments; Section J, Attachment 12, Lot 2 Liquidation (DD250) Payments; and Section J, Attachment 13, Lot 2 Performance-Based Payments and DD250 Liquidation Payment Instructions.
- C. This CLIN subsumes \$989,422.00 of ACRN AB funds previously obligated under CLIN 000102 of this contract. The remaining \$2,483,050.00 is being obligated with this modification.

0006	CLIN Establish	1	\$47,539,897.00
		LO	\$47,539,897.00

Noun: LOT 2 TRAINING SYSTEM PRODUCTS

ACRN: AB

NSN: N - Not Applicable

Contract type: J - FIRM FIXED PRICE

Inspection: DESTINATION

Acceptance: DESTINATION

FOB: SOURCE

Descriptive Data:

- A. The Contractor shall produce and deliver the Training System Products listed in Section J, Exhibit C, for the F-22 Lot 2 Production Aircraft, in the latest configuration at the time of delivery, in accordance with paragraph 3.2 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.
- B. Payments against this CLIN shall be made in accordance with Section I clause FAR 52.232-32, "Performance-Based Payments;" Section J, Attachment 11, Lot 2 Performance-Based Payments; Section J, Attachment 12, Lot 2 Liquidation (DD250) Payments; and Section J, Attachment 13, Lot 2 Performance-Based Payments and DD250 Liquidation Payment Instructions.

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
0007	CLIN Establish	1	\$115,922,237.00
		LO	\$115,922,237.00
	Noun:	LOT 2 PRODUCTION SUPPORT – OTHER	
	ACRN:	AB	
	NSN:	N – Not Applicable	
	Contract type:	J – FIRM FIXED PRICE	
	Inspection:	SOURCE	
	Acceptance:	SOURCE	
	FOB:	SOURCE	

**Descriptive Data:**

- A. The Contractor shall provide other production support, such as tooling, facilities maintenance, information services, and responsibility for Diminishing Manufacturing Sources (DMS) for all Lot 2 production deliveries and for DMS parts buys and redesign activities required during CY02 for the remaining production program in accordance with Section 3.0 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.
- B. Payments against this CLIN shall be made in accordance with Section I clause FAR 52.232-32, "Performance-Based Payments"; Section J, Attachment 11, Lot 2 Performance-Based Payments; Section J, Attachment 12, Lot 2 Liquidation (DD250) Payments; and Section J, Attachment 13, Lot 2 Performance-based Payments and DD250 Liquidation Payment Instructions.
- C. This CLIN subsumes \$29,682,661.00 of ACRN AB funds previously obligated under CLIN 000102 of this contract. The remaining \$86,239,576.00 is being obligated with this modification.

<u>ITEM</u>	<u>SUPPLIES OR SERVICES</u>	<u>Qty</u> <u>Purch Unit</u>	<u>Unit Price</u> <u>Total Item Amount</u>
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0010	CLIN Change	1	\$4,322,000.00
		LO	\$4,322,000.00

Noun: EXPENDABLES  
 ACRN: AE  
 NSN: N – Not Applicable  
 Contract type: J FIRM FIXED PRICE  
 Inspection: SOURCE  
 Acceptance: SOURCE  
 FOB: SOURCE

**Descriptive Data:**

A. The Contractor shall provide the following Expendables for each F-22 Lot 2 Production Aircraft in accordance with paragraph 3.1.2 of the Statement of Work for Lot 2 Production, Section J, Attachment 3.

<u>QTY</u> <u>PER</u> <u>LOT</u>	<u>NOMENCLATURE</u>	<u>PART NO.</u>
900	Flare, Countermeasure - MJU-39B (cost of a MJU-39/B includes a separately shipped BBU-59)	5VK50210
900	Flare, Countermeasure - MJU-40/B (cost of a MJU-40/B does not include the BBU-36)	5VK50100
900	Cartridge, Impulse (BBU-36)	1377-MG11

B. Payments against this CLIN shall be made in accordance with Section I clause FAR 52.232-32 Performance-Based Payments; Section H Special Contract Requirement H-017, Performance-Based Payments; Section J, Attachment 11, Lot 2 Production Performance-Based Payments; Section J, Attachment 12, Lot 2 Production Liquidation (DD250) Payments; and Section J, Attachment 13, Lot 2 Production Performance-Based Payments and Liquidation (DD250) Payments – Payment Instructions.

ITEM	SUPPLIES OR SERVICES	Qty	Unit Price
		Purch Unit	Total Item Amount
0011	CLIN Establish	1	\$64,200,000.00
		LO	\$64,200,000.00
	Noun:	RETURN OF INVESTMENT	
	ACRN:	AB	
	Security:	U	
	NSN:	N - Not applicable	
	Contract Type:	J - FIRM FIXED PRICE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	

**Descriptive Data:**

The Contractor is eligible to bill for Return of Investment on Producibility Improvement Program (PIP) previously deferred from the Lot 1 Production full award in the amount of \$64,200,000.00. Payments against this CLIN shall be made in accordance with the Advance Agreement to Recognize Precontract Costs for Producibility Enhancements (06-04-98) and Contract F33657-99-C-0036, Section H Special Contract Requirement H-031, "Payment of Earned Producibility Improvement Program (PIP) Investments and PIP Award Fees."

0012	CLIN Establish	1	\$32,391,140.00
		LO	\$32,391,140.00
	Noun:	RETURN ON INVESTMENT	
	ACRN:	AB	
	Security:	U	
	NSN:	N - Not Applicable	
	Contract type:	J - FIRM FIXED PRICE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	

**Descriptive Data:**

The Contractor is eligible to bill for Return on Investment on Producibility Improvement Program (PIP) previously deferred from the Lot 1 Production full award in the amount of \$32,391,140.00. Payments against this CLIN shall be made in accordance with the Advance Agreement to Recognize Precontract Costs for Producibility Enhancements (06-04-98) and Contract F33657-99-C-0036, Section H Special Contract Requirement H-031, "Payment of Earned Producibility Improvement Program (PIP) Investments and PIP Award Fees."

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
0013	CLIN Establish	1 LO	\$97,000,000.00 \$97,000,000.00
	Noun:	PRODUCIBILITY IMPROVEMENT PROGRAM (PIP) III	
	ACRN:	AB	
	NSN:	N - Not Applicable	
	Contract type:	U - COST PLUS FIXED FEE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	
	Descriptive Data:		
	The Contractor shall provide producibility enhancement in accordance with paragraph 3.4.2 of the Statement of Work and Section H, Special Contract Requirement ASC/YFK-H-031, "Producibility Improvement Program (PIP) III." The table below outlines the cost and fixed fee associated with this work.		
	Cost:	\$88,181,818.00	
	Fixed Fee: (10%)	\$ 8,818,182.00	
	Total:	\$97,000,000.00	
0014	CLIN Establish	1 LO	\$21,400,000.00 \$21,400,000.00
	Noun:	LOT 2 RETURN OF INVESTMENT	
	ACRN:	AB	
	NSN:	N - Not Applicable	
	Contract type:	J - FIRM FIXED PRICE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	
	Descriptive Data:		
	The Contractor is eligible to bill for Return of Investment on Producibility Improvement Program (PIP) for Lot 2 in the amount of \$21,400,000.00. Payments against this CLIN shall be made in accordance with the Advance Agreement to Recognize Precontract Costs for Producibility Enhancements (06-04-98).		

ITEM	SUPPLIES OR SERVICES	Qty	Unit Price
		Purch Unit	Total Item Amount

0015	CLIN Establish	1	\$32,391,140.00
		LO	\$32,391,140.00

Noun: LOT 2 RETURN ON INVESTMENT

ACRN: AB

NSN: N – Not Applicable

Contract type: J FIRM FIXED PRICE

Inspection: DESTINATION

Acceptance: DESTINATION

FOB: DESTINATION

Descriptive Data:

The Contractor is eligible to bill for Return on Investment on Producibility Improvement Program (PIP) for Lot 2 in the amount of \$32,391,140.00. Payments against this CLIN shall be made in accordance with the Advance Agreement to Recognize Precontract Costs for Producibility Enhancements (08-04-98).

0016	CLIN Change	1	\$83,952,933.00
		LO	-\$27,447,067.00

Noun: F-22 DIMINISHING MANUFACTURING SOURCES

New Total Item Amount: \$83,952,933.00

ACRN: AB

NSN: N – Not Applicable

Contract type: U – COST PLUS FIXED FEE

Inspection: SOURCE

Acceptance: SOURCE

FOB: SOURCE

Descriptive Data:

The Contractor shall accomplish work as outlined in CCP 0093 "Diminishing Manufacturing Sources" in order to provide DMS schedule protection and DMS parts buys for lots 3 – 7.

ITEM	SUPPLIES OR SERVICES	Qty	Unit Price
		Purch Unit	Total Item Amount

0017	CLIN Change	1	\$198,021.00
		LO	-\$160,038.00
	Noun:	INTEGRATION ON GOVERNMENT FURNISHED LIFE SUPPORT EQUIPMENT	
	New Total Item Amount:	\$198,021.00	
	ACRN:	AB	
	PR/MIPR:	GYFFS027200081	\$18,991.50
	NSN:	N – Not Applicable	
	Contract type:	J- FIRM FIXED PRICE	
	Inspection:	SOURCE	
	Acceptance:	SOURCE	
	FOB:	SOURCE	

Descriptive Data:

The Contractor shall accomplish work as outlined in ECP 0077-1 Part 1, for the Integration of Government Furnished Life Support Equipment in the F-22 Aircraft.

0018	CLIN Change	1	\$60,729.00
		LO	-\$50,182.00
	Noun:	INTEGRATION OF GOVERNMENT FURNISHED LIFE SUPPORT EQUIPMENT	
	New Total Item Amount:	\$60,729.00	
	ACRN:	AF	
	PR/MIPR:	GYFFS037200044	\$5,274.00
	NSN:	N – Not Applicable	
	Contract type:	J – FIRM FIXED PRICE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	

Descriptive Data:

The Contractor shall accomplish the Lot 2 portion of ECP 0077-1 Part 2, for the integration of Government Furnished Life Support Equipment in the F/A-22 Aircraft.

0020	CLIN Establish	1	\$722,966.00
		LO	NTE \$722,966.00
	Noun:	AMAD PANEL CAMERA POD UCA	
	ACRN:	AB	
	PR/MIPR:	GYFFS037200113	\$361,483.00
	NSN:	N – Not Applicable	
	Contract type:	J – FIRM FIXED PRICE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	

Descriptive Data:

The Contractor shall provide and install camera pod assemblies to the left side Aircraft Mounted Accessory Drive (AMAD) panel.

ITEM	SUPPLIES OR SERVICES	Qty Purch Unit	Unit Price Total Item Amount
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0101	CLIN Establish	1	\$152,363,017.00
		LO	\$152,363,017.00

Noun: F-22 WEAPON SYSTEM SUPPORT AS A CAPABILITY  
 ACRN: AB  
 NSN: N - Not Applicable  
 Contract type: R - COST PLUS AWARD FEE  
 Inspection: DESTINATION  
 Acceptance: DESTINATION  
 FOR: DESTINATION

**Descriptive Data:**

The contractor shall provide material and labor associated with providing all F-22 peculiar spares and depot level repair capability in accordance with paragraph 3.3.1 of the Statement of work, Section J, Attachment 4 to support the F-22 Weapon System Flying Hour Profile Program listed in Section J, Attachment 15. The contractor shall also provide customer service, support planning, supply services, heavy maintenance and engineering support to include operations, management functions, processes, planning and interface requirements necessary to support the F-22 Weapon System in accordance with paragraphs 3.2.1 through 3.2.5 of the Statement of Work, Section J, Attachment 4.

The contractor shall provide training system support material capability in accordance with paragraph 3.3.2 of the Statement of Work, Section J, Attachment 4 to support operational availability requirements. This CLIN applies to 3010 funded activities.

Support as a Capability (Air Vehicles & SE)	Support as a Capability (Training System)
Estimated Cost: \$143,907,510	Estimated Cost: \$7,036,060
Base Fee (3%): \$ 4,299,513	Base Fee (3%): \$ 119,934
Total: \$148,207,023	Total: \$4,155,994

ITEM	SUPPLIES OR SERVICES	Qty	Unit Price
		Purch Unit	Total Item Amount
0102	CLIN Establish	1	\$3,301,838.00
		LO	\$3,301,838.00
	Noun: TRAINING SYSTEM SUPPORT SERVICES CAPABILITY		
	ACRN: 9		
	NSN: N – Not Applicable		
	Contract type: R- COST PLUS AWARD FEE		
	Inspection: DESTINATION		
	Acceptance: DESTINATION		
	FOB: DESTINATION		
	Descriptive Data:		
	The contractor shall provide training system support services capability, including all activities required during CY2002, in accordance with applicable paragraphs of the attached PALS Statement of Work dated 15 Nov 2001, Section J, Attachment 4 to support operational availability requirements as described in paragraph 3.2.6 and activities necessary to support future training system operations. The contractor shall also provide training instructor services, maintain onsite asset configurations, training system administration, and maintenance of training devices, training labs, and TSSC network maintenance in accordance with paragraphs 3.1, 3.2.2, 3.2.5.1, 3.2.6, and 3.3.2 Statement of Work, Section J, Attachment 4. This CLIN applies to 3400 funding only.		
	Estimated Cost:	\$3,207,136	
	Base Fee (3%):	\$ 94,702	
	Total:	\$3,301,838	
010201	CLIN Change		
	Noun: Funding Info Only – Deobligation of 3400 Funds		
	ACRN: AD	-\$1,447,657.00	
	Descriptive Data:		
	Deobligation of 3400 funding.		
0103	CLIN Change	1	\$14,582,904.00
		LO	+\$ 7,305,554.00
	Noun: F-22 SUPPORT AS A CAPABILITY AWARD FEE (3010 PORTION)		
	New Total Item Amount:	\$14,582,904.00	
	ACRN:	AB	
	NSN:	N – Not Applicable	
	Contract type:	R – COST PLUS AWARD FEE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	
	Descriptive Data:		
	This CLIN covers the 3010-funded portion of Performance-Based Agile Logistics Support (PALS) Award Fee earned by the Contractor in accordance with Section H, Special Contract Requirement ASC/YFK-H-102 and the F-22 PALS Award Fee Plan.		

ITEM	SUPPLIES OR SERVICES	Qty	Unit Price
		Purch Unit	Total Item Amount
0104	CLIN Change	1	\$177,038.00
		LO	+\$157,838.00
	Noun:	F-22 SUPPORT AS A CAPABILITY AWARD FEE (3400 PORTION)	
	New Total Item Amount:	\$177,038.00	
	ACRN:	AD	
	NSN:	N – Not Applicable	
	Contract type:	R – COST PLUS AWARD FEE	
	Inspection:	DESTINATION	
	Acceptance:	DESTINATION	
	FOB:	DESTINATION	
	Descriptive Data:	This CLIN covers the 3400-funded portion of Performance-Based Agile Logistics Support (PALS) Award Fee earned by the Contractor in accordance with Section H, Special Contract Requirement ASC/YFK-H-102 and the F-22 PALS Award Fee Plan.	

**NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by full text:

**A. ADMINISTRATIVE AND ONE-TIME-USE CLAUSES IN FULL TEXT**

**C001 WORK DESCRIPTION/SPECIFICATION (MAY 1997)**

Work called for by the contract line items specified in SECTION B shall be performed in accordance with the following:

Note: The following ECPs/CCPs/CP SPOs were authorized under Contract F33657 97-C-0030 subsequent to the release date of the F-22 Air Vehicle Production Specification (SPPAA022A dated 03 Nov 98) and they form part of the Lot 2 Production Technical Baseline, or in the case of CCPs, part of the Contract Baseline:

ECP 0056-1 Halon Replacement  
ECP 0054-1 Launch Roll Rate  
ECP 0055-R1 ADAJ/SIS to Production  
CCP 0056-1 JIMCS Interface on F-22  
CP SPO 0228 Block 2 Group Provisions  
CCP 0064 DMS Parts Buy-Outs  
CP SPO 0219 CCT 2 Rollup  
ECP 0001-73 Threat List Baseline Update  
CP SPO 0241 Signal D Deletion  
ECP 0059R1 Cryptographic Requirements Changes  
ECP 0060 Cockpit Ladder Box Reconfiguration

CLIN 0001 DELETED

CLINs 0002, 0003, 0004, 0007 & 0010

Attachment 3 Statement of Work (SOW) for F-22 Lot 2 Production, dated 02 Oct 01  
Attachment 10F-22 Lot 2 Production List of Approved Contract Change Proposals (CCPs)  
and Engineering Change Proposals (ECPs)  
SPPAA022A F-22 Air Vehicle Production Specification, dated 03 Nov 1998

CLIN 0005

Attachment 3 Statement of Work (SOW) for F-22 Lot 2 Production, dated 02 Oct 01  
Attachment 10F-22 Lot 2 Production List of Approved Contract Change Proposals (CCPs)  
and Engineering Change Proposals (ECPs)  
SPHBG041 F-22 Operational Debrief System (ODS) Performance Specification dated 26  
Jan 98  
SPTA0086 F-22 Production Program Common Organizational Level Test COLT  
Performance Specification dated 08 Oct 99

CLIN 0006

Attachment 3 Statement of Work (SOW) for F-22 Lot 2 Production, dated 02 Oct 01

Attachment 10F-22 Lot 2 Production List of Approved Contract Change Proposals (CCPs) and Engineering Change Proposals (ECPs)

5PPAT902 F-22 Full Mission Trainer Performance Specification dated Sep 2000

5PPAT903 F-22 Weapons and Tactics Trainer Performance Specification dated Sep 2000

5PPAT904 F-22 On-Equipment Structures Trainer Performance Specification, TBD

5PPAT905 F-22 Seat and Canopy Trainer Performance Specification, TBD

CLIN 0013

Attachment 3 Statement of Work (SOW) for F-22 Lot 2 Production, dated 02 Oct 01

CLIN 0017

Attachment 3 Statement of Work (SOW) for the F-22 Lot 2 Production, dated 02 Oct 01

5PPAA022A F-22 Air Vehicle Production Specification, dated 03 Nov 1998

CLINs 0101, 0102, 0103 & 0104

Attachment 4 Statement of Work (SOW) for F-22 Lot 2 PALS, dated 20 Jul 01

Attachment 10F-22 Lot 2 Production List of Approved Contract Change Proposals (CCPs) and Engineering Change Proposals (ECPs)

**C002 REFERENCE TO SPECIFIC PARAGRAPHS OF THE STATEMENT OF WORK (MAY 1997)**

Reference to specific paragraphs of the Statement of Work (SOW) indicates only where the CLIN/SubCLIN requirement is principally described and does not absolve the Contractor from the requirement to comply with the contractual provisions applicable to those CLINs/SubCLINs.

**C003 INCORPORATED DOCUMENTS/REQUIREMENTS (JUN 1998)**

All specifications, exhibits, drawings or other documents which are referred to in this contract, whether or not attached, are incorporated herein by reference.

**SECTION D – PACKAGING AND MARKING:**

**I. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by reference:

**A. AIR FORCE MATERIEL COMMAND FAR CONTRACT CLAUSES**

5352.247-9005	SHIPPING CONTAINER MARKING (AFMC) (JAN 2000)
5352.247-9007	SPECIFICATION COMMERCIAL PACKAGING (AFMC) (JAN 2000)
5352.247-9009	MILITARY PACKAGING AND MARKING (AFMC) (SEP 1998)
5352.247-9011	PACKAGING AND MARKING OF HAZARDOUS MATERIALS (AFMC) (SEP 1998)
5352.247-9012	PACKAGING FOR INSPECTION AND ACCEPTANCE AT DESTINATION (JUL 1997)

**II. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated in full text:

**A. ADMINISTRATIVE AND ONE-TIME USE CLAUSES IN FULL TEXT**

**D001 PRESERVATION, PACKAGING, PACKING AND MARKING REQUIREMENTS (FEB 1997)**

All preservation, packing, shipping, and marking of COMSEC shall be in accordance with the DOD Form 254, DoD Contract Security Classification Specification, Section J, Attachment 2.

