

001

AWARD/CONTRACT		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		RATING DO-A3	PAGE OF PAGES 1 of 188		
2. CONTRACT (PROC. INST. IDENT.) NO. N00024-97-C-2202		3. EFFECTIVE DATE SEE BLOCK 20c.		4. REQUISITION PURCHASE REQUEST/PROJECT NO. N00024-96-NR-91153			
5. ISSUED BY NAVAL SEA SYSTEMS COMMAND BUYER/SYMBOL: TERESA J. RYAN, 02224 2531 JEFFERSON DAVIS HWY ARLINGTON, VA 22242-5160 PHONE: Area Code 703/602-3102 X224		N00024		6. ADMINISTERED BY (If other than Item 5) CODE N63124 CRITICALITY DESIGNATOR: SUPSHIP NEW ORLEANS BUILDING 16, NAVAL SUPPORT ACTIVITY NEW ORLEANS, LA 70142-5700 PRE-AWARD SURVEY: NONE			
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code) CEC NO: AVONDALE INDUSTRIES, INC. SHIPYARDS DIVISION P.O. BOX 50280 NEW ORLEANS, LA 70150-0280 TIN NO: 39-1097012		8. DELIVERY (X) FOB ORIGIN () OTHER (See below)		9. DISCOUNT FOR PROMPT PAYMENT NONE			
CAGE CODE ICC97		FACILITY CODE		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO ADDRESS SHOWN IN			
11. SHIP TO/MARK FOR CODE		12. PAYMENT WILL BE MADE BY CODE 068892 DFAS CHARLESTON OPERATING LOCATION P.O. BOX 71489 CHARLESTON, SC 29415-1489		ITEM 12 BLOCK 6			
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION N/A () 10 U.S.C. 2304(c)() () 41 U.S.C. 253(c)()		14. ACCOUNTING AND APPROPRIATION DATA SEE ATTACHED FAD SHEET					
15A ITEM NO.	15B SUPPLIES/SERVICES	15C QTY	15D UNIT	15E UNIT PRICE	15F AMOUNT		
	SEE SECTION B SUPPLIES OR SERVICES AND PRICES/COSTS						
15G. TOTAL AMOUNT OF CONTRACT					\$641,370,625		
16. TABLE OF CONTENTS							
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CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE							
17. (X) CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 2 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the 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 are set forth in full above, is hereby accepted as to the 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) Albert L. Bossier, Jr. Chairman, President and Chief Executive Officer				20A. NAME OF CONTRACTING OFFICER TERESA J. RYAN Contracting Officer			
19B. NAME OF CONTRACTOR BY <u>Albert L. Bossier, Jr.</u> (Signature of person authorized to sign)		19C. DATE SIGNED 17 DEC 1996		20B. UNITED STATES OF AMERICA BY <u>Teresa J. Ryan</u> (Signature of Contracting Officer)		20C. DATE SIGNED 17 DEC 1996	
NSN 7540-01-152-8069 PREVIOUS EDITION UNUSABLE				STANDARD FORM 26 (REV. 4-85) Prescribed by GSA FAR (48 CFR) 53.214(a)			

This contract is awarded on the basis of Avondale Industries, Incorporated's pricing for the MRG/CP Propulsion Drive Train Proposal. The following items are hereby awarded: CLIN 0001, 0004, 0005, 0011 and 0012. Additionally, the following modifications are incorporated into Contract N00024-97-C-2202, resulting from Solicitation N00024-96-R-2101:

1. SECTION B, SUPPLIES/SERVICES AND PRICES/COSTS:

a. The page numbering on pages 3A and 3B is modified to read pages 2 and 3, respectively.

b. SECTION B - ADDITIONAL CONTRACT REQUIREMENTS, B-3 DETERMINATION OF FEE (NAVSEA) (OCT 1990), Paragraph (h) Evaluation Periods and paragraph (i) subparagraph (1) Award Fee Pools are modified to include the following statement:

*Within 45 days of contract award, the contract will be modified to establish evaluation periods and corresponding award fee pools that are consistent with program/contract milestones.

c. SECTION B - ADDITIONAL CONTRACT REQUIREMENTS, B-6 ALLOTMENT OF FUNDS - ALTERNATE I (MAY 1993), subparagraph (c) is modified to indicate that CLIN 0011 is fully funded.

2. SECTION F - DELIVERIES OR PERFORMANCE, is modified to reflect the following delivery dates for Item 0001 and Option Items 0002 and 0003 as proposed by the contractor. The contract milestones identified in F-2 will be incorporated into the contract at the time of option exercise.

ITEM	SHIP	DELIVERY DATE
0001	LPD 17	01 July 2002
0002	LPD 18	62 Months after option exercise
0003	LPD 19	61 Months after option exercise

3. SECTION H - SPECIAL CONTRACT REQUIREMENTS:

a. is modified to include Special Contract Requirement H-17 NAVSEA 5252.245-9115 RENT-FREE USE OF GOVERNMENT PROPERTY (SEP 1990).

b. is modified to include Special Contract Requirement H-18 FUNDING OF IPDE IMPROVEMENTS, as proposed by the contractor.

4. SECTION J - LIST OF ATTACHMENTS, the unnumbered attachments (Disclosure of Lobbying, Request for Assignment of a Commercial and Government Entity (CAGE) Code, and Contract Security Classification Form) and Attachment J-0019 "Past Performance Questionnaire" are deleted.

5. Attachment J-0037 "Contract Security Classification Specification" is updated and incorporated into the contract. 21 pages are hereby incorporated into Attachment J-0037.

6. The MRG/CPD propulsion train option is selected and the requirements of Attachment J-0038 are substituted for the corresponding sections of Attachment J-0001.

7. Attachment J-0039 "Government Production and Research Property Authorized for Use on a Rent Free Non-Interference Basis", which lists the contractor's proposed Government Production and Research Property, is incorporated into the contract. 28 pages are hereby incorporated into the contract.

8. Attachment J-0040 "Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan" is incorporated into the contract. 86 pages are hereby incorporated into the contract.

9. Attachment J-0041 "Financial Accounting Data (FAD) Sheet", 1 page totaling [REDACTED] is hereby incorporated into the contract. This FAD sheet reflects the estimated cost for CLIN 0001 in the amount of [REDACTED] and the fixed price for CLIN 0011 in the amount of [REDACTED]. Award fee applicable to CLIN 0001 in the amount of [REDACTED] has been committed to this contract, and will be obligated and authorized for payment in accordance with paragraph (e)(3)(v) of Clause B-3, Determination of Fee.

10 Contract change pages incorporating the above revisions are attached.

All references to Solicitation N00024-96-R-2101, including all Amendments, are revised to read N00024-97-C-2202.

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SECTION B SUPPLIES OR SERVICES AND PRICES/COSTS

ITEM	SUPPLIES OR SERVICES	AMOUNT
0001	DETAIL DESIGN AND CONSTRUCTION OF LPD 17 (SCN) (See Note G)	EST COST: BASE FEE: AWARD FEE: CPAF:
0002	SHIP CONSTRUCTION - LPD 18 (OPTION) (SEE NOTE A & G)	EST COST: BASE FEE: AWARD FEE: CPAF:
0003	SHIP CONSTRUCTION - LPD 19 (OPTION) (SEE NOTE A & G)	EST COST: BASE FEE: AWARD FEE: CPAF:
0004	LPD FAMILIARIZATION (NSP - Not separately priced. Price to be included in the price of Item 0001, and if the options are exercised, Item(s) 0002 and 0003)	\$NSP
0005	TECHNICAL MANUALS (NSP - Not separately priced Price to be included in the price of Line Item 0001, and if the options are exercised, Item(s) 0002 and 0003) (SEE NOTE D)	\$NSP
0006	MATERIAL (See Note B and C) (Including COSAL MATERIAL, SHORE BASES SPARES, PROVISIONING ITEM ORDER)	
0006AA	LPD 17 MATERIAL	
0006AB	LPD 18 MATERIAL (OPTION) (SEE NOTE A)	

ITEM	SUPPLIES OR SERVICES	AMOUNT
0006AC	LPD 19 MATERIAL (OPTION) (SEE NOTE A)	
0007	PERFORM SPECIAL STUDIES, ANALYSES AND REVIEWS (See Note F)	
0008	PERFORM ENGINEERING AND INDUSTRIAL SERVICES (SEE NOTES B AND C)	
0009	LPD 17 CLASS LIFE CYCLE SUPPORT (OPTION) PLANNING - POST DETAIL DESIGN AND CONSTRUCTION (See Note A & G)	EST COST BASE FEE AWARD FEE CPAF
0010	AFFORDABILITY THROUGH COMMONALITY (R&D) (See Notes B and C)	
0011	CROSS PROGRAM PROCUREMENT (See Notes B and E)	MANHOURS
0012	DATA FOR ITEMS 0001, 0004, 0005 and 0006AA 0007, 0008, 0010 AND 0011 (and if options are exercised, Items 0002, 0003, 0006AB, 0006AC, and 0009) NSP - Not separately priced. The price of Item 0012 is to be included in the price of Items 0001, 0006AA, 0007, 0008, 0010 AND 0011 (and if options are exercised, Items 0002, 0003, 0006AB, 0006AC, and 0009)	\$NSP

The clause entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF FUNDS" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified estimated cost.

NOTE A: Option Item to which "Section B - Additional Contract Requirements" requirement B-5 entitled "OPTIONS" is applicable and which is to be supplied only if and to the extent said option is exercised.

NOTE B: These items are Firm Fixed Price Items, the following requirements of this contract do not apply to these items:

Contract Section	Requirement
Section B	Payment of Fixed Fee
Section B	Determination of Fee
Section H	Payments

FAR clause 52.232-16 "Progress Payments", as set forth in Section I applies to these items.

NOTE C: Orders will be placed in accordance with the Special Contract Requirement in Section H, 5252.216-9110 "ORDERS (FIXED PRICE)".

NOTE D: For the purpose of pricing the solicitation requirements for technical manuals, offerors shall assume Level III Electronic Interactive Technical Manuals.

NOTE E: This item is to be incrementally funded is subject to the Section B requirement entitled "ALLOTMENT OF FUNDS - ALTERNATE I".

NOTE F: Orders will be placed in accordance with the Special Contract Requirement in Section H, 5252.216-9112 "ORDERS (COST PLUS FIXED FEE)".

NOTE G: For CLIN 0001 and option CLINs 0002, 0003, and 0009, an award fee pool of [REDACTED] of the Estimated Cost excluding Cost of Money (COM) shall be established.

SECTION B - ADDITIONAL CONTRACT REQUIREMENTS**B-1. REFUNDS (SPARES AND SUPPORT EQUIPMENT) (NAVSEA)
(SEP 1990)**

(a) In the event that the price of a spare part or item of support equipment delivered under this contract significantly exceeds its intrinsic value, the Contractor agrees to refund the difference. Refunds will only be made for the difference between the intrinsic value of the item at the time an agreement on price was reached and the contract price. Refunds will not be made to recoup the amount of cost decreases that occur over time due to productivity gains (beyond economic purchase quantity considerations) or changes in market conditions.

(b) For purposes of this requirement, the intrinsic value of an item is defined as follows:

(1) If the item is one which is sold or is substantially similar or functionally equivalent to one that is sold in substantial quantities to the general public, intrinsic value is the established catalog or market price, plus the value of any unique requirements, including delivery terms, inspection, packaging, or labeling.

(2) If there is no comparable item sold in substantial quantities to the general public, intrinsic value is defined as the price an individual would expect to pay for the item based upon an economic purchase quantity as defined in FAR 52.207-4, plus the value of any unique requirements, including delivery terms, inspection, packaging or labeling.

(c) At any time up to two years after delivery of a spare part or item of support equipment, the Contracting Officer may notify the Contractor that based on all information available at the time of the notice, the price of the part or item apparently exceeds its intrinsic value.

(d) If notified in accordance with paragraph (c) above, the Contractor agrees to enter into good faith negotiations with the Government to determine if, and in what amount, the Government is entitled to a refund.

(e) If agreement pursuant to paragraph (d) above cannot be reached, and the Navy's return of the new or unused item to the

Contractor is practical, the Navy, subject to the Contractor's agreement, may elect to return the item to the Contractor. Upon return of the item to its original point of Government acceptance, the Contractor shall refund in full the price paid. If no agreement pursuant to paragraph (d) above is reached, and return of the item by the Navy is impractical, the Contracting Officer may, with the approval of the Head of the Contracting Activity, issue a Contracting Officer's final decision on the matter, subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1).

(f) The Contractor will make refunds, as required under this requirement, in accordance with instructions from the Contracting Officer.

(g) The Contractor shall not be liable for a refund if the Contractor advised the Contracting Officer in a timely manner that the price it would propose for a spare part or item of support equipment exceeded its intrinsic value, and with such advice, specified the estimated proposed price, the estimated intrinsic value and known alternative sources or item, if any, that can meet the requirement.

(h) This requirement does not apply to any spare parts or items of support equipment whose price is determined through adequate price competition. This requirement also does not apply to any spare part or item of support equipment with a unit price in excess of [REDACTED] or in excess of [REDACTED] if the Contractor submitted, and certified the currency, accuracy and completeness of cost or pricing data applicable to the item.

**B-2. PAYMENTS OF FEE(S) (NAVSEA)
(MAY 1993)**

(Applicable to Items 0001, 0004, 0005, 0007 (and if the options are exercised, Items 0002, 0003 and 0009)

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, or "fixed fee" in cost-plus-fixed-fee type contracts for level of effort type contracts.

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR

52.216-10), as applicable. Such payments shall be equal to [REDACTED] percent ([REDACTED] %) of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) The fee(s) specified in SECTION B, and payment thereof, is subject to adjustment pursuant to paragraph (g) of the special contract requirement entitled "LEVEL OF EFFORT." If the fee(s) is reduced and the reduced fee(s) is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the final adjusted fee exceeds all fee payments made to the contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee(s) in accordance with the "LEVEL OF EFFORT" special contract requirement, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

B-3. DETERMINATION OF FEE (NAVSEA) (OCT 1990)

(Applicable to Items 0001, 0004, 0005 and, if the options are exercised, Items 0002, 0003 and 0009)

(a) Minimum Fee

The base (fixed) fee of this contract is zero (0) and; therefore there is no minimum fee to be paid for performance of this contract.

(b) Award Fee

In addition to the minimum (or base fee) to be paid hereunder, the Contractor may earn an award fee, as determined by

an Evaluation Board established pursuant to paragraph (c) below. The Government's purpose in granting an award fee is to encourage and reward superior Contractor effort directed toward performance of this contract. The specifics for evaluation are set forth in paragraphs that follow.

(c) Evaluation Board

The Contractor's performance evaluation for each period will be conducted by an Evaluation Board consisting of the following members (or designated alternates):

TBD

(d) Approving Official

The Approving Official, who will be the LPD 17 Program Executive Officer (PEO), shall make determinations of the award fee due to the Contractor upon the basis of the performance evaluation conducted by the Evaluation Board.

(e) Award Fee Determination and Reclama Procedures

(1) Within fifteen (15) days after the end of each evaluation period under the contract, the Contractor shall furnish to the Board such information as may be reasonably required, including a statement of cost incurred, to assist the Board in evaluating the Contractor's performance during that evaluation period.

(2) (i) Within ten (10) days from receipt of such information, the Board shall prepare the performance evaluation and present it to the Approving Official.

(ii) Within five (5) days from receipt of that evaluation, the Approving Official shall submit to the Contracting Officer his determination of award fee.

(iii) Within five (5) days from receipt of that determination, the Contracting Officer shall notify the Contractor in writing of the Approving Official's determination.

(3) (i) Within five (5) days from receipt of the Contracting Officer's notification, the Contractor may submit to the Contracting Officer any exception with respect thereto. In support of his reclama, the Contractor may furnish a written description of his performance during the period under consideration. This description shall clearly identify specific

evaluation categories, factors and elements, and the Contractor's own rating thereof.

(ii) Within five (5) days from receipt of the Contractor's reclama, the Contracting Officer shall submit it to the Approving Official.

(iii) Within ten (10) days from receipt thereof, the approving Official shall provide to the Contracting Officer a final performance evaluation and determination of the award fee.

(iv) Within five (5) days from receipt of that final determination, the Contracting Officer shall notify the Contractor in writing of that final determination.