**D002 PACKAGING DATA INSTRUCTIONS-DATABASE UPDATED (OCT 2001)**

a. The contractor shall enter Packaging Coded Data elements into the appropriate Government database (D375/DO35T) either before shipment or after arrival of the part to the operational site. As a minimum, the appropriate database(s) should be updated in sufficient time to avoid delays resulting from missing packaging instructions when Government base transportation personnel ship parts off base. The contractor shall submit DISA Form 41, requesting access to the appropriate databases. The Government shall then be responsible for providing the contractor access to those databases. Required database entry elements shall include the following:

- 1) Document Identifier, Card B & D
- 2) System Document Control & Identification Number (if applicable), Card B&D
- 3) Item National Stock Number (NSN), Card B & D
- 4) Commercial & Government Entity Code, Card D
- 5) Special Packaging Instructions (SPI) number, Card D
- 6) SPI revision code (if applicable), Card D
- 7) SPI effective date, Card D
- 8) Container National Stock Number, Card D
- 9) Unit Pack Weight, Card B
- 10) Unit Pack Length, Card B
- 11) Unit Pack Width, Card B
- 12) Unit Pack Depth, Card B
- 13) Unit Pack Cube, Card B
- 14) Special Marking, Card B
- 15) Level of Pack, Card B
- 16) Hazardous Materials data elements are required only for Hazardous Materials items

b. If a Special Packaging Instruction (SPI) drawing is required, the contractor shall be responsible for inputting the SPI drawing into the SPI Data Distribution System (SPIDDS), at approximately the same time the Packaging Coded Data elements are entered into D375/D035T. The SPI drawing/detailed narrative formats shall be Autocad, Microsoft Word, or other internet browser acceptable format. Contractor shall submit a request to HQ AFMC LSO/LOP for individuals requiring SPIDDS access.

c. On a semi-annual basis, the contractor shall notify HQ AFMC/LGTT via ASC/YFK of the NSNs that data has been entered into data systems.

d. The contractor shall use, and specify the use of, reusable containers to the maximum extent practicable for repairables.

e. Reference MIL-STD-2073-1D, appendix C & E & T.O. 0085B-3 for contractor to properly code the data for acceptance by data systems & mainly for the bases to understand the codes.

**SECTION E – INSPECTION AND ACCEPTANCE:**

**I. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by reference:

**A. FEDERAL ACQUISITION REGULATION CONTRACT CLAUSES**

- 52.246-02 INSPECTION OF SUPPLIES -- FIXED-PRICE (AUG 1996)  
52.246-03 INSPECTION OF SUPPLIES – COST REIMBURSEMENT (MAY 2001)  
52.246-05 INSPECTION OF SERVICES – COST REIMBURSEMENT (APR 1984)  
52.246-11 HIGHER-LEVEL CONTRACT QUALITY REQUIREMENT (FEB 1999)  
Title, number (if any), date, and tailoring (if any) of the higher-level quality standards:  
"ISO 9001 or equivalent, or any previously approved quality system"  
52.246-16 RESPONSIBILITY FOR SUPPLIES (APR 1984)

**B. DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT CONTRACT CLAUSES**

252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (DEC 1991)

**C. AIR FORCE MATERIEL COMMAND FAR CONTRACT CLAUSES**

- 5352.246-9000 MATERIAL INSPECTION AND RECEIVING REPORT (OMB NO. 0704--0248) (AFMC) (JUL 1997)  
Para (a)(1), Address to Forward DD250  
ASC/YFK  
Building 553  
2725 C Street  
Wright-Patterson AFB, OH 45433-7424  
Para (a)(2), Address 'NONE'  
Para (a)(3), Additional Address(es)  
ASC/YFMC  
Building 553  
2725 C Street  
Wright-Patterson AFB, OH 45433-7424  
  
ASC/YFA  
Building 553  
2725 C Street  
Wright-Patterson AFB, OH 45433-7424

Defense Contract Management Command  
Lockheed Martin Corporation  
Lockheed Martin Aeronautics Company  
86 South Cobb Drive  
Marietta, GA 30063-0260

5352.246-9001

INSPECTION AND ACCEPTANCE (AFMC) (JUL 1997)  
Plant of other source location(s) 'Tyndall AFB, Florida, and Nellis AFB,  
Nevada' Packaging location or address of other facility when final inspection  
and acceptance will occur at site other than above: 'None'

5352.246-9002

CORRECTION OF SUPPLIES ACCEPTED WITH DEFICIENCIES (AFMC)  
(JUL 1997)

**II. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by full text:

**A. ADMINISTRATIVE AND ONE-TIME USE CLAUSES IN FULL TEXT**

**E-001 INSPECTION AND ACCEPTANCE (OCT 2001)**

(a) Except as provided below and in Section B of the contract, final inspection and acceptance by the Government of the items set forth herein shall be at the Contractor's plant.

(b) In addition to final inspection and acceptance at the Contractor's plant specified in paragraph (a), final inspection and acceptance may take place at the plants of the Contractor's other divisions or team members that may be performing work under this contract, at any subcontractor's plant(s) and any vendor of the Contractor, provided that such plant or plants of a subcontractor or vendor shall have been approved for such purposes in writing by the Administrative Contracting Officer.

(c) The Government will accept each F-22 aircraft and associated aircraft equipment in accordance with the production acceptance process documented in the Air Vehicle Acceptance Test Plan, provided in the EMD contract (F33657-91-C-0006). F-22 aircraft acceptance shall be based upon demonstrated compliance to the F-22 Air Vehicle Production Specification, as listed in Section C, with the approved Acceptance Test Procedure (ATP) submitted for FCA under the EMD contract (F33657-91-C 0006, CDRL A261). Variances shall be dispositioned prior to aircraft acceptance as described in Special Contract Requirement H-023, Air Vehicle Acceptance.

(d) Inspection and acceptance of Support System Products shall be accomplished in accordance with the acceptance methods and criteria documented in the approved ATPs referenced in the Support System Products Performance Specification, listed in Section C hereof. For Support System Products not covered by a performance specification, inspection and acceptance shall be accomplished in accordance with the part number drawing. Sixty (60) days prior to delivery, the Contractor shall submit an update to Exhibit B that will identify the most current part numbers to be delivered. The Government shall issue a unilateral modification to this contract incorporating this updated list into Exhibit B prior to delivery at no change to the contract price. This change shall not add or delete items. Variances shall be dispositioned in accordance with AFMCFAR 5352.246-9002, Correction of Supplies Accepted with Deficiencies.

(e) Inspection and acceptance of Training System Products shall be accomplished in accordance with the acceptance methods and criteria documented in the ATPs developed by the Contractor and approved by the Government under the EMD Contract (F33657-91-C-0006) for each of the Training System Products Performance Specifications, listed in Section C hereof. For Training System Products not covered by a performance specification, inspection and acceptance shall be accomplished in accordance with the control drawing. Sixty (60) days prior to delivery, the Contractor shall submit an update to Exhibit C that will identify the control drawing configuration to be delivered. The Government shall issue a unilateral modification to this contract incorporating this updated list into Exhibit C prior to delivery at no change to the contract price. This change shall not add or delete items. Variances shall be dispositioned in accordance with AFMCFAR 5352.246-9002, Correction of Supplies Accepted with Deficiencies.

(f) Inspection and acceptance of weapon system Support as a Capability (Support Material Capability and Support Services Capability) shall be considered to be at destination (Nellis AFB, Nevada and/or Tyndall AFB, Florida as required) unless otherwise authorized by the Administrative Contracting Officer. The expected outcomes of performance (e.g., delivered weapon system capability) and the associated specific measurement methodologies are documented in Section J, Attachment 4, F-22 Performance-Based Agile Logistics Support Statement of Work.

## **SECTION F – DELIVERIES OR PERFORMANCE:**

I. **NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by reference:

### **A. FEDERAL ACQUISITION REGULATION CONTRACT CLAUSES**

- 52.211-16 VARIATION IN QUANTITY (APR 1984)  
Para (b), Percent Increase is 'a`0`%'  
Para (b), Percent decrease is 'a`0`%'  
Para (b), Designation(s) to which the percentages apply is 'all line items'
- 52.242-15 STOP-WORK ORDER (AUG 1989)
- 52.242-17 GOVERNMENT DELAY OF WORK (APR 1984)
- 52.247-30 F.O.B. ORIGIN, CONTRACTOR'S FACILITY (APR 1984)  
In paragraph (a), the designated facilities are 'Air Force Plant 6', 86 South Cobb Drive, Marietta, GA, Cobb County, and any other division, team member, or subcontractor facilities approved in accordance with paragraph (b) of E-001 Inspection and Acceptance.'
- 52.247-65 F.O.B. ORIGIN, PREPAID FREIGHT – SMALL PACKAGE SHIPMENTS (JAN 1991)

### **B. AIR FORCE MATERIEL COMMAND FAR CONTRACT CLAUSES**

- 5352.247-9000 COMMERCIAL BILL OF LADING SHIPMENTS – CARRIER'S RATES (AFMC) (JUL 1997)

II. **NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by full text:

### **A. ADMINISTRATIVE AND ONE-TIME-USE CLAUSES IN FULL TEXT**

F-001 DELETED

F-002 MILITARY STANDARD TRANSPORTATION AND MOVEMENT PROCEDURES (MILSTAMP) TRANSPORTATION AND MOVEMENT PROCEDURES (MILSTAMP) (JUN 1998)

(a) DOD MILSTAMP Implementation (DOD Regulation 4500.32-R, Vol 1 & 2) prescribes uniform procedures and documents for the control of shipments moving wholly or in part within the Department of Defense Transportation System. Minimum requirements consist of the use and preparation of the following:

- (1) The assignment of a Transportation Control Number (TCN).

(2) DD Form 1384, "Transportation Control and Movement Document." A multi-purpose document which is used as a basic movement and control document, terminal handling document (e.g., Dock Receipt), cargo manifest, or tracing document.

(3) DD Form 1385, "Cargo Manifest" (Air and Surface). A multi-purpose manual or mechanized form for use in listing air or surface manifest data.

(4) DD Form 1387, "Military Shipment Label." The shipping address label to be used for transportation marking in accordance with the edition of MIL-STD-129 in effect on the date of this contract.

(5) DD Form 1387-1, "Military Shipping Tag." The shipping tag used for transportation marking.

(6) DD Form 1387-2, "Special Handling Data/Certification." A document prepared by the shipper for all shipments to be routed via military air transportation or commercial air augmentation which require special handling and/or certification.

(b) The forms and formats prescribed by this clause constitute a family of documents required for movement of cargo into and through the Defense Transportation System (DTC).

(c) The Contractor shall prepare and distribute such documents in accordance with MILSTAMP criteria. In the event the Contractor requires instruction and/or assistance in connection therewith, he may contact Transportation Management personnel of the Contract Administration Office to which contract has been assigned. The Contractor shall not ship any cargo directly to a military air or water port terminal without authorization from the designated contract administration office.

#### **F-003 REQUESTS FOR SHIPPING INSTRUCTIONS (JUN 1998)**

Requests for shipping instructions for the supplies, other than data, called for hereunder shall be made to the address specified below not later than thirty (30) days prior to the date on which any of the articles are ready for shipment:

F-22 System Program Office (ASC/YF)  
Building 553  
2725 C Street  
Wright-Patterson AFB OH 45433-7424  
Contract F33657-00-C-0020

**F-004 F.O.B. ORIGIN – SELECTION OF MODES (JUN 1998)**

When an item is shipped on an FOB origin basis, the U.S. Government will specify the manner in which the move will be effected. A U.S. Government Bill of Lading is typically provided for domestic shipments. Other Government options include, but are not limited to, the use of military freight warrants for shipments originating outside CONUS and the authorization/direction to the Contractor to accomplish the shipment on behalf of the U.S. Government using a prepaid commercial bill of lading. If deliveries on this contract are to be made by Subcontractors or on a co-production basis, these arrangements must not limit the Government's ability to select how a shipment is to be accomplished.

**F-005 ACCELERATED DELIVERY (JUN 1998)**

The Contractor is authorized to exceed the delivery rate, or to complete performance of this contract prior to the time set forth in the Schedule; provided, however, that nothing contained herein shall obligate the Government to perform any of its obligations to the Contractor at an earlier date than is set forth in the contract in order to assist the Contractor to make deliveries on an accelerated basis.

ITEM	SHIP SUPPLIES SCHEDULE DATA	MARK QTY	TRANS TO	FOR	PRI	DATE
0001		1	U		ASREQ	
	<i>Noun:</i> F-22 LOT 2 PRODUCTION AIRCRAFT ADVANCE PROCUREMENT					
	<i>ACRN:</i> 9					
0002		1	U			28 Nov 2003
		1	U			30 Jan 2004
		1	U			13 Feb 2004
		1	U			27 Feb 2004
		1	U			31 Mar 2004
		1	U			30 Apr 2004
		1	U			31 May 2004
		1	U			30 Jun 2004
		1	U			30 Jul 2004
		1	U			16 Aug 2004
		1	U			31 Aug 2004
		1	U			30 Sep 2004
		1	U			29 Oct 2004

*Noun:* LOT 2 PRODUCTION AIRCRAFT

*ACRN* 9

*Sec Class:* U

*Descriptive Data:*

All portions of the Acceptance Test Procedure (ATP), including the Acceptance Checkflight, shall be completed prior to the delivery of the above aircraft at the above dates.

ITEM	SUPPLIES SCHEDULE DATA	QTY	SHIP TO	MARK FOR	PRI	TRANS DATE
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0003		13	U		ASREQ	
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Noun: LOT 2 PRODUCTION EQUIPMENT -- FLYAWAY & INSTALLED

ACRN: AB

Descriptive Data:

The Contractor shall deliver the F-22 Lot 2 Production Equipment – Flyaway and Installed, installed on each aircraft, with each aircraft delivery.

0004		13	U		ASREQ	
------	--	----	---	--	-------	--

Noun: LOT 2 PRODUCTION EQUIPMENT – NONFLYAWAY, SHIPPED & OTHER

ACRN: AB

Descriptive Data:

The Contractor shall deliver the F-22 Lot 2 Production Equipment – Non-Flyaway, Shipped and Other, concurrent with each aircraft delivery. The Lot 2 Production Mission Equipment – Non-Flyaway, Shipped and Other, is uninstalled equipment.

0005		1	U		ASREQ	
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Noun: LOT 2 PRODUCTION SUPPORT SYSTEM PRODUCTS

ACRN: AB

Descriptive Data:

The Contractor shall deliver the Production Support System Products listed in Exhibit B as outlined below.

Section	Part	Nomenclature	Delivery Date
2	A	Gage, Temperature, A.G. Actuator	29 Nov 02
2	A	Gage, Pressure, Assesst Gear Act. Servicing	29 Nov 02
2	A	Kit, Fixture, Seal Installation	29 Nov 02
2	A	Kit, Fixture, Engine Bay Door Filler Instl	29 Nov 02
2	A	Kit, Bearing/Bushing Puller	29 Nov 02
2	A	Kit, Adapter – Electrical Cable	29 Nov 02
2	A	Kit, Adapter, Extensometer Interface	29 Nov 02
2	A	OTDR Fiber Optic Adapter Kit	29 Nov 02
2	A	Adapter, Installation, AME	29 Nov 02
2	A	Sling, Handling, AME	29 Nov 02
2	A	IAR Fiber Optic Test Kit	29 Nov 02
2	A	Light Source & Power Meter Kit	29 Nov 02
2	A	Paint Spray Kit	29 Nov 02
2	A	Enclosure, Localized, Small	29 May 03
2	A	Enclosure, Localized, Large	29 May 03
2	A	Scale, Digital Readout	29 Nov 02
2	A	Reflectorometer, Optic Time Delay	29 Nov 02
2	A	Fiber Optic Repair Kit	29 Nov 02
2	A	Tester, Escape System	29 Nov 02
2	B	ODS	29 Nov 02

ITEM	SUPPLIES SCHEDULE DATA	QTY	SHIP TO	MARK FOR	PRI	TRANS DATE
0006				1	U	ASREQ

Noun: LOT 2 TRAINING SYSTEM PRODUCTS

ACRN: AB

Descriptive Data:

The Contractor shall delivery the F-22 Lot 2 Production Training System Products listed in Exhibit C as outlined below:

Exhibit C

<u>Section</u>	<u>Part</u>	<u>Nomenclature</u>	<u>Delivery Date</u>	<u>Location</u>
1	B	Brief/Debrief Room	31 Jan 03	Tyndall
1	B	Full Mission Trainer	25 Feb 04	Tyndall
1	B	Weapons & Tactics Trainer	25 Feb 04	Tyndall
1	B	ILWTT Classroom Suite	25 Feb 04	Tyndall
1	B	F-22 Pilot Training System Electronic Workbook Classroom Suite	31 Jan 03	Tyndall
2	A	F-22 On-Equipment Structures Trainer	15 Nov 03	Nellis
2	A	Seat and Canopy Trainer	1 Jan 04	Nellis
3	A	F-22 On-Equipment Structures Trainer	1 Mar 04	Ops 1
3	A	Seat and Canopy Trainer	1 Mar 04	Ops 1

ITEM	SUPPLIES SCHEDULE DATA	QTY	SHIP TO	MARK FOR	PRI	TRANS DATE
0007	Noun: LOT 2 PRODUCTION SUPPORT – OTHER ACRN: AB Descriptive Data: The Contractor shall provide the F-22 Lot 2 Production Support – Other, as required by the contract.	1		U		ASREQ
0010	Noun: EXPENDABLES ACRN: AE	1		U		28 Nov 2003
0012	Noun: RETURN ON INVESTMENTS ACRN: AB Sec. Class: U Descriptive Data: Upon award of this modification, the Contractor is authorized to bill for this CLIN.	1		U		ASREQ
0013	Noun: PRODUCIBILITY IMPROVEMENT PROGRAM (PIP) III ACRN: AB Descriptive Data: The Contractor shall provide producibility improvements through 29 October 2004.	1		U		29 Oct 2004
0014	Noun: LOT 2 RETURN OF INVESTMENT ACRN: AB Descriptive Data: Upon the award of this contract, the Contractor is eligible to submit an invoice for the full amount of this CLIN.	1		U		ASREQ
0015	Noun: LOT 2 RETURN ON INVESTMENT ACRN: AB Descriptive Data: Upon the award of this contract, the Contractor is eligible to submit an invoice for the full amount of this CLIN.	1		U		ASREQ

ITEM	SUPPLIES SCHEDULE DATA	QTY	TO	FOR	PRI	DATE
0016	Noun: F-22 DIMINISHING MANUFACTURING SOURCES ACRN: AB	1	U			31 Dec 2002
0017	Noun: INTEGRATION ON GOVERNMENT FURNISHED LIFE SUPPORT EQUIPMENT ACRN: AB	1	U			23 Mar 2003
0018	Noun: INTEGRATION OF GOVERNMENT FURNISHED LIFE SUPPORT EQUIPMENT ACRN: AF	1	U			27 Jul 2003
0020	Noun: AMAD PANEL CAMERA POD UCA ACRN: AB	1	U			31 May 2005
0101	Noun: F-22 WEAPON SYSTEM SUPPORT AS A CAPABILITY ACRN: AB Descriptive Data: The contractor shall provide the Support Services Capability for the Weapon System through 31 December 2002. The contractor shall provide Support Material Capability for the Weapon System through 31 Dec 2004.	1	U			31 Dec 2004
0102	Noun: TRAINING SYSTEM SUPPORT SERVICES CAPABILITY ACRN: 9 Descriptive Data: The contractor shall provide the Training System Support Services for the Weapon System through 31 December 2002.	1	U			31 Dec 2002
0103	Noun: F-22 SUPPORT AS A CAPABILITY AWARD FEE (3010 PORTION) ACRN: AB Descriptive Data: This award fee applies to the PALS 3010 funded portion only and will be administered every six months.	1	U			31 Dec 2002
0104	Noun: F-22 SUPPORT AS A CAPABILITY AWARD FEE (3400 PORTION) ACRN: AD Descriptive Data: This award fee applies to the PALS 3400 funded portion only and will be administered every six months.	1	U			31 Dec 2002

**SECTION G – CONTRACT ADMINISTRATION/PAYMENT DATA:**

**I. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by reference:

**A. AIR FORCE FEDERAL ACQUISITION REGULATION SUPPLEMENT  
CONTRACT CLAUSES**

**5352.232-9000 REMITTANCE ADDRESS (MAY 1996)**

Remittance address:

By Wire

Citibank New York

New York, New York

ABA 02100008 9

For Lockheed Martin Aeronautics Company

Account #38468725

By Check:

Lockheed Martin Aeronautics Company

P.O. Box 361406

Columbus, OH 43236-1406

**II. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by full text:

**A. ADMINISTRATIVE AND ONE-TIME USE CLAUSES IN FULL TEXT**

**G-001 FINAL PATENT REPORT (OCT 1997)**

In accordance with 5327.305(h)90, the Administrative Contracting Officer shall forward the final patent report (e.g., DD Form 882, Report of Inventions and Subcontracts) and any related information to AFMC/JAZI, Building 11, 2240 B Street, Suite 5, Wright-Patterson AFB OH 45433-7109.