(v) Within five (5) days from the date of this notification, the Contracting Official shall issue a unilateral modification to the contract to provide for the award fee.

(4) In the event that the Contractor submits no exception, the Approving Official's determination pursuant to sub-paragraphs (a) and (d) (2), above shall be final. Within ten (10) days after the date of the Contractor's notification of such determination, the Contracting Officer shall issue a unilateral modification to the contract to provide for the award fee.

(f) Finality of Approving Official's Determination

Determinations of the Approving Official with respect to the amount of award fee to be paid to the Contractor are final and shall not be subject to the "DISPUTES" clause of this contract.

(g) Evaluation Categories and Factors:

An initial list of the evaluation factors is provided as an attachment "Evaluation Categories and Factors Applicability Matrix". The Government may add additional factors at a later date in accordance with paragraph (h) (3) of this section.

(h) Evaluation Periods

Performance evaluations will be conducted in accordance with the schedule below:

<u>EVALUATION PERIODS*</u>	<u>BEGINNING*</u>	<u>END*</u>
One	Contract Award	*
Two	*	*
*	*	*

(2) For the first evaluation period, the factors to be evaluated are identified by "X" in attached "Evaluation Categories and Factor Applicability Matrix."

(3) Beginning with the second evaluation period, the Government will provide the Contractor with the specific factors and elements to be evaluated by the Evaluation Board 10 days prior to the subsequent evaluation period.

(i) Award Fee Pool

(1) Award Fee shall be available for the consideration of payment on the following basis:

<u>EVAL. PERIOD</u>	<u>AWARD FEE POOL</u>	
	<u>AWARD FEE POOL (\$)</u>	<u>AWARD FEE POOL %</u>
One	*	*
Two	*	*
*	*	*
TOTALS:		

(2) [REDACTED] of all unearned award fee for all CLINs except CLIN 0009 shall be carried over to Clause H-16 "Final Contract Performance Incentives".

*Within 45 days of contract award, the contract will be modified to establish evaluation periods and corresponding award fee pools that are consistent with program/contract milestones.

(j) Performance Ratings

The award fee to be paid for each period shall be determined by applying the Adjective Ratings shown below to the factors to be evaluated by the Evaluation Board.

<u>Numerical Percentage of Available Award Fee (AAF)</u>	<u>Numerical Scoring (NS)</u>	<u>Adjective Rating</u>	<u>Adjective Definitions</u>
80 - 100%	95 - 100	Outstanding (O)	The Contractor's performance exceeds the minimum by a substantial margin, any needed improvements cited are of a minor nature.
50 - 79%	85 - 94	Excellent (E)	The Contractor's performance exceeds the minimum in all areas; some areas for improvement cited, most of which are minor.
20 - 49%	70 - 84	Good (G)	The Contractor's performance generally exceeds the minimum; there are several areas for improvement, but these are offset by better performance in other areas.
00 - 19 %	00 - 69	Minimally Acceptable(M)	The Contractor's performance is

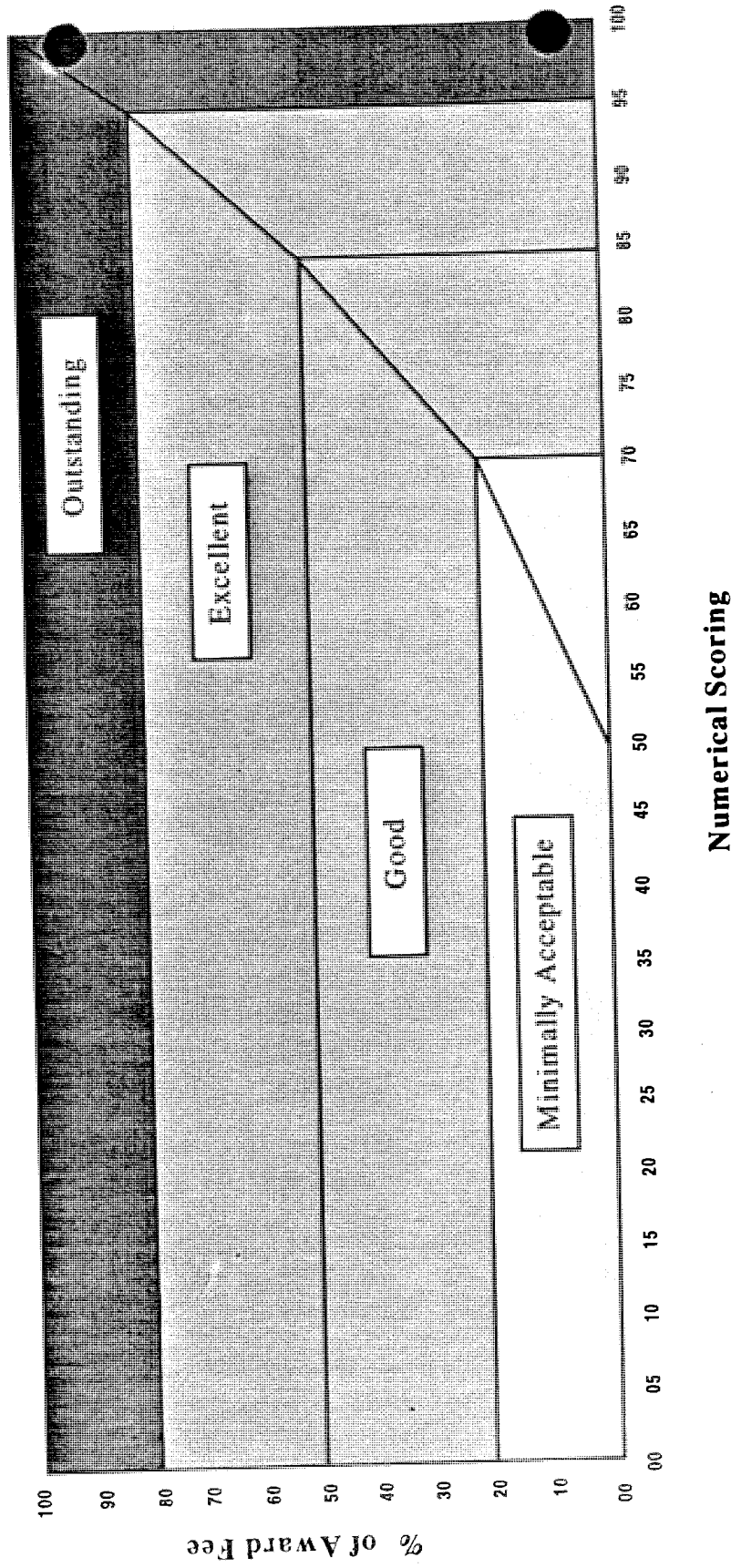
about minimum; areas for significant improvement are approximately offset by better performance in other areas.

(1) Calculation of Award Fee:

Award fee under this contract will be computed using the following formula:

<u>Adjective Rating</u>	<u>Formulae</u>
Outstanding(O)	Award Fee = Award Fee Pool x $\left\{0.80 + \frac{0.20 \times (NS - 95)}{(100 - 95)}\right\}$
Excellent (E)	Award Fee = Award Fee Pool x $\left\{0.50 + \frac{0.29 \times (NS - 85)}{(94 - 85)}\right\}$
Good (G)	Award Fee = Award Fee Pool x $\left\{0.20 + \frac{0.29 \times (NS - 70)}{(84 - 70)}\right\}$
Minimally Acceptable(M)	
<u>For NS = 50 to 69</u>	
	Award Fee = Award Fee Pool x $\left\{0.00 + \frac{0.19 \times (NS - 50)}{(69 - 50)}\right\}$
<u>For NS = 49 or Lower</u>	
	Award Fee = 0

Award Fee Computation Curve



(k) Maximum Fee

In no event shall the total fee (base fee plus award fee) under this contract exceed [REDACTED] of the total estimated cost.

B-4 ORDER OF PRECEDENCE

(a) The terms and conditions of this contract are as follows and constitute the entire agreement of the parties:

Part I - SCHEDULE

Solicitation/Contract Form	Section A
Supplies/Services and Prices/Costs	Section B
Description/Specification/Work Statement	Section C
Packaging and Marking	Section D
Inspection and Acceptance	Section E
Deliveries or Performance	Section F
Contract Administration Data	Section G
Special Contract Requirements	Section H

Part II - CONTRACT CLAUSES

Contract Clauses	Section I
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Part III - List of Documents, Exhibits and Other Attachments

List of Attachments	Section J
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(b) The rights and obligations of the parties of this contract shall be subject to and governed by the contract as enumerated above. In the event of any inconsistency in this contract, the inconsistency shall be resolved by giving precedence in the order described herein. All hard copy information/data shall take precedence over information/data provided in digital format. (1) The Schedule (excluding the Section C); (2) contract clauses (Section I); (3) Section C (Statement of Work) (4) Ship Specifications including Addendum 1; Documents, Exhibits, and Other Attachments to the Contract identified in Section J (excluding contract drawings and Schedule C); (5) Schedule C (Attachment J0006) and contract drawings; (6) Ship Specification

Addendums 2 and 3; (7) first tier references to the ship specifications, including first tier references on Government drawings, except those references specified for guidance;

B-5 OPTIONS

The Government may require the delivery of the numbered line item(s)/subline item(s), identified in the Schedule as an option item(s), in the quantity and at the price(s) stated in the Schedule. If more than one option exists, each option is independent of any other option, and the Government has the right to unilaterally exercise any such option, in whole or in part up to the total quantity specified in the option item, whether or not it has exercised other options. Option(s) shall be exercised, if at all, by written or telegraphic notice(s) signed by the Contracting Officer and sent within the time(s) specified below:

<u>ITEM(S)</u>	<u>LATEST OPTION EXERCISE DATE</u>
0002	31 DEC 98
0003	31 DEC 99
0006AB	31 DEC 98
0006AC	31 DEC 99
0009	30 APR 00

B-6 ALLOTMENT OF FUNDS - ALTERNATE I (MAY 1993)
 (Applicable to Item 0011)

(a) This contract is incrementally funded. The amounts presently available and allotted to this contract for payment are set forth below. The amount(s) presently available and allotted to this contract for payment for incrementally funded CLINs/SLINs is set forth below. As provided in the clause of this contract entitled "LIMITATION OF FUNDS" (FAR 52.232-22), the CLINs/SLINs covered thereby, and the period of performance for which it is estimated the allotted amount(s) will cover are as follows:

<u>ITEM(S)</u>	<u>FUNDED AMOUNT</u>	<u>ESTIMATED PERIOD OF PERFORMANCE</u>
\$		

(b) The parties contemplate that the Government will allot additional amounts to this contract from time to time for the incrementally funded CLINs/SLINs by unilateral contract modification, and any such modification shall state separately the amount(s) allotted for each CLINs/SLINs covered thereby, and the period of performance which the amount(s) are expected to cover.

(c) CLINs/SLINs 0011 is fully funded and performance under these CLINs/SLINs is subject to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF COST (FACILITIES)" (FAR 52.232-21), as applicable.

(d) The Contractor shall segregate costs for the performance of incrementally funded CLINs/SLINs from the costs of performance of fully funded CLINs/SLINs.

B-7 EXPEDITING CONTRACT CLOSEOUT (NAVSEA) (DEC 1995)

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of [REDACTED] or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts

connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

B-8 NAPS 5252.232-9001 SUBMISSION OF INVOICES (COST-REIMBURSEMENT, TIME-AND-MATERIALS, LABOR-HOUR, OR FIXED PRICE INCENTIVE) (JUL 1992)

(a) "Invoice" as used in this clause includes contractor requests for interim payments using public vouchers (SF 1034) but does not include contractor requests for progress payments under fixed price incentive contracts.

(b) The Contractor shall submit invoices and any necessary supporting documentation, in an original and 4 copies, to the contract auditor at the following address: TBD unless delivery orders are applicable, in which case invoices will be segregated by individual order and submitted to the address specified in the order. In addition, an information copy shall be submitted to the Contracting Officer Representative (COR) identified in Section G. Following verification, the contract auditor will forward the invoice to the designated payment office for payment in the amount determined to be owing, in accordance with the applicable payment (and fee) clause(s) of this contract.

(c) Invoices requesting interim payments shall be submitted no more than once every two weeks, unless another time period is specified in the Payments clause of this contract. For indefinite delivery type contracts, interim payment invoices shall be submitted no more than once every two weeks for each delivery order. There shall be a lapse of no more than 60 calendar days between performance and submission of an interim payment invoice.

(d) In addition to the information identified in the Prompt Payment clause herein, each invoice shall contain the following information, as applicable:

- (1) Contract line item number (CLIN)
 - (2) Subline item number (SLIN)
 - (3) Accounting Classification Reference Number (ACRN)
 - (4) Payment terms
 - (5) Procuring activity
 - (6) Date supplies provided or services performed
 - (7) Costs incurred and allowable under the contract
 - (8) Vessel (e.g., ship, submarine or other craft) or system which supply/service is provided.
- (e) A DD Form 250, "Material Inspection and Receiving Report",
[] is required with each invoice submittal.
[X] is required only with final invoice.
[] is not required.
- (f) A Certificate of Performance
[] shall be provided with each invoice submittal.
[X] is not required.
- (g) The Contractor's final invoice shall be identified as such, and shall list all other invoices (if any) previously tendered under this contract.
- (h) Costs of performance shall be segregated, accumulated and invoiced to the appropriate ACRN categories to the extent possible. When such segregation of costs by ACRN is not possible for invoices submitted with CLINS/SLINS with more than one ACRN, an allocation ratio shall be established in the same ratio as the obligations cited in the accounting data so that costs are allocated on a proportional basis.

9SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

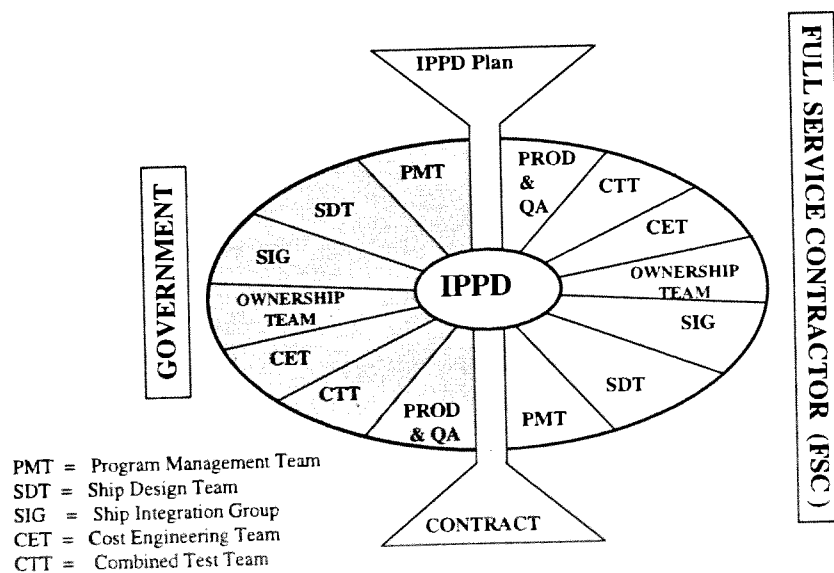
LPD 17 STATEMENT OF WORK

EXECUTIVE SUMMARY

The LPD 17 is a new class of amphibious warships that will perform various expeditionary warfare missions as described in Attachment J0002. The LPD 17 will incorporate state-of-the-art expeditionary warfare ship-self defense systems, radar cross section reduction, distributed system architecture, and total ship system integration, with emphasis upon reduced ownership costs.

This Statement of Work provides the Full Service Contractor (FSC) with a description of the management structure and approach required for performing the detail design, ship systems integration, construction, testing, logistics and life cycle support planning for the LPD 17 lead ship and up to two option ships. The contract requirements are applicable independently and separately to each ship.