ACRN	Obligation Appropriation/Lmt Subhead/Supplemental Accounting Data	Amount
AA	ACRN Change	+\$0.00
	57 13010 111 3620 10F022 010300 00000 000000 503000 F03000	
	ACRN Amount: \$393,222,000.00	
	Funding breakdown: On CLIN 000101: -\$393,222,000.00	
	On CLIN 000201: +\$393,222,000.00	

AB	ACRN Change	+\$0.00
	57 23010 112 3620 10F022 010100 00000 000000 503000 F03000	
	New ACRN Amount: \$2,099,259,000.00	
	Funding Breakdown: On CLIN 000202: +\$494,039.00	
	On CLIN 0003: -\$494,039.00	

Descriptive Data:

The following reflects the current obligations against this ACRN:

Contract/Mod	CLIN	Amount Obligated
Basic		+\$ 101,489,013.00
P00006	0011	+\$ 64,200,000.00
P00006	0012	+\$ 32,391,140.00
PZ0007	000102	-\$ 101,489,013.00
PZ0007	000202	+\$1,413,033,867.00
PZ0007	0003	+\$ 20,675,785.00
PZ0007	0004	\$ 0.00
PZ0007	0005	+\$ 3,472,472.00
PZ0007	0006	+\$ 47,539,897.00
PZ0007	0007	+\$ 115,922,237.00
PZ0007	0013	+\$ 97,000,000.00
PZ0007	0014	+\$ 21,400,000.00
PZ0007	0015	+\$ 32,391,140.00
PZ0007	0101	+\$ 152,363,017.00
PZ0007	0103	+\$ 14,731,490.00
P00011	0016	+\$ 55,700,000.00
P00012	0103	-\$ 14,731,490.00
P00017	0016	+\$ 27,850,000.00
P00019	0103	+\$ 7,277,350.00
P00018	0017	+\$ 179,029.50
P00025	0002	+\$ 135,587.00
P00027	0103	+\$ 7,305,554.00
P00025	0002	+\$ 135,587.00
P00030	0016	+\$ 402,933.00
P00032	0017	+\$ 18,991.50
P00035	0002	+\$ 494,039.00
P00035	0020	+\$ 494,039.00
P00041	0020	+\$ 361,483.00
Total Obligations		\$2,099,620,483.00

Obligation

ACRN      Appropriation/Lmt Subhead/Supplemental Accounting Data      Amount

AD    ACRN Change      +\$157,838.00  
 57 23400 302 78WP 2A392A 010000 57800 27138F 503000 F03000  
 New ACRN Amount:      \$2,031,219.00  
 Funding breakdown:      On CLIN 0104:      +\$157,838.00  
 PR/MIPR:      GYFFS02720010L      \$157,838.00  
 Descriptive Data:  
 The revised amount on ACRN AD is \$2,031,219.00.

AE    ACRN Establish      \$4,322,000.00  
 57 23011 H82 3620 356010 010100 00000 000000 503000 F03000  
 New ACRN Amount:      \$4,322,000.00  
 Funding breakdown:      On CLIN 0010:      +\$4,322,000.00  
 PR/MIPR:      GYFFS02700043      \$4,322,000.00

AF    ACRN Change      +\$5,274.00  
 57 33010 113 3620 11F022 010100 00000 000000 503000 F03000  
 New ACRN Amount:      \$60,729.00  
 Funding breakdown:      On CLIN 0018:      +\$5,274.00  
 PR/MIPR:      GYFFS037200044      \$5,274.00

Descriptive Data:

The following reflects the current obligations against this ACRN:

<u>Contract/Mod</u>	<u>CLIN</u>	<u>Amount Obligated</u>
P00026	0018	\$55,455.00
P00032	0018	\$ 5,274.00
Total Obligations		\$60,729.00

AG    ACRN Establish      \$10,000,000.00  
 57 33010 113 3620 10F022 010100 00000 000000 503000 F03000  
 New ACRN Amount:      \$10,000,000.00  
 Funding breakdown:      On CLIN 000203:      +\$10,000,000.00  
 PR/MIPR:      GYFFS047200014      \$10,000,000.00

**SECTION H – SPECIAL CONTRACT REQUIREMENTS:**

**TABLE OF CONTENTS**

<b><u>SCR #</u></b>	<b><u>TITLE</u></b>
ASC/YFK-H-001	DELETED
ASC/YFK-H-002	CONTRACT INTERDEPENDENCIES (OCT 2001)
ASC/YFK-H-003	RELEASE OF INFORMATION (JUN 2000)
ASC/YFK-H-004	TELECOMMUNICATIONS MONITORING (JUN 2000)
ASC/YFK-II-005	USE OF ALTERNATE DISPUTE RESOLUTION PROCESS (JUN 2000)
ASC/YFK-H-006	F-22 PROGRAM CLOSEOUT COSTS (NOV 1999)
ASC/YFK-H-007	DELETED
ASC/YFK-H-008	APPROVALS OBTAINED UNDER EARLIER F-22 CONTRACTS APPLICABLE UNDER PRODUCTION FOREIGN NATIONALS/SOURCES (SEP 2000)
ASC/YFK-H-009	APPROVALS OBTAINED UNDER EMD APPLICABLE UNDER PRODUCTION – ACCREDITATION OF COMPUTER SYSTEMS/WORKSPACES AND WAIVERS TO SECURITY REQUIREMENTS (NOV 1999)
ASC/YFK-H-010	REVIEW OF PROPRIETARY DATA (NOV 1999)
ASC/YFK-II-011	KOV-20 ADVANCED AVIONICS CRYPTOGRAPHIC UNIT (AACU)/Z- AXE MISSION SUPPORT CRYPTOGRAPHIC UNIT (MSCU) (SEP 2000)
ASC/YFK-H-012	SUBCONTRACTOR FLOWDOWNS (NOV 1999)
ASC/YFK-II-013	EXCLUSION OF COBB COUNTY AND GEORGIA STATE TAXES (NOV 1999)
ASC/YFK-H-014	USE OF GOVERNMENT-OWNED FACILITIES (OCT 2001)
ASC/YFK-H-015	SPECIAL TEST EQUIPMENT, SPECIAL TOOLING AND GOVERNMENT FURNISHED PROPERTY (SEP 2000)
ASC/YFK-II-016	CONFIGURATION BASELINES AND CHANGE CONTROL (AUG 2001)
ASC/YFK-H-017	CONTRACT INTERRELATIONSHIPS (OCT 2001)
ASC/YFK-II-018	PRODUCTION DATA TO BE INCLUDED IN EMD DATA ITEMS (OCT 2001)
ASC/YFK-H-019	DEFERRED DELIVERY OF TECHNICAL DATA (OCT 2001)
ASC/YFK-II-020	TOTAL SYSTEMS INTEGRATION MANAGEMENT RESPONSIBILITY (OCT 2001)
ASC/YFK-H-021	INCORPORATION OF SECTION K OF THE SOLICITATION BY REFERENCE (OCT 2001)
ASC/YFK-H-022	PERFORMANCE-BASED PAYMENTS (PBPs) (OCT 2001)
ASC/YFK-H-023	FURNISHING OF RESIDUAL EMD MATERIALS OR SUPPLIES BY THE GOVERNMENT AT ITS OPTION (OCT 2001)
ASC/YFK-H-024	GOVERNMENT FURNISHED PETROLEUM (GFP-POL) (OCT 2001)
ASC/YFK-II-025	F-22 ENGINE SUPPORT (OCT 2001)
ASC/YFK-H-026	AIR VEHICLE ACCEPTANCE (OCT 2001)
ASC/YFK-H-027	AFFORDABILITY INCENTIVE PROGRAM (OCT 2001)

ASC/YFK-H-028	TARGET PRICE CURVE (OCT 2001)
ASC/YFK-H-029	REPAIR OF GOVERNMENT FURNISHED PROPERTY (OCT 2001)
ASC/YFK-H-030	TRAINING CONCURRENCY (OCT 2001)
ASC/YFK-H-031	PRODUCIBILITY IMPROVEMENT PROGRAM (PIP) III (OCT 2001)
ASC/YFK-H-100	AUTHORIZATION TO USE OTHER THAN NEW MATERIAL (OCT 2001)
ASC/YFK-H-101	SUPPORT MATERIAL CAPABILITY ASSETS (OCT 2001)
ASC/YFK-H-102	PERFORMANCE-BASED AGILE LOGISTICS SUPPORT (PALS) AWARD FEE (OCT 2001)

**NOTICE:** The following clauses pertinent to this section are hereby incorporated in full text:

**ASC/YFK-H-001 DELETED**

**ASC/YFK-H-002 CONTRACT INTERDEPENDENCIES (OCT 2001)**

(a) The F-22 program consists of the following contracts:

<u>Program</u>	<u>Contract Number</u>
F-22 Engineering and Manufacturing Development	F33657-91-C-0006
F-22 PRTV and PRTV II	F33657-97-C-0030
F-22 Program Support	F33657-97-C-0031
F-22 Production Lot 1	F33657-99-C-0036
F-22 Production Lot 2	F33657-00-C-0020

(b) Based on the concurrency of the F-22 program, the contracts listed above are interdependent. Where the Contractor's effort is dependent upon effort on more than one contract, the Contractor's responsibilities remain as if all effort existed on a single contract. Although the above contracts will be interdependent to achieve programmatic synergy, the work scopes of these contracts are separate and distinct from one another. If a modification, as defined in FAR 43.103, to any one of the above contracts causes an increase or decrease in Contractor's costs of, or time required for, the performance of any part of the work under any of the other above listed contracts, whether or not changed by the requirements of the original modification, the parties shall negotiate an equitable adjustment to the affected contract(s). The Contractor shall provide a proposal and detailed estimate by affected contract of the impact of a change requirement.

(c) The parties recognize that performance of this contract is dependent on the Contractor's performance on the EMD contract. Notwithstanding any other provision of this contract, the Contractor shall not be responsible for acceptance criteria exceeding the level of performance achieved under the EMD contract for any deliveries.

(d) In establishing program contract strategy, various contract clauses will affect more than one contract. The interdependency of each contract will be stated in the individual clause. When this occurs, clauses(s) contained in one contract will be inserted in each and every required subsequent contract, as deemed necessary. Nothing in this clause shall be interpreted to prevent the Contracting Officer from contract closeout of a completed contract.

(e) This clause shall be added to each contract upon award and the clause modified to include the required contract information.



(d) If the Contractor submits a claim (certified, if required) which is resolved through ADR, reference the Disputes clause (FAR 52.233-1) which covers the payment of interest.

**ASC/YFK-H-006 F-22 PROGRAM CLOSEOUT COSTS (NOV 1999)**

The parties recognize and agree that this contract does not include program closeout costs.

**ASC/YFK-II-007 DELETED**

**ASC/YFK-H-008 APPROVALS OBTAINED UNDER EARLIER F-22 CONTRACTS APPLICABLE UNDER PRODUCTION - FOREIGN NATIONALS/SOURCES (SEP 2000)**

(a) Notwithstanding anything in this contract to the contrary, the notifications and approvals previously provided during the F-22 EMD contract (F33657-91-C-0006), PRTV/PRIV II contract (F33657-97-C-0030), Lot I contract (F33657-99-C-0036), or Program Support contract (F33657-97-C-0031) with respect to H-008 (H-009) Foreign Nationals - Foreign Sources, of the EMD contract, shall be applicable to this contract for AFMCFAR 5352.227-9000 Export-Controlled Data Restrictions.

(b) Further, commercial items, off-the-shelf items (i.e., previously developed items) and items not on the critical technology list are excluded from the requirements of AFMCFAR 5352.227-9000 Export-Controlled Data Restrictions.

**ASC/YFK-H-009 APPROVALS OBTAINED UNDER EMD APPLICABLE UNDER PRODUCTION - ACCREDITATION OF COMPUTER SYSTEMS/WORKSPACES AND WAIVERS TO SECURITY REQUIREMENTS (NOV 1999)**

Contractually authorized accreditation of computer systems, classified workspaces, or waivers/exceptions to security requirements received under the EMD contract or the Production contracts shall be recognized and remain valid during this contract. Contractor F-22 Program computer systems and/or workspaces do not require re-accreditation.

**ASC/YFK-II-010 REVIEW OF PROPRIETARY DATA (NOV 1999)**

The Contractor hereby grants its permission to disclose and release any data submitted hereunder marked with a limited, restricted or proprietary rights legend to a support contractor retained by the Government to review the propriety of such marking; provided that such support contractor shall be prohibited from further releasing, disclosing or otherwise using such data in accordance with a Non-Disclosure Agreement. The Contractor shall include this clause in all subcontracts hereunder calling for data, with the exception of subcontracts for commercial items.

**ASC/YFK-H-011 KOV-20 ADVANCED AVIONICS CRYPTOGRAPHIC UNIT (AACU)/Z-AXF MISSION SUPPORT CRYPTOGRAPHIC UNIT (MSCU) (SEP 2000)**

(a) KOV-20/Z-AXF Contractor

Potential subcontractors for the production of the KOV-20 AACU and Z-AXF MSCU shall be limited to those on the current list of NSA approved COMSEC sources. Contact NSA/V23 for the current list. No other contractors may be solicited for the production versions of the KOV-20 or Z-AXF without prior consent of the Contracting Officer (ASC/YFK, Wright-Patterson AFB OH).

**(b) Place of Performance**

Unless the written approval of the Contracting Officer (ASC/YFK, Wright-Patterson AFB OH) is obtained in advance, no KOV-20 or Z-AXF COMSEC development work shall be performed at any facility other than the Contractor's plants in Marietta, Georgia and Fort Worth, Texas, or COMSEC subcontractor's plant.

**(c) Retention of Information**

After completion of the contract, the Contractor shall not retain in his possession (unless specified by the contract document) any classified COMSEC drawings, sketches, prints, reports or other classified COMSEC data developed on the KOV-20 or Z-AXF portions of the contract without written approval of the Contracting Officer (ASC/YFK, Wright-Patterson AFB OH).

**(d) Requirements Clause for Acquisition of COMSEC Equipment Components and Parts Outside the United States**

No subcontracts or purchase orders which involve design, manufacture, production, assembly, inspection or test, in a location not in the United States, of classified COMSEC equipment, assemblies, subassemblies, accessories or parts shall be issued for KOV-20 or Z-AXF development or production unless the subcontract or purchase order is with a contractor included in the NSA Approved LSI Vendor List (available from NSA/V23) or the prior written approval of the Contracting Officer (ASC/YFK, Wright-Patterson AFB OH) is obtained. Under no circumstance shall any custom classified COMSEC Large Scale Integrated Circuit (LSIC) or any likeness thereof be sent outside the United States for any reason. This does not apply to deployment of end items containing LSICs.

**(e) KOV-20/Z-AXF Designation of Property Administrator, Records of Government Property (FAR 45.105(a))**

DCMC Phoenix is designated to administer the maintenance by the Contractor of all accountable COMSEC Material.

**ASC/YFK-H-012 SUBCONTRACTOR FLOWDOWNS (NOV 1999)**

(a) The Contractor is authorized, without any requirement for additional approval, to flowdown to its subcontractors the limited risk of loss provisions of SECTION I contract clause FAR 52.245-2 Government Property (Fixed-Price Contracts) (Dec 1989) Alternate I (DEVIATION) (Apr 1984). Such authorization shall be limited to subcontractors having Government approved property control systems.

(b) The Contractor is authorized, without any requirement for additional approval, to flowdown to its subcontractors limitation of liability as provided in SECTION I contract clauses FAR 52.246-23 Limitation of Liability (Feb 1997) and FAR 52.246-24 Limitation of Liability - High Value Items (Feb 1997) Alternate I (Apr 1984); provided however, that 52.246-23 is only flowed down for those subcontractor items with a unit cost less than \$100,000.00 and 52.246-24 is only flowed down for those subcontractor items with a unit cost greater than or equal to \$100,000.00

**ASC/YFK-H-013 EXCLUSION OF COBB COUNTY AND GEORGIA STATE TAXES (NOV 1999)**

For the purpose of SECTION I contract clause FAR 52.229-4 Federal, State, and Local Taxes (Noncompetitive Contract) (Jan 1991), the contract price excludes any taxes assessed, for any period after the date of this contract, by Cobb County, Georgia and the state of Georgia on the Contractor's interest in or use of Government property, including special tooling to which title or the right thereto is vested in the Government, and any sales or use tax assessed (1) by reason of the sale of supplies hereunder directly to the Government, or (2) by reason of purchase or use of property incorporated into supplies sold to, owned by or manufactured for the Government.

**ASC/YFK-H-014 USE OF GOVERNMENT-OWNED FACILITIES (OCT 2001)**

(a) The following subcontractors are authorized to use the Government-owned facilities identified below for the items listed below in performance of this contract. These facilities shall be made available on a rent-free, non-interference basis for the purposes of this contract during the periods set forth in the applicable facilities contract.

<u>CONTRACTOR</u>	<u>FACILITY</u> <u>CONTRACT NO.</u>	<u>ITEM</u>
General Dynamics Burlington, VT	DAAA09-93-E-0013	20 mm Linear Linkless
General Dynamics Armament Systems Jerico, VT (Test Range)	DAAA09-86-F-0007	Ammunition Handling System
ABL/Alliant Techsystems Inc. Rocket Center, WV	N00024-93-E-8101	Composite Pivot Shaft Inlet Bypass Omlake Screens

(b) The parties recognize that the Contractor and its subcontractors may use Government facilities, pursuant to the following facilities leases, in performance of this contract:

1. AF Plant 4, Ft. Worth TX, Lease F33657-97-L-2018
2. AF Plant 6, Marietta GA, Lease F33657-97-L-2019
3. AF Plant 42, Sites 2, 7 and 8, Palmdale CA, Lease F33657-00-L-2039

(c) The parties also recognize that discussions are ongoing between LM Aero and the Government regarding a more extensive contract clause use of Government-owned facilities. Upon resolution of these discussions, the clause agreed to by both parties will be incorporated into this contract bilaterally at no change in cost, price or schedule.

**ASC/YFK-H-015 SPECIAL TEST EQUIPMENT, SPECIAL TOOLING AND GOVERNMENT FURNISHED PROPERTY (SEP 2000)**

(a) On a non-interference basis, the Contractor may use and may authorize its subcontractors to use Special Tooling, Special Test Equipment and/or Government Furnished Property (GFP) accountable or approved for use under the F-22 EMD and PRTV/PRTV II & Lot 1 Production programs (F33657-91-C-0006, F33657-97-C-0030, F33657-97-C-0031 & F33657-99-C-0036) in the performance of this contract

**ASC/YFK-II-016 CONFIGURATION BASELINES AND CHANGE CONTROL (AUG 2001)**

(a) Configuration Baseline and Change Control - The F-22 Weapon System configuration baselines shall be defined and controlled in accordance with the requirements provided herein. The Contractor shall continue to maintain configuration control for the F-22 Weapon System throughout the performance of this contract. The processes used to implement baseline configuration control shall be documented under the F-22 Configuration Management Plan (CMP), provided in the EMD contract (F33657-91-C-0006). F-22 Weapon System configuration baselines shall be identified as the Functional Performance Baseline and the Design Baseline. For the purposes of configuration management in this clause, Deliverable End Items consist of the Air Vehicles, Support System Products, Training System Products and Support Material Capability Assets as designated in section B of this contract.

(1) Functional Performance Baseline (Government Controlled) - The Functional Performance Baseline is identified through the contractual Air Vehicle Production Specification, Support System Products Performance Specifications, and Training System Product Performance Specifications as listed in Section C of this contract. Changes to these contractual specifications shall be via Engineering Change Proposals (ECPs) formally submitted to the Government for approval under the provisions provided in the Program Support contract (F33657-97-C-0031). The Functional Performance Baseline shall also include the Production Acceptance Test Procedures (ATPs) developed by the Contractor and approved by the Government under the EMD contract (F33657-91-C-0006). The Production ATPs shall define the acceptance test performance objectives and criteria to be met at the place of acceptance for each of the Production Deliverable End Items. Changes to the ATPs shall be submitted to the Government for approval via CDRL updates provided in the EMD or production lot contracts. Support System Products not controlled by a performance specification shall be accepted by part number.

(2) Design Baseline (Contractor Controlled) - The Contractor shall develop and/or maintain all Design Baseline data, documentation, and drawings (including requirement and product definition documentation) necessary to manufacture and accept the F-22 Weapon System. The Contractor shall maintain configuration control of the Design Baseline to keep all product data current and accurate and provide Government access to the data. Changes to the Design Baseline are at the Contractor's discretion providing changes do not impact the requirements for Class I criteria as defined under Class I Changes of the F-22 CMP. Changes to the Design Baseline that impact the Class I criteria require government approval.

(b) Government Options - The government retains the option to take control of the applicable portion of the Design Baseline of an item. If this option is exercised, Design Baseline documents/data maintained by the Contractor shall be provided to the Government in the existing Contractor format. If the Government elects to take control in this manner, the government will request that the Contractor submit a separately priced CCP to amend the Contract accordingly. Changes affecting Government controlled items shall be submitted via the ECP process provided under the program support contract.

(c) Configuration Baseline Audits and Reviews - Subsequent Functional Configuration Audits (FCAs) shall be conducted for Configuration Items (hardware and software) affected or created by government directed requirement additions/changes to the Functional Performance Baseline. Design Configuration Verifications (DCVs) shall be conducted as necessary to ensure all design baseline control documentation is maintained current and accurate. FCAs and DCVs shall be performed in accordance with the F-22 CMP, provided under the EMD contract.

(d) Interface Control Documents - Since the engine and training and support systems are heavily integrated with the weapon system, another set of documents shall be required to define the interface between the airframe, the engine, and the training and support systems. These shall be Interface Control Documents (ICDs) and are the responsibility of the Weapon System Contractor. ICDs must be mutually agreed to by the engine and airframe Contractors and, once agreed to, shall be appropriately referenced or included in the specifications. The ICD shall be changed by mutual consent of the airframe and engine Contractors as long as it does not make a change to either the airframe or engine contract or specifications. If a change to the ICD would mean a change to the airframe or engine contract or specifications, appropriate contract change proposals and SCNs must be submitted to the Government for approval prior to changing the ICD. The Contractor shall manage and control the Interface Control Documents for the Lower level C/CSCIs to be available for government insight.

(c) General - Any use of the phrase "and subsequent changes" in the specifications called out herein shall not be construed as the Government's or the Contractor's agreement to accept all changes to those documents without an equitable adjustment to cost and schedule. Prior to submittal or acceptance of the change, the Contractor shall propose any cost or schedule changes in accordance with the procedures established in this contract.

(f) The impact of any contractual change (regardless of the reason for the ECP/CCP) originating from the EMD Contract F33657-91-C-0006, the PRTV/PRTV II Contracts F33657-97-C-0030/0031 and/or the Lot 1 Production Contract F33657-99-C-0036 on the price and/or schedule of the products required to be delivered under this contract shall be handled as a separately priced companion change to this contract.

(g) The procedures described in paragraphs (a) through (f) of this clause provide the contractor with flexibility in the design process, and ensure Government review and approval of reasonably precise specifications associated with configuration baselines and changes to those baselines.

**ASC/YFK-H-017 CONTRACT INTERRELATIONSHIPS (OCT 2001)**

(a) Contract F33657-97-C-0031 will contain various annual periods of Program Support (sustaining labor) which correspond to the Production Representative Test Vehicles (PRTV and PRTV II) and Production Lot full awards. Listed below are the Program Support Periods, the periods of performance for each period, the corresponding PRTV/Production Lots, and the periods of performance for each lot

Period	Program Support Period of Performance	Corresponding PRTV/Production Lot	PRTV/Production Lot Period of Performance
A	Jun 98 through Dec 98	PRTV Advance Buy (AB)	Jun 98 through Dec 98
B	Jan 99 through Dec 99	PRTV Full Award/PRTV II AB	Jan 99 through Jan 02
C	Jan 00 through Dec 00	PRTV II Full Award/ Lot 1 AB	Jan 00 through Dec 02
D	Jan 01 through Dec 01	Lot 1 Full Award/Lot 2 AB	Jan 01 through Nov 03
E	Jan 02 through Dec 02	Lot 2 Full Award/Lot 3 AB	Nov 01 through Oct 04

(b) In the event the Lot 3 aircraft and corresponding program support are not procured, the Contractor agrees to deliver the thirteen (13) Lot 2 aircraft and associated deliverables in accordance with the Section F Schedule of this contract at no additional cost or delay in schedule. In addition, the Contractor shall continue to provide Program Support tasks as necessary and the following Contract Data Requirement List (CDRL) Items through completion of Lot 2 deliveries at no additional cost:

Data Item No.	Title
A404	Engineering Change Proposal
A406	Request for Waiver
A407	Contract Change Proposal / Task Change Proposal
A408	Advance Change Study Notice (ACSN)
A409	DD Form 610, GFE Requirement Schedule
A410	Status Report
A411	C/SSR

**ASC/YFK-H-018 PRODUCTION DATA TO BE INCLUDED IN EMD DATA ITEMS (OCT 2001)**

(a) The Statement of Work on this contract require, in certain instances, that data previously developed under the EMD contract (F33657-91-C-0006) be updated or maintained for production. In performance of this SOW requirement, the Contractor is authorized to incorporate updates for production into the applicable, existing EMD data in lieu of creating new documentation. These updates shall be made available to the Government in accordance with existing EMD data access and delivery requirements (i.e., as required or periodic CDRL submittal).

(b) Costs incurred to incorporate updates for production into the existing EMD data shall be charged to this contract.

(c) For CDRL Item A261 (Acceptance Test Procedures) on the EMD contract (F33657-91-C-0006), the parties agree that the basis for acceptance of the Lot 2 aircraft is the ATP approved at FCA on the EMD contract. However, in the event the parties mutually agree to revise the ATP for the acceptance of the Lot 1 aircraft, the Contractor agrees to submit revisions to the ATP via CDRL Item A261 on the EMD contract as required.

**ASC/YFK-H-019 DEFERRED DELIVERY OF TECHNICAL DATA (OCT 2001)**

(a) The Government may choose not to order the delivery of full supplier Technical Data Packages (TDPs) under the EMD contract. The Government may choose to order the TDPs under this contract in accordance with DFARS 252.227-7026 "Deferred Delivery of Technical Data or Computer Software."

(b) The Contractor shall ensure the subcontractors remain responsible, through their subcontracts, to maintain the currency of their drawings and associated lists, provide access to the F-22 Team/Government personnel upon request, and deliver a complete Technical Data Package should the Government order delivery of TDPs under this contract.

(c) The Government and the Contractor agree that the Government's rights in any EMD data described above which is called for delivery under this contract shall be subject to the data rights clauses of the EMD contract (including DFAR 252.227-7013 Rights in Technical Data - Noncommercial Items) notwithstanding any differing provision in the contract. Any production unique data newly created under this contract shall be subject to the data rights clauses in this contract.

**ASC/YFK-H-020 TOTAL SYSTEMS INTEGRATION MANAGEMENT RESPONSIBILITY (OCT 2001)**

The F-22 weapon system contractor shall assume total system integration management responsibility in performance of the F-22 weapon system production contract(s). The Contractor shall not be responsible for performance of Government Furnished Material/Property as it is integrated into the weapon system unless failure of the GFM/GFP is a direct result of improper integration by the Contractor.

**ASC/YFK-II-021 INCORPORATION OF SECTION K BY REFERENCE (OCT 2001)**

Pursuant to FAR 15.204-1(b), Section K of solicitation F33657-00-R-0020 as set forth in the Contractor's proposal dated 08 Dec 2000, is hereby incorporated by reference.

**ASC/YFK-II-022 PERFORMANCE-BASED PAYMENTS (PBPs) (OCT 2001)**

In accordance with FAR 52.232-32, the Contractor shall be paid on the basis of successful performance of specified events under the following conditions for the firm-fixed price portions of this contract:

(a) The performance-based payment event, successful completion criteria, verification method, and the amount of each payment is described in Section J, Attachment 11 of this contract. The liquidation (DD250) payment for each deliverable is described in Section J, Attachment 12 of this contract. Detailed payment instructions for each PBP and liquidation event is described by CLIN by ACRN in Section J, Attachment 13.

(b) Payments under this contract shall be made to the Contractor in accordance with the payment schedules shown in Section J, Attachments 11 - 13 of this contract. Performance-Based Payments (PBPs) have been established on a whole contract basis. However, the payment events are based on the manufacturing process for delivering thirteen (13) Lot 2 aircraft, and associated deliverables. Payments will be liquidated in up to thirteen (13) separate liquidation payments upon DD250 of each deliverable item.

(c) The payment events listed in Section J, Attachment 11, of this contract are identified as either severable or cumulative. The successful completion of each cumulative event is dependent on the accomplishment of all specified preceding events.

(d) Entitlement to a performance-based payment is solely on the basis of successful performance of the specified events or performance criteria. However, if there is an excusable delay as defined in FAR 52.249-8 (e), the parties agree to renegotiate the performance-based payment schedule for payments affected by the delay. The Contracting Officer will try to facilitate contractor billings for any successfully accomplished portions of the delayed event or criterion.

(e) In the event this contract is modified to incorporate ECP/CCPs, the parties agree to incorporate the effects of ECP/CCP/CP SPOs on Attachments 11 - 13 as addenda to these Attachments. The addenda shall include the deltas to Attachments 11 - 13 resulting from the contractual incorporation of that particular CCP, ECP, or CP SPO. The parties shall negotiate the impacts to these attachments as part of the overall negotiation of the ECP/CCP. The format of all addenda to these attachments shall be the same as the Attachments 11 - 13 in the basic contract.

(f) The payment of the first performance-based payment event reflects a "one-time adjustment" of all previous payments based on costs, delivery, and unliquidated progress payments for work accomplished prior to converting contract F33657 00 C-0020 from progress payments to performance-based payments via this modification, including the progress payments made to date on CLIN 0001.

#### **ASC/YFK-H-023 FURNISHING OF RESIDUAL EMD MATERIALS OR SUPPLIES BY THE GOVERNMENT AT ITS OPTION (OCT 2001)**

The Government may at its option require the Contractor to use residual EMD materials or supplies in the performance of this contract. In such event, an equitable adjustment shall be negotiated.

#### **ASC/YFK-H-024 GOVERNMENT FURNISHED PETROLEUM (GFP-POL) (OCT 2001)**

(a) The Petroleum, Oil and Lubricant (POL) items necessary for use in the performance of this contract are set forth in Attachment 17 for Lot 2. These POL items shall be furnished by the Government to the Contractor subject to the provisions of the Government Property clause of this contract for use at Contractor's plant(s) as listed in Attachment 17. POL items will only be furnished as GFP at the location(s) identified in Attachment 17.

(b) The Contractor, having established an accounting and control system which has been approved by the Administrative Contracting Officer, is authorized to co-mingle the Government-owned and Contractor-owned petroleum, in bulk, in Government-owned and Contractor-owned storage and handling facilities.

(c) Type/Issue Defuel Code: *ASD-H*. The MILSTRIP requisitioning code for packaged oil is: *AF*.

## **ASC/YFK-H-025 F-22 ENGINE SUPPORT (OCT 2001)**

The F-22 Engine contractor (Pratt & Whitney) will maintain and support the F119 engines provided to the Contractor as Government Furnished Property (GFP) prior to aircraft acceptance.

## **ASC/YFK-II-026 AIR VEHICLE ACCEPTANCE (OCT 2001)**

(a) It is the Contractor's intent to deliver the Lot 2 articles with the capability proven through the Engineering, Manufacturing and Development (EMD) test program (contract F33657-91-C-0006). The parties recognize that due to the concurrency of the ongoing EMD program with production, EMD testing may identify changes which would need to be incorporated into Lot 2 articles in order for the articles to be compliant with the contract performance capability as established by the contractual Air Vehicle Production Specification (5PPAA022A). As a result, these articles may be delivered while non-compliant to the contractual specification. This clause defines the process for documenting non-compliance in conjunction with acceptance of the Lot 2 articles presented to the Government for acceptance for which Contractor production/manufacturing activities commenced prior to completion of the EMD program. Furthermore, this clause defines the obligation of the parties with respect to meeting the contractual specification.

(b) Definitions:

(1) Deviation/Waiver - any performance deficiency identified in the articles presented for delivery for which the Government agrees to accept the production article to non-compliant condition(s).

(2) Known or Declared Shortfall - any performance capability which failed verification in EMD prior to acceptance of the production articles (DD250) or any performance capability determined, by mutual agreement, to have insufficient design margin to meet system level performance requirements.

(3) Unverified Requirement - a performance capability for which verification has not been completed on the EMD contract prior to acceptance of the production articles (DD250).

(4) Verified Performance - A requirement of the specification that has been successfully verified under the EMD contract. Incremental subsystem or component verification shall be considered satisfactorily accomplished with documented concurrence of the government. However, the Contractor remains obligated under EMD to redesign/reverify subsystem or component devices as necessary to satisfy system level performance requirements. Final system level verification will be accomplished upon the successful completion of the Air Vehicle and Support System Functional Configuration Audits.

(5) Corrective Action Plan - A brief description of the corrective action required to correct a shortfall to the contractual requirements. The plan shall include the effectivity and a budgetary estimate for the corrective action and impact to the overall weapon system. The plan shall also include the status of remaining funds available within the concurrency cap. The cost to develop this plan is an allowable cost to the FMD contract.

(6) Concurrency Driven Changes - pre- and/or post-acceptance corrective actions necessary to create specification compliant production articles by correcting known or declared shortfalls.

(7) Pre-Acceptance corrective action - corrective action which is incorporated into the article prior to acceptance (DD250).

(8) Post-acceptance corrective action - retrofit kit which is incorporated into the article after acceptance.

(9) Concurrency Cap - the maximum amount for which the Contractor is obligated for incorporation of concurrency driven changes into the Lot 2 articles, as described below for Category II corrective actions, to also include training system product impacts specified in ASC/YFK-H-030, "Training System Concurrency and Acceptance."

(10) Point of Discovery (POD) - Date used for the purposes of determining the effectivity of aircraft affected by a Category II Concurrency Related Performance Deficiency. For purposes of this clause, an AVA shortfall does not exist until the Contractor's Configuration Control Board (CCB) has approved it as such. However, once the AVA shortfall condition is confirmed via Contractor's CCB approval, then to determine the POD, the applicable events/documents, identified in Atch 19, will be used by the Contractor's CCB to retroactively establish the earliest possible POD for the applicable AVA's shortfall. AVA effectivity will apply to the first aircraft in the production lot (annual procurement) if any aircraft within that lot have a DD250 occurring on or after the POD. The Government shall issue contractual direction via the SPO AVA Review Board's disposition if it elects to limit the AVA's effectivity to less than that supported by the POD.

(c) The negotiated price of Lot 2 includes all verified performance capabilities, subject to the deviation/waiver rules defined in paragraph (d) below. As a result, the costs associated with incorporating these corrective actions into the Lot 2 articles shall not be charged against the concurrency cap.

(d) The DD250 shall document all deviations/waivers as follows:

(1) Category I - Non-Concurrency Related Performance Deficiencies: defined as all equipment shortages or deficiencies in material and workmanship discovered by inspection or Acceptance Test Procedure (ATP) failures prior to DD250. The Contractor shall be responsible for the correction of these deficiencies, in accordance with AFMC FAR 5352.246-9002, at no change to the price of this contract or any other F-22 contract. The Government will take a withhold against the DD250 amount, which will be returned to the Contractor upon closure of the deviation or waiver. Any such withhold shall bear a reasonable relationship to the magnitude of the nonconformance to be corrected.

(2) Category II - Concurrency Related Performance Deficiencies: defined as nonconformances to the contract specification which are generated for known or declared shortfalls. Effectivity of the aircraft applicable for a known or declared shortfall is determined by the POD. The corrective actions for these nonconformances are subject to a \$20,000,000.00 cap. The cost to incorporate corrective actions into the production articles prior to and post acceptance (DD250) are subject to the cap. Prior to incorporation, the Contractor shall submit a Corrective Action Plan to the Contracting Officer. This plan shall be submitted within 60 calendar days of successful completion of the verification of the redesign and mutually agreed approach for incorporation. Upon receipt of this plan, the Government shall decide on the appropriate action, including, but not limited, to the following:

(A) authorize incorporation of the concurrency driven change prior to delivery of the production article (within the concurrency cap unless cap depleted)

(B) authorize incorporation of the concurrency driven change after production article acceptance (within the concurrency cap unless cap depleted)

(C) modify the specification

(D) delay corrective action

The value of any withhold for a Concurrency Related Performance Deficiency shall be no greater than the unincorporated portion of the approved corrective action, and shall not exceed the unallocated funds remaining within the concurrency cap. Once the cap is depleted, the Government may elect to pursue concurrency driven changes via a Class I change proposal. In the event the Government decides not to pursue 100% of the specification on the EMD contract (F33657-91-C-0006) for cost savings reasons, this contract specification will be modified without consideration on the production contract.

(e) All unverified requirements shall be listed on the DD250. No withhold will be taken for unverified requirements against the DD250. In the event performance shortfalls are discovered after acceptance, the Government may elect to pursue concurrency driven changes via a Class I change proposal.

(f) It is understood that all allowable and allocable non-recurring costs associated with any redesign activities, including identification of corrective actions for the Lot 2 articles, shall be charged to the EMD contract. Redesign shall not be a Contractor obligation under this contract. Costs necessary to incorporate production corrective actions shall be charged to the CLINs associated with the affected production lot.