FIGURE 1
TEAM 17 NOTIONAL IPPD

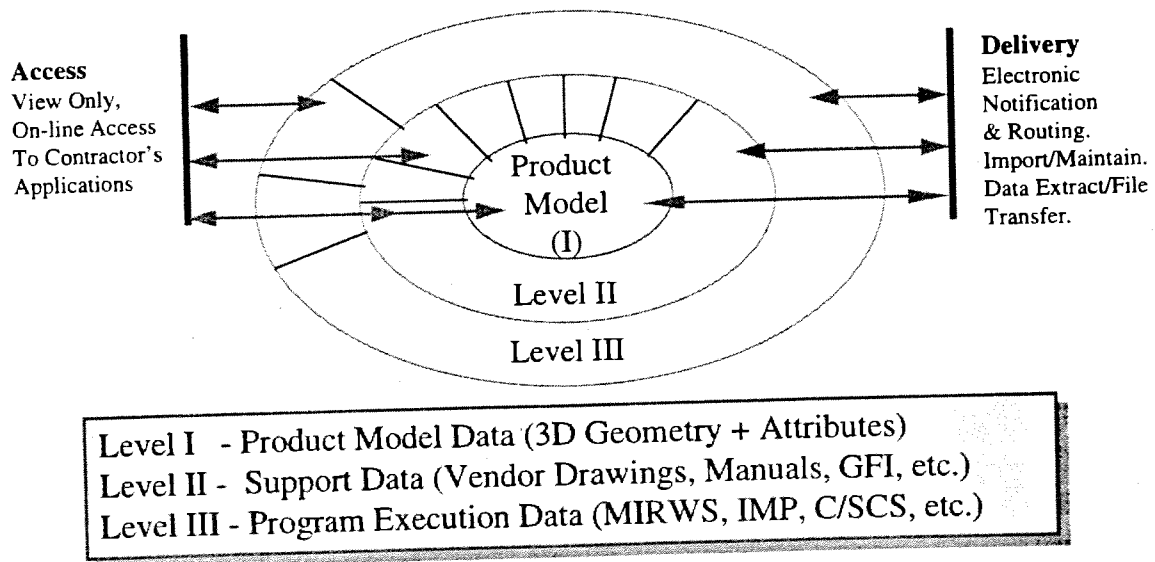


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An Integrated Product and Process Development (IPPD) team approach shall be used for the performance of this contract. The management structure is notionally shown in Figure 1. It consists of co-located Government/Contractor personnel. The IPPD team shall be composed of persons possessing the appropriate disciplines, specialties and functions from both the Government and Contractor and shall include major subcontractors/ vendors. The team members shall be delegated the responsibility, authority, and accountability for decision-making and management actions necessary for successful performance of the Contract.

The IPPD team shall interact in accordance with the Contract requirements, the approved IPPD Plan, the Integrated Management Plan (IMP) (see Table 1), and the Master Integrated Resource and Work Schedule (MIRWS), (see Table 2). The IMP and the MIRWS are maintained as part of the common data environment called the Integrated Product Data Environment (IPDE). The IPDE is an information system capability which implements, through phases, the integration of a product model database with support and execution data in order to satisfy the information requirements for both the Government and Contractor. Figure 2 illustrates the concept which is described in greater detail in Attachment J0003.

Figure 2 "IPDE Concept"



The IPDE provides the capability to concurrently develop, capture, update and re-use data in electronic form. Figure 2 depicts the relationship between the product model data (Level I) and the other major components of the IPDE. Support data such as vendor drawings, GFI and other technical documentation (Level II) shall be integrated with the ship product model description and

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the associated data products. The products developed to support the IPPD team management function (Level III type data) shall be linked with the ship product model and support data descriptions, such that any changes to the product model and support data descriptions via the change control process (Government or Contractor) shall permit automatic visibility of the impact upon the level III data. Existing data repositories of support data shall be connected to function as part of the LPD 17 IPDE.

The Contract requires a total ship systems integration effort. Through concurrent engineering practices, the Contractor shall provide an incremental design including ship systems integration, as well as construction, testing, logistics and life cycle approach to fulfill total ship functional requirements. The Contractor shall develop a comprehensive on-board training capability that will support readiness requirements and reduced cost of ownership.

The Contractor's detail design shall be subjected to a Production Readiness Review (PRR), wherein the Contractor must satisfy mutually agreed upon PRR exit criteria, prior to the start of construction.

The LPD 17 shall be constructed in accordance with the detail design developed by the Contractor. The Contractor shall be responsible for integration and installation of all Contractor Furnished Equipment (CFE) and Government Furnished Equipment (GFE) on the ship. The IPPD team shall charter a Combined Test Team (CTT) responsible for managing the Test and Evaluation Program (TEP).

The Contract requires the implementation of an ILS program. Commencing with detail design, the Contractor shall incorporate supportability design criteria and characteristics, to reduce ships' life cycle costs while achieving the goals of reliability, maintainability, and availability. The Contractor shall develop a Configuration Management Program using the IPDE, which has the capability to manage and control the physical, functional, and data requirements of each ship throughout its life cycle.

The Government anticipates establishing and maintaining a long term relationship with the FSC throughout the service life of the LPD 17 Class. The LPD 17 Class acquisition strategy includes a phased decision making process, beginning with the selection of an FSC and the FSC's cost reduction efforts initiated under CLIN 0001. The relationship will continue if the Government exercises option CLIN 0009. The decision to exercise CLIN 0009 will be made approximately 40 months after lead ship contract award. The Government's decision to exercise CLIN 0009 will be based on an assessment of the Contractor's achievements

regarding life cycle cost performance under this Contract, as well as its proposed prices for the next ship construction contract.

The Contractor's subsequent performance under CLIN 0009, as well its proposed prices for the final ship construction contract and the LPD 17 Class Planning Yard Contract, will provide the basis for the Government's decision to award an LPD 17 Class Planning Yard Contract to the FSC concurrently with the award of the final ship construction contract.

Table 1 - IMP

The Integrated Management Plan (IMP) shall include but not be limited to the following plans:

- a. Integrated Product and Process Development Plan
- b. Integrated Product Data Environment Implementation
- c. Subcontractor Management
- d. Detail Design
- e. Total Ship Integration
- f. Production
- g. Test and Evaluation
- h. Integrated Logistics Support
- i. Configuration Management
- j. Ship Survivability (including Radar Cross Section Reduction)
- k. Reliability and Maintainability
- l. Quality Assurance Program
- m. Human Engineering and System Safety
- n. Environmental and Hazardous Material Management
- o. Life Cycle Support Management
- p. Radio Communication System/Ship Signal Exploitation Space Implementation
- q. Data Management
- r. Hardware Development
- s. Operational Security
- t. Manpower Optimization
- u. Software Development Plan
- v. Software Quality Improvement
- w. Software Process Improvement
- x. Life Cycle Cost Estimating Program
- y. Class Maintenance and Modernization
- z. Standardization Plan
- aa. Shipboard Facilities Maintenance Improvement

Table 2- MIRWS

The Master Integrated Resource and Work Schedule (MIRWS) shall include but not be limited to the following schedules:

- a. Integrated Product Data Environment Development
- b. Contract Milestones and Key Events
- c. Detail Design and Total Ship Systems Integration Development
- d. Resource Summary Reports including variance analysis
- e. Engineering Drawing
- f. Master Production
- g. Material Ordering
- h. GFM Exception Report
- i. Compartment Close-Out
- j. Integrated Logistics Support
- k. Long Lead Material Ordering
- l. Test and Evaluation
- m. GFM/GFI Delivery
- n. Hardware and Software Development
- o. Outfitting
- p. PMS Schedule

PART 1 - SPECIFIC REQUIREMENTS

Statement of Work - Terms of Reference

1. FSC - The prime Contractor named on the face page of this Contract is the FSC for this Contract. The FSC is responsible for all requirements of the Contract including the detail design, ship systems integration, construction, testing, logistics and life cycle support planning for the LPD 17.

2. IPPD - A co-located team of Government/Contractor personnel comprised of persons possessing the appropriate disciplines, specialties and functions from both Government and Contractor organizations including major subcontractor/vendor representation.

3. IMP - The plan which reflects the Contractor's integrated approach for detail design, ship systems integration, construction, testing, delivery and life cycle support planning of the LPD 17 lead ship and up to two follow ships.

4. MIRWS - The event-based, integrated scheduling system that depicts and interrelates all activities required for the performance of this Contract.

5. IPDE - The information system capability which implements, through phases, the integration of a product model database, associated support data products such as drawings, technical manuals, GFI, training materials, and program execution information such as plans, schedules, software deliverables, and procedures in order to satisfy the data requirements for both the Government and Contractor.