(g) The parties agree that this clause supplements AFMCFAR 53.246-9002. With the exception of Category I deficiencies, as defined above, this clause takes precedence for dispositioning Air Vehicle nonconformances to the Air Vehicle Production Specification (5PPAA022A).

(h) The parties agree that all approved AVAs on or before 05 Oct 2001 have been included in the negotiated price of this contract.

(i) The procedures described in this clause ensure that production articles DD250-accepted under this contract conform to the contract specification requirements.

### **ASC/YFK-H-027 AFFORDABILITY INCENTIVE PROGRAM (OCT 2001)**

(a) Purpose. The purpose of this Special Contract Requirement is to establish a mechanism for incentivizing the contractor to identify and implement producibility enhancements which serve to reduce the cost of F-22 aircraft.

(b) Limitations. All Government obligations under this Special Contract Requirement are subject to the availability of funds. Payment of award fee amounts for production Lots 2 and 3 are subject to the award of production contracts for the F-22 and to the terms of this Special Contract Requirement. Nothing in this Special Contract Requirement shall be interpreted as obligating the Government to award F-22 production or support contracts.

(c) Target Price Curve. The established air vehicle Target Price Curve (TPC) for production Lots 1 through 3 leads to an affordable F-22 Air Vehicle Average Unit Production Price (AUPP). In order to achieve the TPC, the Contractor may choose to make investments in producibility enhancements. Costs of any investments for producibility enhancements whether incurred by the contractor or its subcontractors, shall be recognized and paid in accordance with the advance agreement dated 4 June 1998 and Special Contract Requirement H-031, Payment of Earned Producibility Improvement Program (PIP) Investments and PIP Award Fees (Contract F33657-99-C-0036), and this Special Contract Requirement.

(d) Award Fee Pool. In consideration of the contractor's investment in producibility enhancements, the Government shall establish an award fee pool in the total amount of \$113,368,990, with individual production Lot 2 and 3 award fee amounts as specified in Table A.

TABLE A Award Fee Pool

<u>Production Lot</u>	<u>Award Fee Amount</u>
Lot 2 (a)	\$ 32,391,140.00
Lot 2 (b)	\$ 32,391,140.00
Lot 3	\$ 48,586,710.00
Total	\$113,368,990.00

(e) Payment of Table A Award Fee Amounts. The TPC values for production Lots 1 through 3 are identified in Special Contract Requirement H-028, Target Price Curve. The criteria for earning and payment of the Lot 2(a) award fee amount shall be the award of Lot 2. Payment of the Table A award fee amounts for production Lots 2(b) and 3 shall be based on the Contractor's performance relative to the Target Price Curve (TPC) as described below.

(1) Production Lot 2(a). The Contracting Officer shall authorize payment of the Table A production Lot 2(a) award fee amount concurrent with the award of the Fixed Price contract for production Lot 2 as specified in H-031 (Contract F33657-99-C-0036).

(2) Production Lot 2(b). The Contracting Officer shall authorize payment of the Table A production Lot 2(b) award fee amount concurrent with the award of the contract for production Lot 2 if the negotiated firm-fixed price for production Lot 2 is equal to or less than 105% of the TPC value for production Lot 2.

(3) Production Lot 3. The Contracting Officer shall authorize payment of the Table A production Lot 3 award fee amount concurrent with the award of the contract for production Lot 3 if the negotiated firm-fixed price for production Lot 3 is equal to or less than 105% of the TPC value for production Lot 3.

**ASC/YFK-H-028**

**TARGET PRICE CURVE (OCT 2001)**

(a) General This special provision identifies and implements the F-22 Air Vehicle Target Price Curve (TPC) for Production Lots 1 through 3 which leads to an affordable F 22 Air Vehicle Average Unit Production Price (AUPP).

(b) TPC Prices Pursuant to Special Contract Requirement (SCR) H-027, Affordability Incentive Program, the following are the TPC prices for lots 1-3. Price is arrived by adding 14% for Lot 1, 16.75% for Lot 2, and 16.5% for Lot 3.

	<u>*Cost</u>	<u>Price</u>
F-22 Production Lot 1 (10 aircraft)	\$1,355,956,250	\$1,545,790,125
F-22 Production Lot 2 (13 aircraft)	1,474,497,214	1,721,475,497
F-22 Production Lot 3 (24 aircraft)**	2,010,526,316**	2,342,263,158**

\*Cost Includes Cost of Money

\*\*Does not include adjustments made to Lot 1 and Lot 2

(c) TPC Baseline The TPC Lot 1-3 prices reflect the cost to produce the aircraft as set forth in the Production Aircraft CLIN of each production contract and as defined in the contractor's F-22 Production Target Price Curve Element Definition set forth in Attachment 8 to this contract.

(d) **Changes to TPC** To account for events that were not reasonably foreseeable at the time the TPC prices were originally established, the target prices stated herein may be adjusted for the following changes: Economic Price Adjustment (EPA), Business Base Adjustments (BBA), production quantity, accounting changes, lot size, contract award date, government caused changes to aircraft delivery schedule, and/or changes to the specification and Statement of Work (SOW) requirements which are inconsistent with the assumptions and conditions used by the contractor to develop the TPC prices submitted with the F-22 program cost estimate entitled "F-22 Affordability Analysis (AA) 97/98" dated 31 Mar 98 (CDRL A084 on EMD Contract F33657-91-C-0006, Report #5PC00170F). These assumptions and conditions are set forth in Attachment 16 to contract F33657-99-C-0036.

(e) **Change Incorporation** Upon demonstration by either party that one or more changes described in paragraph (d) has occurred, an adjustment to the affected TPC prices stated in paragraph (b) herein shall be made under the conditions set forth in paragraphs (1) through (5) below. The adjustments shall be upward or downward. The contractor shall submit a request for TPC adjustment with sufficient detail to substantiate a change to the TPC price(s), however, certified cost and pricing data is not required for the substantiation. The contractor's request for a TPC adjustment shall be submitted NLT the submittal of the production proposal or by a date that is mutually agreed to by the parties. For EPA, BBA, and accounting changes, the TPC adjustment will only be based on the data submitted with the proposal for adjustment of the aforementioned items. All adjustments to the TPC shall be incorporated by a contract modification issued prior to settlement of the negotiations of the current year's production lot contract. Once a production lot contract is awarded, no adjustments will be made to its corresponding TPC price.

(1) **ECP/CCP:** Adjustments to the TPC prices as a result of an Engineering Change Proposal (ECP) or a Contract Change Proposal (CCP) shall be made at the same time as the modification which incorporates the ECP or CCP. Adjustments shall be made to the TPC for production lots not yet awarded. Notwithstanding paragraph (e), certified cost and pricing data is required for negotiation and subsequent incorporation of the ECP or CCP into the current F-22 contracts.

(2) **Accounting Changes:** The parties agree a change in accounting procedures at any of the companies (Lockheed Martin and/or Boeing), as documented by Impact Statements, is a basis for possible adjustment to the TPC. The net accounting changes between the two companies must impact a lot's TPC price by at least +/- \$10,000,000 before an adjustment will be made to the lot TPC price. Only accounting changes that would change the TPC price will be considered under this clause. All accounting change adjustments to the TPC prices shall be incorporated by a contract modification issued on an annual basis. Adjustments shall be made to the TPC price of those production lots not yet awarded. Accounting changes are cumulative up to the point of adjustment to the TPC prices. Once an adjustment is made, the accounting changes will cumulate again starting with zero until the adjustment threshold is again met.

(3) EPA: Each TPC price shall be adjusted for EPA as described in paragraph (f) only if the change impacts a lot's TPC price by at least +/- \$10,000,000. The adjustment for EPA will be a one-time adjustment per lot occurring, if necessary, prior to settlement of negotiations for the then current year's production lot. Only the values contained in the TPC as set forth in paragraph (f)(4) are subject to adjustment.

(4) Changes in Lot Size, Contract Award Date, and/or Delivery Schedule: The parties agree that changes in lot size, contract award date, and/or government caused changes to the delivery schedule is a basis for adjustment to the TPC. The change must impact a lot's TPC price by at least +/- \$10,000,000 before an adjustment will be made to the lot TPC price. After award of a production lot contract, adjustments to its corresponding TPC price resulting from a change in lot size or delivery schedule will be incorporated as an ECP or CCP in accordance with paragraph (e)(1) above.

(5) BBA: The intent of the BBA is to adjust the TPC prices due to significant changes in the companies' business base. The following are the BBA assumptions:

a. The BBA will be a one-time adjustment per lot occurring, if necessary, prior to settlement of negotiations for the current year's production lot.

b. The BBA threshold for adjustment will be based on the sum of the companies' G&A base over a 3 calendar year period for each lot is calculated as follows: midpoint year, year prior to midpoint year, year after midpoint year. The mid-point year is defined in the EPA provision, paragraph (f)(4) herein.

c. No adjustment under the BBA will be made for future ECP/CCPs, EPA, mergers/acquisitions, make or buy decisions, and changes in lot size, contract award, and delivery schedule.

d. The F-22 costs subject to BBA adjustment must be impacted by at least +/- \$10,000,000.

e. The BBA formula is set forth in Attachment 16 on Contract F33657-99-C-0036.

f. Because of the proprietary nature of the G&A bases at the companies, that data which is properly marked as proprietary, must be maintained separately from this clause and is included in Attachment 16. The attachment will be maintained by the Contracting Officer and the Manager of F-22 Contracts at Marietta.

g. The revised G&A baseline will be based on the current FPRA or by mutual agreement if there is no existing FPRA. If the parties cannot agree to the baseline, the Contracting Officer may unilaterally determine the G&A baseline.

(f) Economic Price Adjustments (EPA) to Target Price Curve

(1) The parties agree that the calculation of the adjustment to the TPC lot prices shall be made when data indicates a change prior to the negotiation of the corresponding production lot contract. Calculations of the adjustments shall be based upon the formula specified in paragraph (5) and the computation worksheet at the end of this clause. Economic adjustments to the TPC lot 1-3 values may be downward or upward. Total cost and profit are subject to adjustment.

(2) The economic adjustment amount shall be determined under this clause and applies only to the TPC lot 1-3 prices specified in this clause. The latest projected Data Resources Incorporated (DRI) labor and material rates will be used for the corresponding lot negotiations.

(3) To make adjustments to the TPC lot prices, the following DRI indices will be used.

a. The labor index used for this clause is as follows: AHE 3721 LNS (Aircraft Production Workers)

b. The material index used for this clause is as follows: WPI IND (Industrial Commodities)

c. Each TPC Lot will have an estimated lot mid-point as set forth in paragraph (f)(4) below. Both projected DRI indices will utilize the estimated midpoint for each lot. The mid-point will not be adjusted unless the delivery schedule and/or quantities change.

(4) For the purposes of calculating the adjustments required by this clause, the projected DRI index and TPC Lot mid-point apply as shown below.

Lot	Forecasted Labor Index*	Forecasted Material Index*	Labor Price(\$M)	Material Price(\$M)	Mid-point
1	25.459	1.340	\$ 761.55	\$ 761.55	Jan-Dec 2002
2	26.299	1.369	962.95	962.95	Jan-Dec 2003
3	26.878	1.400	1,146.00	1,146.00	Jan-Dec 2004

\*Base period & value = Labor = 21.470 (CY98)  
Matl = 1.269 (CY98)

(5) Determine the economic price adjustment as follows:

a. Subtract the original forecasted labor index rate from the updated forecasted index rate using the corresponding Lot's mid-point listed above for both. Divide the difference by the original forecasted labor index rate. Subtract the original forecasted material index rate from the updated forecasted material index rate using the corresponding Lot's mid-point listed above for both. Divide the difference by the original forecasted material index rate. Multiply by 100 the labor and material quotient to obtain the percentage change in the labor and material indices. If the difference is +/- \$10,000,000 for the TPC price of the current year's production lot, calculate the adjustment to only the current year's production lot TPC price as described in the following paragraphs.

b. If an adjustment is to be made, apply the steps in the computation worksheet.

(6) Required economic price adjustments for the TPC prices will be proposed by the Contractor no later than the corresponding lot's proposal using the latest DRI forecasted value for the lot's midpoint as listed above. A modification shall be issued to make the necessary changes in the TPC prices to reflect the EPA adjustment determined above within 30 calendar days from agreement on the adjustment.

(7) In the event the Data Resources Incorporated (DRI) discontinues or suspends publication of the index, the parties shall agree upon an appropriate substitute for the discontinued index for use under this clause. In the event the DRI significantly alters the method of calculating the index, an appropriate adjustment shall be made by the parties to put the TPC on a comparable basis with the index calculated before the change or an agreed to appropriate substitute index. If the parties cannot agree to a substitute or comparable index, the Contracting Officer shall unilaterally determine an appropriate index within 60 calendar days after an index has been discontinued or altered in method of calculation.

(8) The parties agree to use the following criteria for making calculations under this clause:

- a. Round decimals to 3 decimal places;
- b. Round dollar calculations to the nearest whole dollar;
- c. Round up numbers equal to or greater than 5;
- d. Round down numbers less than or equal to 4.

(9) This clause covers the adjustment to the Target Price Curve lot prices only. This is not an Economic Price Adjustment (EPA) clause for the F-22 production lot contracts.

(10) Notional Computation Worksheet:

Example	Formula	Result
(1)	Original forecast labor index rate	25.459
(2)	Updated labor index rate	26.000
(3)	Rate delta (2) minus (1)	0.541
(4)	Labor adjustment factor (3) divided by (1)	0.021
(5)	Estimated labor cost from paragraph (4)	\$761,550,000
(6)	Labor cost adjustment (4) multiplied by (5)	\$ 15,992,550
(7)	Original forecast material index	1.340
(8)	Updated material index rate	1.40
(9)	Material delta (8) minus (7)	0.06
(10)	Material adjustment factor (9) divided by (7)	0.045
(11)	Estimated material cost from para (4)	\$761,550,000
(12)	Material adjustment (11) multiplied by (10)	\$34,269,750
(13)	Total EPA Adjustment (6) plus (12)	\$50,262,300

## ASC/YFK-H-029 REPAIR OF GOVERNMENT FURNISHED PROPERTY (OCT 2001)

The price of this contract does not include repair of Government Furnished Property. Requests for the repair of GFP to this contract shall be submitted in accordance with contract F33657-01-C-2099 upon its award. Until the award of contract F33657-01-C-2099, all requests for repair of GFP shall be submitted in accordance with contract F33657-99-C-0036, SCR ASC/YFK-II-032, "Repair of Government Furnished Property."

## ASC/YFK-H-030 TRAINING CONCURRENCY (OCT 2001)

(a) It is the Contractor's intent to deliver the Lot 2 training system requirements (CLIN 0006) with the capability proven through the Engineering, Manufacturing and Development (EMD) program (Contract F33657-91-C-0006) and which reflect the current production configuration of the F 22 aircraft at time of delivery. The parties recognize that due to the concurrency of the ongoing EMD program with production, EMD may identify changes to the aircraft and training system which would need to be incorporated into Lot 2 training system products in order for the systems to be compliant with the contract performance capability as established by the applicable training system performance specifications (Section C of this contract). As a result, these articles may be delivered while non-compliant to the contractual specification. This clause specifies the process for documenting non-compliance in conjunction with acceptance of the Lot 2 training systems and defines the obligation of the parties with respect to meeting the contractual specification(s).

(b) Definitions: The definitions contained in Special Contract Requirement H-026 Air Vehicle Acceptance apply to the extent applicable. In addition, the following definitions as described unique to Training System Concurrency apply:

(1) Training System Exception - any change to the F-22 Weapon System design that impacts the Lot 2 Training Systems Products as described in paragraph (d) herein.

(2) Training System Concurrency Cap Allocation Plan - A brief description of the change required to achieve Training System Performance Specification requirements or to maintain the air vehicle compatibility requirements as described in paragraph (d) herein. The plan shall include the effectivity and a program estimate for the recurring and/or nonrecurring impacts associated with the change. The plan shall also include the status of the remaining funds within the concurrency cap. The cost to develop this plan shall be included in the estimate.

(c) The negotiated price of Lot 2 training equipment represents the training system configuration defined by Attachment 18 which provides for Training Systems products compatible with the air vehicle design baseline configuration defined as of 4028. As a result the costs associated with incorporating these impacts into the Lot 2 training systems shall not be charged against the concurrency cap.

(d) The training system product impacts to be charged to the concurrency cap shall include the following:

(1) Lot 2 training system recurring costs associated with air vehicle changes required to meet the Air Vehicle EMD specifications, if aircraft implementation is 4001-4009.

(2) Lot 2 training system recurring and non-recurring costs associated with air vehicle changes required to meet the Air Vehicle EMD specifications, if aircraft implementation is 4010 or after.

(3) Lot 2 training system recurring costs associated with training system changes required to meet the Training EMD specifications.

(e) A separate concurrency cap will not be established for training systems products. The cap specified in H-026 will cover both air vehicle and training system concurrency impacts. Prior to incorporation of a Training System Exception, the Contractor shall submit a Training System Concurrency Cap Allocation Plan to the Contracting Officer. Upon receipt of this plan, the Government shall decide on the appropriate action, including, but not limited to, the following:

(1) authorize incorporation of the change prior to delivery of the production article (within the concurrency cap unless cap depleted).

(2) authorize incorporation of the change after production article acceptance (within the concurrency cap unless cap depleted).

(3) modify the contractual requirements.

(4) delay corrective action.

The value of any withhold for a Training System product impact addressed through this clause shall be no greater than the unincorporated portion of the approved corrective action, and shall not exceed the unallocated funds remaining within the concurrency cap.

(f) The parties agree that the Contractor's obligation for incorporation of changes as described in the above paragraph (d) is limited to the concurrency cap specified in H-026. Changes subsequent to depletion of the concurrency cap funds are subject to the Class I change process.

(g) In the event the Government decides not to provide funding beyond the concurrency cap to the extent required to achieve Lot 2 Training System aircraft compatibility requirements, the Government shall modify the Lot 2 contract to the extent required to allow the Contractor to deliver Training Systems Products that are in a different configuration than the Lot 2 aircraft. Additionally, in the event the Government decides not to provide funding beyond the concurrency cap to the extent required to satisfy Training System Performance Specification requirements cited in Section C for cost savings reasons, the Specification(s) will be modified without consideration on the production contract.

#### **ASC/YFK-H-031 PRODUCIBILITY IMPROVEMENT PROGRAM (PIP) III (OCT 2001)**

CLIN 0013 has been established to provide \$97,000,000.00 for investment into PIP III projects intended to reduce the cost of the F-22. The Contractor shall utilize existing (internal) procedures in selecting individual cost reduction initiatives for implementation, as well as for the actual implementation thereof. Selections of PIP III candidate projects shall be the responsibility of the Contractor. Additionally, the contractor shall provide the Government with insight into the affordability process through the Affordability Council. The Government will have access to the contractor's internal cost status reports for PIP III investments upon request. At the end of the performance period for CLIN 0013, the contractor shall submit a final report, in contractor format. This report shall identify the PIP III projects implemented during the period of performance and provide status on these projects.

#### **ASC/YFK-II-100 AUTHORIZATION TO USE OTHER THAN NEW MATERIAL (OCT 2001)**

(a) Support as a capability concept: A key aspect of the F-22 support program (Performance-based Agile Logistics Support (PAIS)) is the concept of "Support as a Capability." This consists of "support services capability" and "support material capability". Support services capability is performance-based support of the flying hour program (e.g. field service representatives, heavy maintenance capability, support engineering, etc). Support material capability provides spares as required to meet the flying hour program in a manner that is consistent with specific performance based results. In order to effectively implement this concept, the following authorization to use other than new material shall pertain to all F-22 contracts (see ASC/YTK-II-002).

(b) **Authorization to use other than new material:** In order to implement the support material capability concept in a manner that ensures maximum flexibility and efficiency, it may become necessary to utilize "other than new" materials in the performance of one or more contracts in the F-22 program. "Other than new" material is defined on the Engineering and Manufacturing Development (EMD) contract (F33657-91-C-0006) under the clauses at FAR 52.210-5, New Material (APR 1984) and FAR 52.210-7, Used or Reconditioned Material, Residual Inventory, and Former Government Surplus Property (APR 1984). On the PRTV/PRTV II contract (F33657-97-C-0030) it is defined under the clause at FAR 52.211-5, Material Requirements (OCT 1997), and on the Lot 1 and Lot 2 contracts (F33657-99-C-0036 and F33657-00-C-0020 respectively) it is defined under the clause at FAR 52.211-5, Material Requirements (AUG 2000). These clauses (and any substantially similar clauses in later contracts) require the use of new materials in the performance of the contract requirements, unless the use of "other than new" material is authorized in writing by the Contracting Officer. Subject to the conditions referenced in paragraph (c) below, the Contracting Officer hereby authorizes the use of "other than new" materials in the performance of this contract. To the extent allowed by paragraph (c) below, this authorization includes the use of material previously available to or accepted by the Government and returned to the contractor as Government Furnished Property (GFP).

(c) **Conditions on the authorization to use other than new material:** The above authorization to use "other than new" material in the performance of this contract is subject to the conditions listed below. Any potential use of "other than new" material that does not meet all the conditions listed below shall be evaluated on a case by case basis by the Contracting Officer in accordance with the applicable clause(s) referred to in paragraph (b) above.

(1) **Suitability for the intended use:** The "other than new" material to be used in the performance of this contract must be suitable with respect to form, fit, function, and interface, and may not create limitations to the weapon system performance, supportability, or effectiveness in performance of the assigned mission.

(2) **Condition:** The "other than new" material to be used in the performance of this contract must be in a serviceable condition without creating additional operational limitations. All Time Change Items (TCIs) to be used as "other than new material" shall have at least 40% or not less than 400 flight hours of useful life remaining, whichever is higher. Parts or components identified as "bad actors" (as defined by Chapter 8, T.O. 00-35D-54) shall not be used.

(3) **Safety of flight:** The "other than new" material to be used in the performance of this contract must not create a safety of flight risk.

(4) **Proper configuration:** The "other than new" material to be used in the performance of this contract must conform to the authorized configuration of the end item for which such material is to be used. If a preferred sparing activity applies, the "other than new" material must conform to the preferred configuration.

(d) **Asset Management Prioritization:** The contractor shall make the day to day decisions and authorize the movement of assets in accordance with the Uniform Material Movement and Issue Priority System (UMMIPS) defined by Air Force Manual (AFMAN) 23-110. When the minimum requirements of the production program conflict with those of the field support or test programs (or vice versa), the contractor shall notify the Contracting Officer prior to utilizing an asset otherwise needed to fulfill the minimum requirements of the affected program. Deviations from or exceptions to the above priority requirements shall require written direction from the Contracting Officer. Any equitable adjustments to the contract(s) price and/or schedule (if appropriate) shall be executed in accordance with the "Changes" clause of this contract. This clause in no way relieves the contractor of any responsibilities or obligations under this or any other contract in the F-22 program.

**ASC/YFK-H-101 SUPPORT MATERIAL CAPABILITY ASSETS (OCT 2001)**

(a) In performance of this contract, the Contractor is responsible for providing a Support Material Capability for the Weapon System under CLIN 0101 in order to fulfill the F-22 preliminary field support activities, as contemplated by the Statement of Work for F-22 Lot 2 Production, Section J, Attachment 3. In performance of this effort, the Contractor may procure and/or manage items such as:

- (1) Air Vehicle Initial Peculiar Spares (except explosives and training expendables)
- (2) Peculiar Initial Support Equipment and Training System Spares
- (3) Peculiar Initial Bulk Items (for example LO materials)
- (4) Replenishment Spares
- (5) Rotable Stock
- (6) Other Repair Material
- (7) Approved (via ECP/CCP) Modification/Retrofit Kits

(b) For reference purposes only, the Government is responsible for providing the common initial spares and items listed below:

- (1) Common Support Equipment Initial Spares
- (2) Air Vehicle Initial Common Spares and GFAF Initial Spares
- (3) Initial and Replenishment Spares that are Explosive Items
- (4) Training Expendables (even if sole source to the Contractor)

(5) Common Bulk Items List (CBIL) Consumables Initial Lay-In (Rags, speedy dry, string, grease, alcohol, and non-part numbered maintenance material like sheet stock)

(6) Personal Equipment Initial Spares

(c) Items procured by the Contractor in fulfillment of this requirement are Government Property in accordance with FAR 52.245-5. Notwithstanding, the Contractor is authorized, without any requirement for additional approval to:

(1) Replace, repair, or modify Government Property used in the performance of PALS CLINs.

(2) Move/relocate material managed under PALS CLINs.

(3) Borrow assets required in the performance of PALS CLINs from F-22 contracts F33657-91-C-0006 and F33657-97-C-0030 on an as required basis. However, nothing in this clause relieves the Contractor of obligations under this or any other contract unless mutually agreed by the parties. Movement of assets between contracts will be accomplished on a loan-payback or other basis, in accordance with the Contractor's Cost Accounting Standard Board Disclosure Statement (CASB). It is an objective of the process to maintain cost neutrality between all contracts involved.

(4) Replace Government Property that is reported as lost, damaged, or destroyed, immediately upon identification of such. The cost associated with such replacement will be considered allowable and allocable to the extent it would have otherwise been allowable and allocable under the contract.

(5) Flow down this clause in whole or in part to any Subcontractor at any tier meeting the criteria described in paragraph (c) of this clause.

(d) All property under this clause will be accounted for under the Contractor's or Subcontractor's approved property system.

(e) This clause is in effect as long as the Contractor and any Subcontractor whose contract contains a similar clause has a Government approved property system. Without an approved Government property system, authorization under this clause will be handled on a on a case-by-case basis and subject to the Contracting Officer's approval.

(f) The material acquired in support of PALS CLINs requirements will remain in Contractor control for exclusive use in providing of a Support Material Capability.

(g) Upon completion of F-22 Support Material Capability activities, as contemplated by this contract, all F-22 assets, acquired by the Contractor in anticipation of full F-22 Performance Based Agile Logistics Support capability, shall be rolled over to and made available on any subsequent contract issued by the Government requiring F-22 Material Support Capability.

(h) In the event no subsequent F-22 contract requiring a Material Support Capability is issued, all residual F-22 assets, acquired during performance of this contract shall remain Government Property and disposition of these assets shall be in accordance with the Government Property Clause at 52.245-5, Section I hereof.

**ASC/YFK-H-102 PERFORMANCE BASED AGILE LOGISTICS SUPPORT (PALS)  
AWARD FEE (OCT 2001)**

(a) In addition to the base fee or fixed fee set forth elsewhere in the contract, the contractor may earn a total award fee up to \$15,047,165 of the PALS program, which is based on approximately 10% of the total estimated cost of the PALS CLINs (exclusive of base fee). The award fee line item as established at contract award, and allocated by calendar year is indicated below:

**Estimated/Planned Calendar Year (CY) 2002 Award Fee Allocation**

	<b>Period 1</b>	<b>Period 2</b>
<b>CY02 PALS Award Fee Pool:</b>	\$7,385,178	\$7,523,583
<b>Award Fee Earned:</b>	\$7,296,550	\$7,463,392

(b) Award fee may be earned by the contractor on the basis of performance during the periods of performance, and in the amount specified in the award fee plan.

(c) The first award fee period will commence on the date the full performance requirement is awarded and will end 30 Jun 02. The second award fee period will begin on 1 Jul 02 and end on 31 Dec 02. Before an evaluation period starts or during an evaluation period, the parties recognize the award fee areas of evaluation may be modified via bilateral agreement. After agreement is reached, the Contracting Officer will modify the award fee plan. The Government may also revise the distribution of an evaluation period's unearned award fee dollars to the subsequent award fee period.

(d) Performance Evaluation Cycle. The Award Fee Review Board will perform the evaluation of the contractor's effort during each period by:

(1) Reviewing the contractor's performance as measured against the award fee evaluation criteria and associated surveillance plan.

(2) If requested by the Contractor, having the contractor brief the Award Fee Review Board on its performance for the period being evaluated.

(3) If provided, reviewing the contractor's written documentation describing its performance for the period being evaluated.

(e) **Award Structure.** The contractor's performance shall be continually monitored by an Award Fee Review Board consisting of a chair-person and other designated members for the reference periods, and the performance evaluation criteria will be as stated in the award fee plan and its associated surveillance plan.

(f) **Special Factors.**

(1) The contractor may submit vouchers for the award fee immediately upon written notification of the award by the Contracting Officer.

(2) An Award Fee Plan and an associated Surveillance Plan will be distributed to the contractor and interested Government agencies when the contract is awarded. This plan will outline in detail schedules and criteria for implementing this provision of the contract.

(g) Payment of any Award Fee to the contractor, as determined by the Fee Determining Official, will not be subject to the clauses of this contract entitled, "Allowable Cost and Payment" and "Termination (Cost Reimbursement)."

(h) Should the contractor earn the award fee referenced herein, CLINs 0103 and 0104 are established to provide for payment of PALS 3010 and 3400 funded award fees, respectively.

## **SECTION I – CONTRACT CLAUSES:**

Contract Clauses in this section are from the FAR, Defense FAR Supplement, Air Force FAR Supplement, and the Air Force Materiel Command FAR Supplement, and are current through the following updates:

**FAR: FAC 97-27; DFAR: DCN 2001101; DL: DL 98-021; Class Deviations: 2001o00012; AFFAR: 1996 Edition; AFMCFAR: AFMCAC 97-7; AFAC: 96-4; IPN: 98-9**

**NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by reference:

### **A. FEDERAL ACQUISITION REGULATION CONTRACT CLAUSES (apply to all CLINs)**

- 52.202-01 DEFINITIONS (MAY 2001)
- 52.203 03 GRATUITIES (APR 1984)
- 52.203-05 COVENANT AGAINST CONTINGENT FEES (APR 1984)
- 52.203-06 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)
- 52.203-07 ANTI-KICKBACK PROCEDURES (JUL 1995)
- 52.203-08 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)
- 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JUN 1997)
- 52.204-02 SECURITY REQUIREMENTS (AUG 1996)
- 52.204-04 PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER (AUG 2000)
- 52.209-06 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JUL 1995)
- 52.211-05 MATERIAL REQUIREMENTS (AUG 2000)
- 52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (SEP 1990)
- 52.215-02 AUDIT AND RECORDS -- NEGOTIATION (JUN 1999)
- 52.215-08 ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT (OCT 1997)
- 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997)
- 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997)
- 52.215-14 INTEGRITY OF UNIT PRICES (OCT 1997) - ALTERNATE I (OCT 1997)
- 52.215-15 PENSION ADJUSTMENTS AND ASSET REVERSIONS (DEC 1998)
- 52.215-18 REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (OCT 1997)
- 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA MODIFICATIONS (OCT 1997)

52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984) (Applies to CLIN 0020)

(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding \$361,483.00 dollars.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is \$361,483.00.

52.216-25 CONTRACT DEFINITIZATION (OCT 1997) (CLIN 0017)

(a) Firm-Fixed Price (FFP)  
Firm-Fixed Price (FFP)

(b) 

Event	Date
Receipt of Contractor's Proposal	18 Jan 03
Negotiations Complete	15 Mar 03
Definitization Contract	23 Mar 03

52.216-25 CONTRACT DEFINITIZATION (OCT 1997) (CLIN 0018)

(a) Firm-Fixed Price (FFP)  
Firm-Fixed Price (FFP)

(b) 

Event	Date
Receipt of Contractor's Proposal	30 Mar 03
Negotiations Complete	30 Jun 03
Definitization Contract	15 Jul 03

52.216-26 CONTRACT DEFINITIZATION (OCT 1997) (Applies to CLIN 0020)

(b) Firm-Fixed Price (FFP)  
Firm-Fixed Price (FFP)

(b) 

Event	Date
Receipt of Contractor's Proposal	21 Jul 04
Negotiations Complete	20 Aug 04
Contract Award	06 Oct 04

52.219-08 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2000)

52.222-01 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)

52.222-20 WALSH HEALRY PUBLIC CONTRACTS ACT (DEC 1996)

52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)

52.222-26 EQUAL OPPORTUNITY (FEB 1999)

52.222-35 AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (APR 1998)

52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)

52.222-37 EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (JAN 1999)

52.223-05 POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION (APR 1998)

52.223-06 DRUG-FREE WORKPLACE (MAY 2001)

52.223-07 NOTICE OF RADIOACTIVE MATERIALS (JAN 1997)  
Para (a), Number of days is '60'

52.223-11 OZONE-DEPLETING SUBSTANCES (MAY 2001)

52.225-08 DUTY-FREE ENTRY (FFR 2000)

52.225-13 RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUL 2000)

52.226-01 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES (JUN 2000)

52.227-01 ALTERNATION AND CONSENT (JUL 1995) - ALTERNATE I (APR 1984)  
(Alternate I applies only to DMS redesign efforts contained in CLIN 0007)

52.227-02 NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996)

52.227-10 FILING OF PATENT APPLICATIONS -- CLASSIFIED SUBJECT MATTER (APR 1984)

52.227-12 PATENT RIGHTS -- RETENTION BY THE CONTRACTOR (LONG FORM) (JAN 1997)  
(Applies only to DMS redesign effort contained in CLIN 0007)

52.230-02 COST ACCOUNTING STANDARDS (APR 1998)

52.230-06 ADMINISTRATION OF COST ACCOUNTING STANDARDS (NOV 1999)

52.232-01 PAYMENTS (APR 1984)

52.232-08 DISCOUNTS FOR PROMPT PAYMENT (MAY 1997)

52.232-09 LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)

52.232-17 INTEREST (JUN 1996)

52.232-22 LIMITATION OF FUNDS (Apr 1984)

52.232-23 ASSIGNMENT OF CLAIMS (JAN 1986)

52.232-25 PROMPT PAYMENT (MAY 2001)  
Para (b)(1), Contract financing payments shall be made on the 7th day

52.232-32 PERFORMANCE-BASED PAYMENTS (MAY 1997)

52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER--CENTRAL CONTRACTOR REGISTRATION (MAY 1999)

52.233-01 DISPUTES (DEC 1998) – ALTERNATE I (DEC 1991)  
 52.234-01 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION  
 ACT TITLE III  
 52.242-04 CERTIFICATION OF FINAL INDIRECT COSTS (JAN 1997)  
 52.242-10 F.O.B. ORIGIN – GOVERNMENT BILLS OF LADING OR PREPAID POSTAGE  
 (APR 1984)  
 52.242-12 REPORT OF SHIPMENT (REPSHIP) (JUL 1995)  
 52.242-13 BANKRUPTCY (JUL 1995)  
 52.243-07 NOTIFICATION OF CHANGES (APR 1984)  
 Para (b), Number of calendar days is '30 days'  
 Para (d), Number of calendar days is '30 days'  
 52.244-02 SUBCONTRACTS (AUG 1998)  
 Para (e), approval required on subcontracts to: 'None'  
 Para (k), Paragraphs (d) and (f) of this clause do not apply to the following  
 subcontracts which were evaluated during negotiations: 'None'  
 52.244-05 COMPETITION IN SUBCONTRACTING (DEC 1996)  
 52.244-06 SUBCONTRACTS FOR COMMERCIAL ITEMS (MAY 2001)  
 52.245-9 USE AND CHARGES (DEVIATION) (APR 1984)  
 52.245-18 SPECIAL TEST EQUIPOMENT (FEB 1993)  
 52.246-23 LIMITATION OF LIABILITY (FEB 1997)  
 52.246-24 LIMITATION OF LIABILITY – HIGH-VALUE ITEMS (FEB 1997) –  
 ALTERNATE I (APR 1984)  
 52.247-01 COMMERCIAL BILL OF LADING NOTATIONS (APR 1984)  
 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JAN 1997)  
 52.248-01 VALUE ENGINEERING (FEB 2000)  
 52.251-01 GOVERNMENT SUPPLY SOURCES (APR 1984)  
 52.252-06 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)  
 52.253-01 COMPUTER GENERATED FORMS (JAN 1991)

**B. DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT CONTRACT  
 CLAUSES (apply to all CLINs)**

252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-  
 CONTRACT-RELATED FELONIES (MAR 1999)  
 252.203-7002 DISPLAY OF DOD HOTLINE POSTER (DEC 1991)  
 252.204-7002 PAYMENT FOR SUBLINE ITEMS NOT SEPARATELY PRICED (DEC 1991)  
 252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR 1992)  
 252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS  
 (DEC 1991)  
 252.209-7000 ACQUISITION FROM SUBCONTRACTORS SUBJECT TO ON-SITE  
 INSPECTION UNDER THE INTERMEDIATE-RANGE NUCLEAR FORCES (INF)  
 TREATY (NOV 1995)

- 252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)
- 252.211-7000 ACQUISITION STREAMLINING (DEC 1991)
- 252.215-7000 PRICING ADJUSTMENTS (DEC 1991)
- 252.215-7002 COST ESTIMATING SYSTEM REQUIREMENTS (OCT 1998)
- 252.217-7027 CONTRACT DEFINITIZATION (OCT 1998) (Applies to CLIN 0020)
- (a) Firm-Fixed Price (FFP)  
Firm-Fixed Price (FFP)
- (b) Event Date  
Receipt of Contractor's Proposal 21 Jul 04  
Negotiations Complete 20 Aug 04  
Contract Award 06 Oct 04
- (c) Firm-Fixed Price (FFP) \$722,966.00
- 252.219-7004 SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (TEST PROGRAM) (JUN 1997)
- 252.223-7001 HAZARD WARNING LABELS (DEC 1991)  
Para (c), Material: 'None'
- 252.223-7002 SAFETY PRECAUTIONS FOR AMMUNITION AND EXPLOSIVES (MAY 1994)
- 252.223-7003 CHANGE IN PLACE OF PERFORMANCE - AMMUNITION AND EXPLOSIVES (DEC 1991)
- 252.223-7004 DRUG-FREE WORK FORCE (SEP 1988)
- 252.223-7006 PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS MATERIALS (APR 1993)
- 252.223-7007 SAFEGUARDING SENSITIVE CONVENTIONAL ARMS, AMMUNITION, AND EXPLOSIVES (SEP 1999)  
Nomenclature, National Stock Number, Sensitivity Category: 'None'
- 252.225-7001 BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM (MAR 1998)
- 252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS (DEC 1991)
- 252.225-7008 SUPPLIES TO BE ACCORDED DUTY-FREE ENTRY (MAR 1998)

<u>ITEM</u>	<u>COMPANY</u>	<u>COUNTRY</u>
Tires	Michelin	France
Wing/Navigation Light	Hella	Germany
HTA & ITA Composite Resin	ICL/Fiberite	England
Inva (metallic tooling material)	Metalinphy Alloys Corp	France
Honeycomb Core	Euro-Composites Corp	Luxembourg
On-Board Oxygen Generating System	Honeywell Nomalair Garrett, Ltd	England
Fire Protection Detection System*	Kidde Graviner	England
Filter Capacitors (Part # C51003A)	Murata Erie	Canada
Heads Up Display (HUD) (Major Components)	BAE Electronics	England
Liquid Crystal Display (LCD) Glass	Lucky Goldstar	South Korea
Side Stick	BAE Systems	England
Helmet Mounted Cueing System	Elbit	Israel
Aircraft Tooling	Hyde Group	England
Wiring Harness	Aerotec	Mexico