1.0 INTRODUCTION

1.1 LPD 17 Class

The LPD 17 is a new class of amphibious warships that will perform various expeditionary warfare missions as described in Attachment J0002. The LPD 17 will incorporate state-of-the-art expeditionary warfare, ship-self defense systems, radar cross section reduction, distributed open system architecture, and total ship system integration, with emphasis upon reduced ownership costs.

1.2 LPD 17 Class Mission

LPD 17 is the functional replacement for 41 ships of the LKA 113, LPD 4, LSD 36, and LST 1179 Classes of Ships. The LPD 17's primary mission will be amphibious warfare including embarkation, transportation, and debarkation of elements of a U.S. Marine Corps Landing Force by a combination of landing craft, such as Landing Craft Air Cushion (LCAC), amphibious vehicles such as Advanced Amphibious Assault Vehicle (AAAV) and Landing Craft Utility (LCU), and by Vertical Takeoff and Landing (VTOL) aircraft such as CH-46, CH-53E, AH-1, UH-1, MV-22, and AV-8B.

2.0 GENERAL SCOPE OF WORK

(Applicable to Items 0001 (and if the options are exercised, Items 0002, and 0003))

The prime Contractor named on the face page of this Contract is the FSC for the Contract and is responsible for all requirements contained herein. This Statement of Work (SOW) defines all efforts required for the detail design, ship systems integration, hardware and software development for CFE, integration of CFE and GFE, CFE procurement, construction, CFE and GFE installation, testing and evaluation, and planning for life cycle support of the LPD 17 lead ship and up to two follow ships. Reduced ownership cost shall be emphasized throughout the performance of this Contract. The requirements listed herein are applicable independently and separately to each ship.

2.1 Detail Design and Installation of the Vertical Launch System (VLS)

The Contractor's detail design of the ship shall include all requirements regarding the VLS as specified in the Ship Specifications, Attachment J0001. The Contractor shall work with the manufacturer of the VLS to create a modular design which permits the installation of the VLS with minimal disruption to the existing ship structure. The ship detail design shall provide for the installation of cabling, ventilation, piping and foundations to support a VLS installation. The detail design of the ship shall not require modification of the VLS, unless it is more cost effective to modify the VLS than the ship. In that case, the Contractor shall work with the VLS manufacturer to obtain ECP approval from the Government. The Contractor shall not install the VLS system.

Space, weight, services, cables and foundations, as defined in Attachment J0001, shall be provided by the Contractor. The weight reservation shall be 34,360 kg at a vertical center of gravity (VCG) of 15.3 m above baseline.

2.2 Detail Design and Installation of the NATO Sea Sparrow Missile System (NSSMS)

The Contractor's detail design of the ship shall include all requirements regarding the NSSMS as specified in the Ship Specifications, Attachment J0001. The Contractor shall not install the NSSMS system. Space, weight, services cables and foundations as defined in Attachment J0001, shall be provided by the Contractor. The weight reservation shall be 10,750 kg at a vertical center of gravity (VCG) of 31.1 m above baseline.

A. MANAGEMENT

3.0 INTEGRATED PROCESS AND PRODUCT DEVELOPMENT (IPPD) TEAM

An Integrated Product and Process Development (IPPD) team approach shall be used for the performance of this Contract. The notional management structure is shown in Figure 1.

3.1 IPPD Team Structure

3.1.1 The IPPD team consists of co-located Government/Contractor personnel. Co-located means sharing the same floor, walls and overhead with no intervening walls. The IPPD team shall be composed of persons possessing the appropriate disciplines, specialties and functions from both Government and Contractor organizations and shall include subcontractor/vendor representation. Major subcontractors'/vendors' participation shall be addressed in the IPPD team Plan. Participation of other than major subcontractors/vendors shall be addressed in the IMP (Subcontractor Management). The Contractor shall select its team members, making certain they possess the requisite knowledge and experience in key functional areas. The team members shall be delegated the responsibility, authority, and accountability for decision-making and management actions necessary for successful performance of the Contract.

No member of the IPPD team is authorized to change the scope of the Contract other than the PCO assigned to the team.

3.1.2 The Contractor shall apply a multi-functional IPPD team approach to the integrated, concurrent development of the products and the associated processes applicable to the detail design, ship systems integration, construction, testing, logistics and life cycle planning support of the LPD 17 and in performance of all other efforts required by this Contract. The IPPD team shall operate in an environment that allows for verification of product and processes as they evolve.

3.1.3 The IPPD team shall interact in accordance with Contract requirements, the approved IPPD Plan, the Integrated Management Plan (IMP), and the Master Integrated Resource and Work Schedule (MIRWS). The IMP and the MIRWS shall be maintained as part of the Integrated Product Data Environment (IPDE). The IPDE is an information capability which implements, through phases, the integration of a product model database with support and execution data, in order to satisfy the data and usage requirements of both the Government and Contractor. The IPDE provides the capability to concurrently develop, capture and re-use data in electronic form.

3.1.4 The Contractor shall provide the management effort necessary to ensure effective cost, schedule and technical performance under this Contract. The Contractor shall identify methods to be used to fully integrate major subcontractors/vendors to provide overall direction and guidance, track progress and status, and integrate products and services provided by major subcontractors/vendors' with the products and services provided by the FSC personnel.

3.1.5 The Contractor shall provide the members of the IPPD team with visibility into the detail design, ship systems integration, construction, testing, logistics and life cycle support planning effort. The Contractor shall identify problems and potential problems that could adversely impact ship performance, cost and/or delivery schedule accompanied by proposed solutions.

3.1.6 The Government will co-locate its members of the IPPD team at a mutually agreed upon Contractor site to participate in the LPD 17 Government/Contractor IPPD team.

3.1.7 The Government/Contractor IPPD team shall monitor the Contractor's quality assurance activities to verify conformance with the approved Quality Program of the IMP.

3.2 IPPD Plan

3.2.1 Upon contract award, the Contractor shall implement its proposed IPPD Plan. Within 15 days after contract award, the Government will provide the Contractor with comments on the proposed plan. The Contractor shall incorporate the Government's required changes to the plan and provide a final plan for approval within 30 days after receipt of comments. Upon approval by the Government, the approved plan shall replace the plan submitted with the Contractor's proposal. The final plan shall be included in and implemented via the IMP. The Contractor shall implement the plan within 15 days after approval by the

Government. The Contractor shall update the plan as required throughout the duration of the contract.

No actions of the IPPD team shall relieve the Contractor of the responsibility to perform all contract requirements.

3.3 Facility/Support for IPPD team

3.3.1 The Contractor shall provide all office space, office furniture, office equipments (phone, computer network interconnectivity, computer workstations, software applications, Video Tele-Conferencing, facsimile machine, photocopy machine, etc.) and parking facilities identified in the Contractor's approved IPPD Plan. The furnishings and equipment provided to the co-located Government members shall be equivalent to those provided for Contractor members of the IPPD team. The computer workstations, including software applications, provided shall, at a minimum, be equivalent to those currently in use by the LPD 17 Program Office as defined in Attachment J0025.

3.3.2 In addition to the facilities for the core Government IPPD team, the Contractor shall provide support and facilities for other than core Government personnel assigned to the Program Management Team (PMT), the Ship Design Team (SDT), the Ship Integration Group (SIG), the Ownership Team, the Cost Estimating Team (CET), Production and Quality Assurance Team, and the Combined Test Team (CTT), that will be required to be on site at the FSC and/or major subcontractors/vendors. These additional Government personnel will support the activities of the IPPD team and participate in IPPD team established working groups (proposed by the Contractor). The number of personnel in this category will vary depending upon the stage of detail design, ship systems integration, construction, testing, logistics and life cycle support planning. These Government personnel shall be co-located with the FSC and major subcontractor/vendor personnel assigned to or working on similar efforts.

3.3.3 The number of core Government IPPD team members will be approximately 25. The number of Government support staff at the FSC site may vary from 50 to 150. Additionally, the Government expects to place personnel on site at major subcontractor/vendor sites. This number will be a function of the Contractor's proposal.

3.4 IPPD Team Training

The contractor shall provide IPPD training to the Government/Contractor IPPD team. The team training shall commence within 20 days after contract award. The training shall address, at the minimum, the following topics:

- Development of IPPD team Goals/Objectives
- Development of IPPD team tools and metrics
- Development of IPPD Core Team Worksite layout
- Development of IPPD team rules of behavior and
- Mapping of the key processes

3.5 Risk Management

The Contractor shall implement a Risk Management system to be utilized by the IPPD team. The Risk Management system shall include, at a minimum, the processes used for risk identification, risk categorization, mitigation action identification, mitigation implementation and the periodicity of risk management reviews by the IPPD team.