\*Note: Kidde Graviner (was Walter Kidde) provides the Optical Fire Detection System Sensor, Part Number 5VD91602 101 & the Voltage Supply Unit, Part Number 5VD91602-20

- 252.225-7009 DUTY-FREE ENTRY--QUALIFYING COUNTRY SUPPLIES (END PRODUCTS AND COMPONENTS) (AUG 2000)
- 252.225-7010 DUTY-FREE ENTRY--ADDITIONAL PROVISIONS (AUG 2000)
- 252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (AUG 2000)
- 252.225-7014 PREFERENCE FOR DOMESTIC SPECIALTY METALS (MAR 1998) – ALTERNATE I (MAR 1998)
- 252.225-7015 RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS (DEC 2000)
- 252.225-7022 RESTRICTION ON ACQUISITION OF POLYACRYLONITRILE (PAN) CARBON FIBER (JUN 1997)
- 252.225-7026 REPORTING OF CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (JUN 2000)
- 252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE (OCT 1992)
- 252.225-7031 SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 1992)
- 252.225-7032 WAIVER OF UNITED KINGDOM LEVIES (OCT 1992)
- 252.225-7043 ANTITERRORISM/FORCE PROTECTION POLICY FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (JUN 1998)  
Information and guidance pertaining to DoD antiterrorism/force protection can be obtained from: 'HQ AFSFC/SFPT', phone, DSN 473-0927/0928 or commercial (210) 671-0927/0928'
- 252.227-7013 RIGHTS IN TECHNICAL DATA--NONCOMMERCIAL ITEMS (NOV 1995), See Page 63a
- 252.227-7014 RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (JUN 1995), See Page 63a, b
- 252.227-7015 TECHNICAL DATA-COMMERCIAL ITEMS (NOV 1995)
- 252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION (JUN 1995)
- 252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS - COMPUTER SOFTWARE (JUN 1995)
- 252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS (JUN 1995)
- 252.227-7026 DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)
- 252.227-7027 DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)
- 252.227-7030 TECHNICAL DATA-WITHHOLDING OF PAYMENT (MAR 2000)
- 252.227-7036 DECLARATION OF TECHNICAL DATA CONFORMITY (JAN 1997)
- 252.227-7037 VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA (SEP 1999)
- 252.228-7005 ACCIDENT REPORTING AND INVESTIGATION INVOLVING AIRCRAFT, MISSILES, AND SPACE LAUNCH VEHICLES (DEC 1991)
- 252.231-7000 SUPPLEMENTAL COST PRINCIPLES (DEC 1991)

- 252.235-7003 FREQUENCY AUTHORIZATION (DEC 1991) – ALTERNATE I (DEC 1991)
- 252.239-7000 PROTECTION AGAINST COMPROMISING EMANATIONS (DEC 1991)
- 252.239-7016 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES,  
AND SERVICES (DEC 1991)  
Para (b), Location is 'All locations approved for developmental and production  
activities in support of the F-22 Program.'  
Para (c), List can be obtained from 'The F-22 System Security Division.'  
Para (e), List and identify locations: 'All equipment currently in use of scheduled for  
use in the F-22 program under all F-22 contracts'
- 252.242-7000 POSTAWARD CONFERENCE (DEC 1991)
- 252.242-7003 APPLICATION FOR U.S. GOVERNMENT SHIPPING  
DOCUMENTATION/INSTRUCTIONS (DEC 1991)
- 252.242-7004 MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM (DEC 2000)
- 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (MAR 1998)
- 252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL  
COMPONENTS (DOD CONTRACTS) (MAR 2000)
- 252.245-7001 REPORTS OF GOVERNMENT PROPERTY (MAY 1994)
- 252.246-7001 WARRANTY OF DATA (DEC 1991)
- 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAR 2000)
- 252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (MAR 2000)
- 252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR  
REDUCTION (DEC 1996)
- 252.251-7000 ORDERING FROM GOVERNMENT SUPPLY SOURCES (MAY 1995)  
Para (f), Contractor's address is 'Lockheed Martin Corporation  
Lockheed Martin Aeronautics Company  
86 South Cobb Drive  
Marietta, GA 30063-0001  
Attn: Tom Stoner, F-22 Contracts  
(770) 793-1004'  
Para (f), Government remittance address is 'Defense Contract Management Command  
Lockheed Martin Aeronautics Company  
86 South Cobb Drive  
Marietta, GA 30063-0001  
Attn: Administrative Contracting Officer  
(770) 793-0475'

**C. AIR FORCE FEDERAL ACQUISITION REGULATION SUPPLEMENT CONTRACT  
CLAUSES (apply to all CLINs)**

- 5352.204-9000 NOTIFICATION OF GOVERNMENT SECURITY ACTIVITY (MAY 1996)
- 5352.204-9001 VISITOR GROUP SECURITY AGREEMENTS (MAY 1996)

- 5352.223-9000 ELIMINATION OF USE OF CLASS I OZONE DEPLETING SUBSTANCES (ODS) (MAY 1996)  
Para (d), Substances are 'None'
- 5352.223-9001 HEALTH AND SAFETY ON GOVERNMENT INSTALLATIONS (JUN 1997)
- 5352.231-9000 PRECONTRACT COSTS (SEP 1997)
- 5352.242-9000 CONTRACTOR ACCESS TO AIR FORCE INSTALLATIONS (MAY 1996)  
Para (b), Any additional requirements to comply with local security procedures 'None'

**D. AIR FORCE MATERIEL COMMAND FAR CONTRACT CLAUSES (apply to allCLINs)**

- 5352.219 9002 SMALL, SMALL DISADVANTAGED AND WOMEN OWNED SMALL BUSINESS SUBCONTRACTING PLANS (TEST PROGRAM) (AFMC) (JUL 1997)  
Subcontracting Plan dated: '21 NOV 2000'
- 5352.225-9001 ENGLISH LANGUAGE REQUIREMENTS (AFMC) (JUL 1997)
- 5352.227-9000 EXPORT-CONTROLLED DATA RESTRICTIONS (AFMC) (JUL 1997)
- 5352.228-9001 INSURANCE CLAUSE IMPLEMENTATION (AFMC) (JUL 1997)
- 5352.235-9003 APPLICATION FOR EQUIPMENT FREQUENCY AUTHORIZATION (AFMC) (JUL 1997)
- 5352.245-9001 GOVERNMENT-FURNISHED PROPERTY/CONTRACT REQUISITIONING (AFMC) (JUL 1997)  
List Government Furnished Property by Item Number, NSN, Noun, Part Number and Quantity 'GFP Items identified in Attachment 5'
- 5352.245-9010 SPECIAL TEST EQUIPMENT (AFMC) (JUL 1997)  
Contract Price or "Estimated Cost" or "Target Cost" contract price' (see Attachment (i))

**THE FOLLOWING FIRM-FIXED PRICE TYPE CONTRACT CLAUSES APPLY TO CLINS 0001-0013 ONLY**

**E. FEDERAL ACQUISITION REGULATION CONTRACT CLAUSES**

- 52.228-05 INSURANCE – WORK ON A GOVERNMENT INSTALLATION (JAN 1997)
- 52.229-04 FEDERAL, STATE, AND LOCAL TAXES (NONCOMPETITIVE CONTRACT) (JAN 1991)
- 52.229-05 TAXES – CONTRCTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO (APR 1984)
- 52.232-01 PAYMENTS (APR 1984)
- 52.232-08 DISCOUNTS FOR PROMPT PAYMENT (MAY 1997)
- 52.232-32 PERFORMANCE-BASED PAYMENTS (MAY 1997)
- 52.233-03 PROTEST AFTER AWARD (AUG 1996)

- 52.243-01 CHANGES – FIXED-PRICE (AUG 1987)
- 52.245-02 GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) (DEVIATION) (DEC 1989) – ALTERNATE I (APR 1984)
- 52.245-17 SPECIAL TOOLING (DEVIATION) (APR 1984)
- 52.249-02 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (SEP 1996)
- 52.249-08 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE (APR 1984)

**F. DEFENSE FEDERAL ACQUISITION REGULATION SUPPLEMENT CONTRACT CLAUSES**

- 252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)

**G. AIR FORCE MATERIEL COMMAND FAR CONTRACT CLAUSES**

- 5352.243-9002 NOT-TO-EXCEED/NOT-LESS-THAN AGREEMENTS (AFMC) (APR 2001)

**THE FOLLOWING CLAUSES ONLY APPLY TO THE COST-TYPE CLINS ASSOCIATED WITH THIS CONTRACT ARE APPLICABLE TO CLINs 0101, 0102, 0103 AND 0104 ONLY**

**II. THE FOLLOWING FEDERAL ACQUISITION REGULATION COST TYPE CONTRACT CLAUSES ARE APPLICABLE TO CLINs 0101, 0102, 0103 AND 0104 ONLY**

- 52.216-07 ALLOWABLE COST AND PAYMENT (MAR 2000)
- 52.216-08 FIXED FEE (MAR 1997)
- 52.222-02 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)
- 52.228-06 INSURANCE – LIABILITY TO THIRD PERSONS (MAR 1996)
- 52.232-20 LIMITATION OF COST (APR 1984)
- 52.242-01 NOTICE OF INTENT TO DISALLOW COSTS (APR 1984)
- 52.242-02 PENALTIES FOR UNALLOWABLE COSTS (MAY 2001)
- 52.242-03 CERTIFICATION OF FINAL INDIRECT COSTS (JAN 1997)
- 52.243-01 CHANGES – COST REIMBURSEMENT (AUG 1987) (para (c) is changed to 60 days)
- 52.244-02 SUBCONTRACTS (AUG 1998) ALTERNATE I (AUG 1998)
- 52.245-05 GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME & MATERIALS, OR LABOR-HOUR CONTRACT) (DEVIATION (JAN 1986)
- 52.249-06 TERMINATION (COST-REIMBURSEMENT) (SEP 1996)
- 52.249-14 EXUSABLE DELAY (APR 1984)

**I. THE FOLLOWING AIR FORCE MATERIAL COMMAND FAR COST TYPE  
CONTRACT CLAUSES ARE APPLICABLE TO CLINs 0101, 0102, 0103 AND 0104 ONLY**

5352.231-9001      SEGREGATION OF COST (JUL 1997)

**II. NOTICE:** The following contract clauses pertinent to this section are hereby incorporated by full text:

**A. FEDERAL ACQUISITION REGULATION CONTRACT CLAUSES IN FULL TEXT**

**52.223-03 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA  
(JAN 1997) (DEVIATION) (DEC 2000)**

(a) *Definitions.* As used in this clause-

"Hazardous material" means any material defined as hazardous in the version of Federal Standard No. 313, Material Safety Data, Transportation Data and Disposal Data for Hazardous Materials Furnished to Government Act, in effect at the time of award of the contract.

(b) *Hazardous material identification.* The Contractor shall-

(1) Update the list of hazardous materials provided to the Contracting Officer prior to contract award, whenever, during performance of the contract the Contractor determines that any other material to be delivered under this contract is hazardous and requires a Material Safety Data Sheet under 29 CFR 1910.1200.

(c) *Material Safety Data Sheets.* The Contractor is not required to submit a Material Safety Data Sheet for items for which a Material Safety Data Sheet was previously submitted under any F-22 contract. The Contractor shall-

(1) Promptly notify and submit a revised MSDS to the Contracting Officer whenever the contractor becomes aware of a change in the composition of an item(s) or the contractor becomes aware of a new hazard or protective equipment information that renders renders incomplete or inaccurate any MSDS previously submitted, or;

(2) Submit an MSDS if the Contractor determines that any other material to be delivered under this contract is hazardous and requires a Material Safety Data Sheet under 29 CFR 1910.1200, even if the Contractor is not the actual manufacturer; and

(3) Submit any revised or new MSDS consistent with the requirements of 29 CFR 1910.1200(g) and the version of Federal Standard 313 in effect at the time of award of the contract. The following clarifications associated with the preparation and submission of MSDSs are provided:

i. The composition of hazardous materials may be provided in ranges.

ii. The Contractor shall disclose all proprietary information under the conditions provided in 29 CFR 1910.1200(i), except for those MSDS's provided by their subcontractors. At this point, the Contractor will notify the government who in turn will obtain the proprietary information directly from the subcontractor.

iii. The MSDS shall comply with OSHA requirements and may be provided in ANSI format.

(d) The requirements of this clause shall not relieve the Contractor from complying with applicable Federal, State, and local laws, codes, ordinances, and regulations (including the obtaining of licenses and permits) concerning hazardous material.

#### **52.252-02 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://larsite.hill.af.mil/>

#### **B. DEFENSE FAR SUPP CONTRACT CLAUSES IN FULL TEXT**

#### **252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (AUG 2000)**

(a) Definition. "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard at specific facilities. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet in PDF format at:

[http://www.dcmc.hq.dla.mil/dcmc\\_o/oc/spi/files/dbreport/files/modified.pdf](http://www.dcmc.hq.dla.mil/dcmc_o/oc/spi/files/dbreport/files/modified.pdf) and in Excel format at [http://www.dcmc.hq.dla.mil/dcmc\\_o/oc/spi/files/dbreport/files/modified.xls](http://www.dcmc.hq.dla.mil/dcmc_o/oc/spi/files/dbreport/files/modified.xls).

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standards cited in the solicitation shall-

(1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted;

(2) Identify each facility at which the offeror proposes to use the specific SPI process in lieu of military or Federal specifications or standards cited in the solicitation;

(3) Identify the contract line items, subline items, components, or elements affected by the SPI process; and

(4) If the proposed SPI process has been accepted at the facility at which it is proposed for use, but is not yet listed at the Internet site specified in paragraph (b) of this clause, submit documentation of Department of Defense acceptance of the SPI process.

(d) Lockheed Martin Corporation shall require the use of approved SPIs, as applicable, their subcontractors and their interdivisional work authorizations (IDWAs). LMC shall use the following SPI processes in lieu of military or Federal specifications and standards:

**SPI Process:** The following Authorized Block Change Proposals:

**Block Change Proposal Description**

BCP 96-001 Use of ASTM-D3951 Commercial packaging methods and materials in lieu of applicable military specifications, for spare parts and support equipment required for immediate use or installation in CONUS, when no special packaging instructions are otherwise cited.

BCP 96-006 Maintain and operate a facility-wide quality management system per ANSI/ASQC Q9001-1994 and ANSI/NCSL Z540-1-1994, in lieu of MIL-Q-9858, MIL-1-45208, MIL-STD-45662 and MIL-STD-1500.

BCP 97-002 Incorporates the following two Special Requirements clauses which authorize Lockheed Martin Aero - Marietta to approved the use of Government-approved SPIs for subcontractors and sister companies:

**Subcontractor SPI Enabling Provision**

The extent that any contract process requirements flowed down to the contractor's subcontractors are inconsistent with SPI processes already authorized by the Government for use at the subcontractor's facility, the prime contractor is authorized to supersede those prime contract process requirements when substituting an approved SPI process at a subcontractor's facility (ies) for work to be performed for the prime contractor. Except as provided in any prime contractor-adapted, Government-approved SPI process, all other terms and conditions of the contract remain unchanged and in full force and effect.

### Sister Company SPI Enabling Provision

The extent that any contract process requirements flowed down to the contractor's sister companies ("sister company" is defined as another division, company or operating entity within the same corporation) are inconsistent with SPI processes already authorized by the Government for use at the sister company's facility, the prime contractor is authorized to supersede those prime contract process requirements when substituting an approved SPI process at a sister company's facility (ies) for work to be performed for the prime contractor. Except as provided in any prime contractor-adapted, Government-approved SPI process, all other terms and conditions of the contract remain unchanged and in full force and effect.

- BCP 97-005 Authorizes Lockheed Martin Aero - Marietta to consolidate yearly interim patent reports.
- BCP 97-006 Replace MIL-STD-965 requirements for parts Control with Lockheed Martin Aero - Marietta Engineering Procedure (LEP) 40-01.
- BCP 97-007 Authorizes Lockheed Martin Aero - Marietta to obtain certifications from subcontractors under clauses 52.222-22 and 52.222-25 by including the language of these clauses in solicitations and purchase orders not exempt from FAR 52.222-26, Equal Opportunity.
- BCP 97-009 Replace MIL-STD-970 requirements for order of Preference in Standards and Specifications with an Lockheed Martin Aero - Marietta five-step procedure for selecting parts, components, materials and processes.
- BCP 97-018 Replace MIL-I-8500 Air Vehicle Interchangeability and Replaceability requirements with Lockheed Martin Aero - Marietta Engineering report LG97ER0147.
- BCP 97-020 Elimination of requirement for Lockheed Martin Aero - Marietta to obtain local DCMA concurrence in the change classification and/or approval of Class II Drawing Changes prior to release.
- BCP 98-003 Raises the threshold for FAR 52.222-28, Equal Opportunity Pre-Award Clearance of Subcontracts from \$1,000,000 to \$10,000,000; deletes FAR 52.221-21, Certification of Nonsegregated Facilities; authorizes use of clause language in Lockheed Martin Aero - Marietta solicitations and subcontracts, in lieu of separate subcontractor certification requirements under FAR 52.222-22, Previous Contracts and Compliance Reports, and FAR 52.222-25, Affirmative Action Compliance. Deletes part of BCP 97-007.

**Facility:** All of these processes apply to Air Force Plant 6, Marietta, GA, where Lockheed Martin Aero - Marietta is located. Once the consolidation of the Palmdale, Ft Worth and Marietta sites is completed, this list will be modified to reflect the appropriate, consolidated list at no change in contract price or schedule.

**Military or Federal Specification or Standard:** See above.

**Affected Contract Line Item Number, Subline Item Number, Component, or Element:** These SPIs are applicable to all CLINs.

**Cognizant Administrative Contracting Officer:** Linda Allen, DCMA/RHTC, Lockheed Martin Aero - Marietta, GA (770) 494-4375.

(e) If a prospective offeror wishes to obtain, prior to the time specified for receipt of offers, verification that an SPI process is an acceptable replacement for military or Federal specifications or standards required by the solicitation, the prospective offeror-

(1) May submit the information required by paragraph (d) of this clause to the Contracting Officer prior to submission of an offer; but

(2) Must submit the information to the Contracting Officer at least 10 working days prior to the date specified for receipt of offers.

#### **252.228-7001 GROUND AND FLIGHT RISK (SEP 1996)**

(a) Definitions.

As used in this clause--

(Paragraphs (a)(2) and (a)(5) of this clause have been tailored in accordance with DFAR 228.370(b)(2)(ii) and (iii).)

(1) "Aircraft," unless otherwise provided in the Schedule, means-

(i) Aircraft to be delivered to the Government under this contract (either before or after Government acceptance), including complete aircraft and aircraft in the process of being manufactured, disassembled, or reassembled; provided that an engine, portion of a wing or a wing is attached to a fuselage of the aircraft; and

(ii) Aircraft, whether in a state of disassembly or reassembly, furnished by the Government to the Contractor under this contract, including all property installed, in the process of installation, or temporarily removed; provided that the aircraft and property are not covered by a separate bailment agreement.

(2) (TAILORED) "Contractor's premises" means the entire Government-owned areas in Cobb County, Georgia, on which is located Air Force Plant No. 6 and Dobbins Air Reserve Base at Marietta, Georgia, including Contractor-owned areas adjacent thereto; provided however, that this definition does not intend to broaden or grant the Contractor any rights to the use of any portion of the Government reservation not otherwise granted under various facilities contracts and/or other agreements with the Government.

(3) "Flight" means any flight demonstration, flight test, taxi test, or other flight made in the performance of this contract, or for the purpose of safeguarding the aircraft, or previously approved in writing by the Contracting Officer.