4.0 INTEGRATED MANAGEMENT PLAN (IMP)

4.1 IMP

The Contractor shall prepare an Integrated Management Plan (IMP). This plan shall provide the Contractor's integrated approach for detail design, ship systems integration, construction, testing, delivery and life cycle support planning for the LPD 17 lead ship and up to two follow ships. The IMP shall include, but not be limited to, the plans listed in Table 1, and shall follow the organization provided in the IMP Book Plan, Attachment J0009.

4.2 Content of the Plan

The Contractor shall describe in the IMP how its program planning and implementation of that planning will manage concurrent and interactive efforts of all program disciplines affecting the LPD 17 detail design, ship systems integration, construction, testing, logistics and life cycle support

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processes. The IMP shall address how these processes will be validated. The IMP shall describe all new processes developed exclusively to meet the requirements of this Contract. The IMP shall address key events inherent to supporting the Contract Milestones and the exit criteria that must be achieved to meet Contract Milestones.

5.0 QUALITY ASSURANCE PROGRAM

The Contractor shall develop an ISO 9000 compliant Quality Program in the IMP. This Program shall ensure compliance with Contract requirements and the specifications. The Quality Program shall specify the means (time, personnel, facilities, etc.) that will be used to enable the Government to perform procedure review, procedure evaluation, product verification inspections, test verifications, and obtain access to test data.

5.1 Quality Metrics

Processes or indicators to be monitored and reported shall be agreed to by the IPPD team and shall be identified in the IMP.

5.2 Corrective action

The Contractor shall implement a unified corrective action process that integrates the quality metrics from 5.1 and is integrated with IPDE. It shall address all areas (detail design, ship system integration, construction, testing, logistics and life cycle support planning) of Contract performance.

The Contractor shall respond to Government issued corrective action requests within 30 calendar days of receipt. Safety related issues shall be resolved within 7 calendar days. The Contractor shall include in its response to Government reported deficiencies, the date by which corrective action shall be initiated, and the date by which corrective action shall be completed.

5.3 Government Notification Of Test/Inspection Events

The Contractor shall notify the IPPD team in sufficient time to enable the Government to provide representation.

6.0 OPERATIONAL SECURITY (OPSEC) PROGRAM

The Contractor shall develop, implement and maintain an OPSEC program in the IMP to protect classified and sensitive

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unclassified activities, information, equipment and material used or developed by the Contractor and any subcontractor during the performance of this Contract. The LPD 17 Program OPSEC Plan, Attachment J0013, is provided as guidance for use by the Contractor in development of the OPSEC Program. The Contractor shall be responsible for subcontractor implementation of the OPSEC requirements of this Contract.

7.0 MASTER INTEGRATED RESOURCE AND WORK SCHEDULE (MIRWS)

7.1 MIRWS Implementation

7.1.1 The Contractor shall prepare an event-based MIRWS that depicts all activities required for the performance of this Contract. This schedule shall include all program activities defined in the Contractor Work Breakdown Structure (CWBS) addressed below. The Contractor shall identify key events leading up to the Contract Milestones in the MIRWS and shall identify critical paths for completion of each Contract Milestone and key events. For each Contract Milestone, the Contractor shall propose exit criteria. Within 60 days after Contract award, the Government will provide the Contractor with the approved Contract Milestone and key events Schedule for incorporation into the MIRWS.

7.1.2 The MIRWS shall be kept current with schedule and resource modifications and completed tasks. Human resources provided by the prime and major sub-contractors shall be expressed in manhours. The Contractor shall provide Government on-line access to the MIRWS.

7.1.3 The MIRWS shall incorporate the reports and schedules shown in Table 2 at a minimum. The Contractor shall provide read only access to the Government IPPD Team members and access to report generators on a real time basis for all schedules contained in the MIRWS and shall train the IPPD team in their use.

7.2 Contract Work Breakdown Structure (CWBS)

The Contractor shall develop, extend, update and maintain a Government approved CWBS providing clear traceability of all work. The Contractor may use MIL-STD-881B for guidance. If the Contractor teams with other firms to deliver the contract line items, the CWBS shall provide visibility of all work performed by the Contractor and each major subcontractor/vendor. The CWBS shall be developed to the fourth level at a minimum with the ship being the first level. The CWBS shall be used as the basis for organizing and reporting all work performed under this contract. The CWBS shall be consistent with the configuration baseline requirements of the Ship Specifications, Attachment J0001. The Contractor shall not change the approved CWBS, dictionary, or reporting elements without written approval by the Government.

7.3 Event Based Readiness Reviews (EBRRs)

EBRRs shall be held at the Contractor's facility. The purpose of these reviews is to demonstrate satisfactory achievement of the exit criteria for each Contract Milestone and supporting key events. The Contractor shall surface and resolve exit criteria problems prior to the scheduled EBRR. The Contractor shall host additional reviews as mutually agreed to. The Contractor shall provide all administrative support for all reviews.

7.4 Cost/Schedule Control Systems (C/SCS)

In the performance of this contract, the Contractor shall establish, maintain and use Cost/Schedule Control Systems meeting the criteria set forth in DOD FAR Supplement 252.234-7001, "COST SCHEDULE CONTROL SYSTEMS". If the Contractor does not have a DOD validated C/S management system, the Contractor shall be prepared to support a C/SCS review no later than three months after contract award. If the Contractor has a validated C/S system, the Government will conduct an Integrated Baseline Review (IBR) within six (6) months after the contract award. The IBR will assure the adequacy of planning and budgeting at the cost account level.

If the Government determines that it is necessary from the IBR results, a subsequent application review of contractor's management system, surveillance, or cost and schedule data quality assessment may be performed in accordance with the ASN(RDA) memo of 8 May 1995, "Cost and Schedule Reporting and Cost and Schedule Control System Criteria Contractual Requirements".

The Contractor shall utilize an earned value system as a management tool for cost, schedule and technical performance.

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The Government will use the earned value results as one of the evaluation factors in determining the contract award fee.

The earned value data should be provided to the government via the DOD Electronic Data Interchange (EDI) for contract cost performance reporting, and in accordance with the ANSI X12 uniform standards as specified in the "DOD Electronic Data Interchange (EDI) Convention for the ASC X12 Transaction Set 839 Project Cost Reporting". The contractor shall provide quarterly, the variance analysis narrative of the five elements with potential impacts to the program as requested by the government program manager.

The Contractor shall provide a report generator that will permit designated members of the IPPD team to extract cost, schedule and performance data from the IPDE (MIRWS) on a real time basis.

The Contractor shall provide Cost Performance Reports.

8.0 INTEGRATED PRODUCT DATA ENVIRONMENT (IPDE)

The IPDE is an information system capability- which implements, through phases, the integration of a central product model database, associated support data products such as drawings, technical manuals, GFI, training materials, and program execution information such as plans, schedules, and procedures in order to satisfy the data and usage requirements of both the Government and Contractor. The IPDE includes the capability to concurrently develop, capture, update and re-use data in electronic form in a fashion that leads to data integrity, efficiency, and configuration control throughout the life cycle of the ship.

8.1 IPDE Requirement

8.1.1 The Contractor shall integrate the LPD 17 ship detail design, ship systems integration, construction, testing, logistics and life cycle support planning of the LPD 17 lead ship and up to two follow ships in a digital data environment utilizing an integrated product model database. The Contractor shall develop the IPDE in accordance with the requirements herein. The Contractor may use the Government Concept of Operations (GCO) in an IPDE, Attachment J0003, as guidance.

All data required for the performance of this contract shall be incorporated into the IPDE.

8.1.2 The Contractor shall develop and provide an IPDE with the integration capability specified in the IPDE Integration Matrix, Attachment J0016.

8.1.3 Within 10 days after contract award, the Government will provide the Contractor with comments on the proposed IPDE Integration matrix. The Contractor shall incorporate the Government's required changes to the IPDE Integration Matrix and provide a final IPDE Integration Matrix for approval within 15 days after receipt of comments. Upon approval by the Government, the approved IPDE Integration Matrix shall replace the matrix submitted with the Contractor's proposal. The approved IPDE Integration Matrix shall be included in and implemented via the IMP. The development and implementation of this IPDE shall be in accordance with the approved IPDE Integration Matrix.