(i) For land based aircraft, "flight" begins with the taxi roll from a flight line on the Contractor's premises and continues until the aircraft has completed the taxi roll in returning to a flight line on the Contractor's premises;

(ii) For seaplanes, "flight" begins with the launching from a ramp on the Contractor's premises and continues until the aircraft has completed its landing run and is beached at a ramp on the Contractor's premises;

(iii) For helicopters, "flight" begins upon engagement of the rotors for the purpose of take-off from the Contractor's premises and continues until the aircraft has returned to the ground on the Contractor's premises and the rotors are disengaged; and

(iv) For vertical take-off aircraft, "flight" begins upon disengagement from any launching platform or device on the Contractor's premises and continues until the aircraft has been engaged to any launching platform or device on the Contractor's premises;

(v) All aircraft off the Contractor's premises shall be considered to be in flight when on the ground or water for reasonable periods of time following emergency landings, landings made in performance of this contract, or landings approved in writing by the Contracting Officer.

(4) "Flight crew member" means the pilot, the co-pilot, and, unless otherwise provided in the Schedule, the flight engineer, navigator, and bombardier-navigator when assigned to their respective crew positions for the purpose of conducting any flight on behalf of the Contractor. If required, a defense systems operator may also be assigned as a flight crew member.

(5) (TAILORED) "In the open" means at any location on the Contractor's premises after the aircraft has initially left the main factory building (Air Force Plant No. 6, Building B-1 and L45) upon completion of final assembly and before fuel operations, paint and flight line activities. Government furnished aircraft shall be considered to be located "in the open" at all times while in the Contractor's possession, care, custody, or control.

(6) "Operation" means operations and tests of the aircraft and its installed equipment, accessories, and power plants, while the aircraft is in the open or in motion. The term does not apply to aircraft on any production line or in flight.

(b) Except as may be specifically provided in the Schedule as an exception to this clause, the Government assumes the risk of damage to, or loss or destruction of aircraft "in the open," during "operation," and in "flight." The Contractor shall not be liable to the Government for such damage, loss, or destruction.

(c) The Government's assumption of risk for aircraft in the open shall continue unless the Contracting Officer finds that the aircraft is in the open under unreasonable conditions, and the Contractor fails to take prompt corrective action.

(1) The Contracting Officer, when finding aircraft in the open under unreasonable conditions, shall notify the Contractor in writing of the unreasonable conditions and require the Contractor to make corrections within a reasonable time.

(2) Upon receipt of the notice, the Contractor shall promptly correct the cited conditions, regardless of whether there is agreement that the conditions are unreasonable. If the Contracting Officer later determines that the cited conditions were not unreasonable, an equitable adjustment shall be made in the contract price for any additional costs incurred in correcting the conditions. Any dispute as to the unreasonableness of the conditions or the equitable adjustment shall be considered a dispute under the Disputes clause of this contract.

(3) If the Contracting Officer finds that the Contractor failed to act promptly to correct the cited conditions or failed to correct the conditions within a reasonable time, the Contracting Officer may terminate the Government's assumption of risk for any aircraft in the open under the cited conditions. The termination will be effective at 12:01 a.m. on the fifteenth day following the day the written notice is received by the Contractor. If the Contracting Officer later determines that the Contractor acted promptly to correct the cited conditions or that the time taken by the Contractor was not unreasonable, an equitable adjustment shall be made in the contract price for any additional costs incurred as a result of termination of the Government's assumption of risk. Any dispute as to the timeliness of the Contractor's action or the equitable adjustment shall be considered a dispute under the Disputes clause of this contract.

(4) If the Government terminates its assumption of risk, the risk of loss for Government-furnished property shall be determined in accordance with the Government Property clause of this contract.

(5) The Contractor shall promptly notify the Contracting Officer when unreasonable conditions have been corrected. If the Government elects to again assume the risk of loss and relieve the Contractor of liabilities, the Contracting Officer will notify the Contractor. The Contractor shall be entitled to an equitable adjustment in the contract price for any insurance costs extending from the end of the third working day after the Contractor notice of correction until the Contractor is notified that the Government will assume the risk of loss. If the Government does not again assume the risk of loss and conditions have been corrected, the Contractor shall be entitled to an equitable adjustment for insurance costs, if any, extending after the third working day.

(d) The Government's assumption of risk shall not extend to damage, loss, or destruction of aircraft which-

(1) Results from failure of the Contractor, due to willful misconduct or lack of good faith of any of the Contractor's managerial personnel, to maintain and administer a program for the protection and preservation of aircraft in the open and during operation in accordance with sound industrial practice. The term "Contractor's managerial personnel" means the Contractor's directors, officers, and any of the Contractor's managers, superintendents, or other equivalent representatives who supervise or direct all or substantially all of the Contractor's business; or all or substantially all of the Contractor's operations at any one plant or separate location at which this contract is performed; or a separate and complete major industrial operation in connection with the performance of this contract;

(2) Is sustained during flight if the flight crew members have not been approved in writing by the Government Flight Representative, who has been authorized in accordance with the combined regulation entitled "Contractor's Flight and Ground Operations" (Air Force Regulation 55-22, Army Regulation 95-20, NAVATR Instruction 3710.1C, and Defense Logistics Agency Manual 8210.1);

(3) Occurs in the course of transportation by rail, or by conveyance on public streets, highways, or waterways, except for Government-furnished property;

(4) Is covered by insurance;

(5) Consists of wear and tear; deterioration (including rust and corrosion); freezing; or mechanical, structural, or electrical breakdown or failure, unless these are the result of other loss, damage or destruction covered by this clause. (This exclusion does not apply to Government-furnished property if damage consists of reasonable wear and tear or deterioration, or results from inherent vice in the property.); or

(6) Is sustained while the aircraft is being worked on and is a direct result of the work unless such damage, loss, or destruction would be covered by insurance which would have been maintained by the Contractor, but for the Government's assumption of risk.

(e) With the exception of damage, loss, or destruction in flight, the Contractor assumes the risk and shall be responsible for the first \$25,000 of loss or damage to aircraft in the open or during operation resulting from each separate event, except for reasonable wear and tear and to the extent the loss or damage is caused by negligence of Government personnel. If the Government elects to require that the aircraft be replaced or restored by the Contractor to its condition immediately prior to the damage, the equitable adjustment in the price authorized by paragraph (i) of this clause shall not include the dollar amount of the risk assumed by the Contractor. In the event the Government does not elect repair or replacement, the Contractor agrees to credit the contract price or pay the Government \$25,000 (or the amount of the loss, if less) as directed by the Contracting Officer.

(f) A subcontractor shall not be relieved from liability for damage, loss, or destruction of aircraft while in its possession or control, except to the extent that the subcontract, with the written approval of the Contracting Officer, provides for relief from each liability. In the absence of approval, the subcontract shall contain provisions requiring the return of aircraft in as good condition as when received, except for reasonable wear and tear or for the utilization of the property in accordance with the provisions of this contract. Where a subcontractor has not been relieved from liability, and damage, loss, or destruction occurs, the Contractor shall enforce liability against the subcontractor for the benefit of the Government.

(g) The Contractor warrants that the contract price does not and will not include, except as may be authorized in this clause, any charge or contingency reserve for insurance covering damage, loss, or destruction of aircraft while in the open, during operation, or in flight when the risk has been assumed by the Government, even if the assumption may be terminated for aircraft in the open.

(h) In the event of damage, loss, or destruction of aircraft in the open, during operation, or in flight, the Contractor shall take all reasonable steps to protect the aircraft from further damage, to separate damaged and undamaged aircraft, to put all aircraft in the best possible order and further, except in cases covered by paragraph (e) of this clause, the Contractor shall furnish to the Contracting Officer a statement of-

- (1) The damaged, lost, or destroyed aircraft;
- (2) The time and origin of the damage, loss, or destruction;
- (3) All known interests in commingled property of which aircraft are a part; and
- (4) The insurance, if any, covering the interest in commingled property.

Except in cases covered by paragraph (e) of this clause, the Contracting Officer will make an equitable adjustment in the contract price for expenditures made by the Contractor in performing the obligations under this paragraph.

(i) If prior to delivery and acceptance by the Government, aircraft is damaged, lost, or destroyed and the Government assumed the risk, the Government shall either-

(1) Require that the aircraft be replaced or restored by the Contractor to the condition immediately prior to the damage, in which event the Contracting Officer will make an equitable adjustment in the contract price and the time for contract performance; or

(2) Terminate this contract with respect to the aircraft, in which event the Contractor shall be paid the contract price for the aircraft (or, if applicable, any work to be performed on the aircraft) less any amount the Contracting Officer determines-

(i) It would have cost the Contractor to complete the aircraft (or any work to be performed on the aircraft) together with anticipated profit on uncompleted work; and

(ii) Would be the value of the damaged aircraft or any salvage retained by the Contractor.

The Contracting Officer shall prescribe the manner of disposition of the damaged, lost, or destroyed aircraft, or any parts of the aircraft. If any additional costs of such disposition are incurred by the Contractor, a further equitable adjustment will be made in the amount due the Contractor. Failure of the parties to agree upon termination costs or an equitable adjustment with respect to any aircraft shall be considered a dispute under the Disputes clause.

(j) In the event the Contractor is reimbursed or compensated by a third person for damage, loss, or destruction of aircraft and has also been compensated by the Government, the Contractor shall equitably reimburse the Government. The Contractor shall do nothing to prejudice the Government's right to recover against third parties for damage, loss, or destruction. Upon the request of the Contracting Officer or authorized representative, the Contractor shall at Government expense furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment of subrogation) in obtaining recovery.

(k) The Contractor agrees to be bound by the operating procedures contained in the combined regulation entitled "Contractor's Flight and Ground Operations" in effect on the date of contract award.

**C. AIR FORCE MATERIEL COMMAND FAR CONTRACT CLAUSES IN FULL TEXT:**

**5352.216-9003 AWARD FEE (AFMC) (SEP 2001)**

(a) In addition to the profit/fee set forth elsewhere in the contract, the Contractor may earn a total award fee amount of up to \$15,047,165 on the basis of performance during the evaluation periods.

(b) **Monitoring of Performance.** The Contractor's performance will be continually monitored by the performance monitors whose findings are reported to the Award Fee Review Board (AFRB). The AFRB recommends an award fee to the Fee Determining Official (FDO) who makes the final decision of the award fee amount paid based on the Contractor's performance during the award fee evaluation period.

(c) **Award Fee Plan.** The evaluation criteria and associated grades are specified in the award fee plan. The evaluation periods with the associated award fee pool amounts and performance criteria with associated percentages of available award fee are also specified in the award fee plan. Upon contract award, the Contractor will be provided the FDO-approved award fee plan.

(d) **Modification of Award Fee Plan.** Bilateral changes may be made to the award fee plan before the start of the upcoming evaluation period or during the current evaluation period.

(e) **Self-Evaluation.** The Contractor may submit to the Contracting Officer, within five (5) working days after the end of each award fee evaluation period, a brief written self-evaluation of its performance for that period. This self-evaluation will be used in the AFRB's evaluation of the Contractor's performance during this period.

(f) **Determination and Methodology.** The determination and methodology for determining the award-fee amount are unilateral decisions made solely at the discretion of the Government.

(g) **Award Fee Payment.**

(1) Award fee is not subject to the allowable cost, and payment or termination clauses of this contract.

(2) The Contractor may bill for the award fee immediately upon receipt of the Contracting Officer's authorization for payment of the earned award fee amount.

**5352.223-9000 USE OF HAZARDOUS MATERIALS IN THE PERFORMANCE OF ON-BASE CONTRACTS (AFMC) (JUL 1997)**

(a) "Hazardous Material" as used in this clause includes any material defined as hazardous under the latest version of Federal Standard No. 313D, in effect on the date of this contract.

(b) The list of hazardous materials identified FAR 52.223-3, Hazardous Material Identification and Material Safety Data, and DFARS 252.223-7001, Hazard Warning Labels, shall be updated during performance of the contract whenever the Contractor determines that any other material to be delivered to Dobbins Air Reserve Base or used on Dobbins Air Reserve Base, for a period of five (5) or more days, is hazardous based on changes in the composition of the item(s) or a revision to Federal Standard No. 313. Provide written notification of changes in the Material Safety Data Sheets (MSDSs), including a copy of the updated MSDS, of each item to the identified point of contact on the installation prior to use of the item on installation.

(c) The Contractor shall submit a Contractor Hazardous Material Report to the 94th Support Group/Civil Engineer, Environmental Office, Dobbins Air Reserve Base at (770) 919-4800 for each item identified under Section I clauses referenced above or updates resulting from paragraph (b) of this clause 15 days prior to bringing the items on base. Update the report at least monthly (beginning no later than 30 days after the material is brought on base) until the hazardous material is removed from the base.

(d) All hazardous material used on base (including material to be used for a period of less than 24 hours) shall contain a hazardous material warning label. The label shall include a list of the hazardous chemical(s), material identification which matches the part number and/or trade name on the MSDS, appropriate hazard warnings (including description of target organs), and name and address of the chemical manufacturer, importer, or other responsible party.

(e) The Contractor is responsible for conducting and documenting employee hazard communication training prior to the commencement of work on base.

(f) Neither the requirements of this clause nor any act or failure to act by the Government shall relieve the Contractor of any responsibility or liability for the safety of Government, Contractor, or subcontractor personnel or property.

(g) Nothing contained in this clause shall relieve the Contractor from complying with applicable Federal, State, and local laws, codes, ordinance, and regulations (including the obtaining of licenses and permits in conjunction with hazardous material).

(h) Notwithstanding any other rights in technical data specified elsewhere in this contract, the Government may use, duplicate, and disclose any data to which this clause is applicable to apprise personnel of the hazards to which they may be exposed and obtain medical treatment for those affected by the material. In addition, the Government may allow others to use, duplicate and disclose data for these purposes.

**AFMC 5352.245-9002 MAINTENANCE OF GOVERNMENT- FURNISHED PROPERTY  
(AFMC) (JUL 1997)**

Note: \* codes must be determined on an individual basis. See Air Force Manual 23-110, Standard Base Supply Customer Procedures, for additional information.

(a) The Contractor shall maintain the following items of GFP while in its possession and is authorized to use the MILSTRIP system to requisition parts from DoD supply sources in accordance with DoD 4000.25-1-M, Military Standard Requisitioning and Issue Procedures (MILSTRIP), in order to provide such maintenance: All GFP, except engines as indicated in II-022, "F-22 Engine Support" (List)

(b) The Contractor's authorization to use the MILSTRIP system shall terminate on 30 Nov 2003. The Contractor shall requisition only those items necessary for performance of this contract and shall return all excess items using normal MILSTRIP return procedures unless other instructions are provided by the Government.

(c) The Contractor shall enter \* as the project code in card columns 57-59 on DD Form 1348, DoD Single Line Item Requisition System Document, for all MILSTRIP requisitions submitted in support of this contract. In addition, the following fields shall be completed as follows: in card columns 45-50 of the DD Form 1348 as follows, enter a "Y" in column 45, the last digit of the contract year in column 46 and the last four characters of the contract number in columns 47-50 (if this field is already filled, use columns 71-76 or, alternately, the "REMARKS" section of the DD Form 1348); enter \* as the advice code in columns 65-66; \* as the signal code in column 51; and \* as the fund code in columns 52-53. The Contractor shall use Requisition Priority Designators as assigned by the Contract Administration Office (CAO) for each MILSTRIP requisition submitted.

(d) The Contractor shall submit all MILSTRIP requisitions to the CAO representative at the Contractor's plant. The CAO will approve or reject the Contractor's MILSTRIP requisition.

(e) The Contractor may flow-down authorizations to use the MILSTRIP system to subcontractor(s) but only after prior written approval of the Contracting Officer, where upon the same requirements and restrictions contained in this contract will apply to the subcontractor(s).

(f) Additional guidance may be found in AFM 67-1, Volume I, Part One or DoDI 4140.48.

(g) Rejected or unavailable requisitioned items shall be added to Contractor-furnished items, in which event the Contractor shall promptly notify the Contracting Officer and the contract price, as appropriate, shall be subject to equitable adjustment.

#### **AFMC 5352.245-9004 BASE SUPPORT (AFMC) (JUL 1997)**

Base support shall be provided by the Government to the Contractor in accordance with this clause. Failure by the Contractor to comply with the requirements of this clause shall release the Government, without prejudice, from its obligation to provide base support by the date(s) required. If warranted, and if the Contractor has complied with the requirements of this clause, an equitable adjustment shall be made if the Government fails to provide base support by the date(s) required.

(a) Base support includes Government-controlled working space, material, equipment, services (including automatic data processing), or other support (excluding use of the Defense Switched Network (DSN)) which the Government determines can be made available at, or through, any Air Force installation where this contract shall be performed. All Government property in the possession of the Contractor, provided through the base support clause, shall be used and managed in accordance with the Government Property clauses.

(b) The Air Force installations providing the support shall be listed in subparagraph (e), and the Government support to be furnished by each installation under this contract shall be listed in subparagraph (f).

(c) Unless otherwise stipulated in the contract schedule, support shall be provided on a no-charge-for-use basis and the value shall be a part of the Government's contract consideration.

(d) The Contractor agrees to immediately report (with a copy to the cognizant CAO) inadequacies, defective Government-Furnished Property (GFP) or nonavailability of support stipulated by the contract schedule, together with a recommended plan for obtaining the required support. The Government agrees to determine (within 10 workdays) the validity and extent of the involved requirement and the method by which it shall be fulfilled (e.g., purchase, rental, lease, GFP, etc.). Facilities shall not be purchased under this clause. Additionally, the Contractor (or authorized representative) shall not purchase, or otherwise furnish any base support requirement provided by the clause (or authorize others to do so), without prior written approval of the Contracting Officer regarding the price, terms, and conditions of the proposed purchase, or approval of other arrangements.

(e) Following are installations where base support will be provided at:

Nellis AFB, Nevada  
Tyndall AFB, Florida  
Dobbins ARB, Georgia

(f) The Government support to be furnished under this contract is identified in Attachment 15. Because of the nature and location(s) of the work performed, the value of such equipment is undeterminable. The Contractor shall not incur any cost resulting from nonsupport prior to Contracting Officer concurrence in accordance with this clause.

**SECTION J - ATTACHMENTS/EXHIBITS:**

<b>Exh/Atch</b>	<b>Title</b>	<b>Date</b>	<b>Pages</b>
<b>A</b>	DELETED		
<b>B</b>	Support System Products	11-Oct-01	3
<b>C</b>	Training System Products	1-Aug-01	4
<b>1</b>	DELETED		
<b>2</b>	DD254	26 Jan 04	8
<b>3</b>	Lot 2 Full Requirement Statement of Work	31 Jan 02	7
<b>4</b>	Performance-Based Agile Logistics Support Statement of Work	15-Nov-01	15
<b>5</b>	Government Furnished Property	6-Nov-01	7
<b>6</b>	Special Test Equipment	16-Oct-01	2
<b>7</b>	Initial Listing of Hazardous Materials	2-Nov-01	2
<b>8</b>	Target Price Curve Element Definitions	10-Jan-02	10
<b>9</b>	Production Data to be Provided with Unlimited Rights	29-Oct-01	2
<b>10</b>	List of ECPs/CCPs	22-Oct-01	2
<b>11</b>	Performance-Based Payment Schedule	24-Jan-02	4
<b>12</b>	DD250 Liquidation Payment Schedule	24 Jan 02	1
<b>13</b>	PBP/DD250 Payment Instructions	24-Jan-02	8
<b>14</b>	DELETED		
<b>15</b>	Base Support	19-Nov-01	3
<b>16</b>	TPC Baseline Information	30-Apr-98	2
<b>17</b>	GFP/POI List	19-Oct-01	2
<b>18</b>	Training Configuration Baseline	17-Oct-01	3