8.1.4 The IPDE shall provide the capability to concurrently develop, capture, update and re-use data in electronic form. Figure 2 depicts the relationship between the product model data (Level I) and the other major components of the IPDE. Support data such as vendor drawings, GFI and other technical documentation (Level II) shall be integrated with the ship product model description and the associated data products. The products developed to support the IPPD team management function (Level III type data) shall be linked with the ship product model and support data descriptions, such that any changes to the product model and support data descriptions via the change control process (Government or Contractor) will permit automatic visibility of the impact to the Level III data. Existing data repositories of support data shall be connected to function as part of the LPD 17 IPDE.

8.1.5 The Contractor shall provide an on-line viewing capability of the IPDE structure and functions. This capability shall provide the following at a minimum:

a. Database Design Description information, using MIL-STD-498 as guidance.

b. A graphical representation of interrelationships of major data sources, links and database linkages, including delineation of IPDE Levels of Integration (I, II or III). This graphical representation shall also reflect external users and their function(s).

c. Summary background information, IPDE Points of Contact and operator instructions.

d. The Contractor shall provide a "Help Desk" service to assist IPPD Team users in resolving hardware, software and communications problems encountered when developing, accessing, or extracting data from the IPDE.

The Contractor shall propose the content, format and access methods for this information as part of the IPDE Implementation Plan in the IMP.

8.2 IPDE System Characteristics

8.2.1 This information system shall be developed as an open architecture to allow connection to multiple databases and data repositories, to import existing data, and to support the evolution of newer technologies. The system shall support four modes of interaction:

Interaction Mode One: The IPDE shall support the electronic location, access and retrieval of data products for review purposes. An electronic viewing capability shall support on-line access to Contractor data products from a variety of remote locations. All data products require view access.

Interaction Mode Two: Electronic data delivery shall be required to provide the various LPD 17 program support activities with specific data deliverables in specific formats. The primary product types in this category are those provided to support the fleet and other Navy infrastructure requirements. This interaction mode requires the actual transmission of data and/or data files either by electronic means or via non-paper physical media such as magnetic tape, cartridge tapes or optical disks. The product types requiring electronic routing include deliverables requiring action by the Government, such as; ECP's, Weapon System File formatted data, on-board data such as drawings and technical manuals. Where possible, data delivery shall be via standard neutral data formats. Where cost effective, data

developed via Mutually Agreeable Commercial Software (MACS) shall be accepted.

Interaction Mode Three: The data interface required to support the integration of data products which may reside in a variety of locations including Navy Infrastructure activities and major sub-contractors/vendors supporting the FSC.

Interaction Mode Four: Applications which are integrated within the IPDE, providing the IPPD team members with the ability to generate and/or use information contained in the IPDE. These include applications such as; product modeling, engineering analysis, and, Concurrent Engineering Supportability Analysis (CESA). The system shall support the total integration of data and access that allows entry and analysis of data from both a functional and task oriented perspective.

8.2.2 The Contractor shall accomplish the data integration objectives of the IPDE through development of a three-dimensional (3D) product model. The product model shall serve as the configuration source for each ship throughout its life cycle.

8.2.3 The IPDE shall provide the environment to support an object-oriented data organization and shall include the capability to support multiple product structures such as system, ship compartment/zone, subassembly, assembly, module, section and component views of data. The IPDE shall support ship configuration management and life cycle support functions.

8.2.4 The Contractor shall ensure that the system links the detail design, ship systems integration, construction, testing, logistics support, and all functional processes in order to provide an integrated, shared data (Government/Contractor) environment. The system shall support delivery of integrated acquisition, engineering, and logistics products.

8.2.5 The system shall have query capability to locate, access, view, or extract information from the IPDE. The system shall use a graphical user interface similar to Microsoft WINDOWS.

8.2.6 The system shall use report generators which shall assemble or group data or data elements into specific arrangement to facilitate the generation of data products required under this contract.

8.2.7 The IPDE shall contain a Data Element Dictionary so that any duplicate data elements are addressable by the system as the same data element. As a result, any changes to any data element shall change all duplicate elements throughout. Duplicate data elements shall always contain identical data.

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8.2.8 The IPDE shall have the capability to electronically convert Level I product model data to the Virtual Reality Modeling Language (VRML) version 1.0 or later format.

8.3 IPDE Data Access

8.3.1 The Contractor shall provide direct, on-line, instantaneous, 24 hour a day, electronic access to the IPDE for the Government and its designees.

8.3.2 The Contractor shall have the capability to provide data access through view-only (on-line), electronic notification, electronic routing, data extract/file transfer, import/maintain, on-line access, and video-teleconference applications:

8.3.2.1 View Only (On-line)

This delivery-in-place mechanism shall provide controlled, on-line access to specific data products to authorized individuals/organizations. The user shall be provided electronic access to data products for the purposes of viewing and local printing of the data. The user shall not have the ability to modify the data. Electronic notification shall be provided to identify the availability of a data deliverable. Provisions shall exist to provide additional authorized users with view only access upon request.

8.3.2.2 Electronic Notification

Electronic notification shall be used to identify the availability of delivery-in-place data products. Electronic notification may be via electronic mail or other methods such as workflow as approved by the Government. Electronic notification shall be made to all individuals or organizations requiring on-line access for a given information deliverable.

8.3.2.3 Electronic Routing

This data delivery mechanism shall employ electronic "workflow" methods to transfer electronic versions of data products to the appropriate individuals/organizations for review, comment and/or approval. The user will make electronic annotations and capture comments against data products using application software specific to their organizations. Exchanges of data to and from organizations shall be via standard interfaces. A standard interface mechanism for electronic routing shall be proposed by the Full Service Contractor for use in establishing interoperability between dissimilar workflow systems in use by other LPD 17 support activities.

The Full Service Contractor shall evaluate available commercial off the shelf (COTS) workflow products and select and implement a workflow system solution for use by the IPPD team. The Full Service Contractor shall provide required hardware and workflow software licenses for each on-site IPPD team member and software licenses for up to 25 off-site program office staff. Workflow system administration and support for the onsite IPPD team will be provided by the Full Service Contractor. The workflow system provided shall include at a minimum, the following capabilities:

The IPPD team workflow system provided shall be a Microsoft Windows, Windows 95 or Windows NT based product with a graphical user interface. The workflow system shall support seamless/transparent enterprise-wide workflow routing and status monitoring. The proposed system shall be fully integrated with external applications such as the Microsoft Office suite, electronic mail, etc. The system shall include an application programming interface (API) to enable programmable customization of system capabilities to support IPPD team requirements. The system shall support multi-level access control for implementing the requirements of the IPPD team.

The capabilities of the workflow system provided shall include the routing of multiple document types including drawings, technical documentation, word processing, presentation graphics, spreadsheets, images, sound, and motion video.

developed within the IPDE. The proposed system shall have a graphical editing tool for developing and modifying complex processes including Production, Ad Hoc and Administrative workflows. The workflow system shall include provisions for looping, voting, split decision paths and support for making dynamic changes (while a process is active). Additional workflow system capabilities shall include event action triggering, prerequisite suspension, role based processing and status monitoring/reporting for workflow jobs in progress.

The workflow system capability shall include a document management functionality (software capability and supporting hardware) to enable execution of IPPD team workflow activities. These functions shall include, but not be limited to, electronic storage, retrieval, and archive of support documentation and correspondence, keyword and full text search capability, document scanning and optical character recognition (OCR), print and fax capability, simultaneous markup and viewing, and system backup and disaster recovery.

8.3.2.4 Data Extract/File Transfer

This delivery mechanism shall provide for the extraction or transformation of data from the IPDE data sources into another form and/or media required for use by other Government Agencies.

8.3.2.5 Import/Maintain

The Contractor shall provide the ability to import data into the IPDE. This may include the conversion of existing hardcopy data and/or the integration of existing products already in electronic formats, such as technical manuals for existing equipment.

8.3.2.6 On-line Access

The Contractor shall provide on-line access to Contractor developed or owned applications. This capability shall allow authorized users to run contractor-hosted applications from remote locations. This capability shall support activities such as: the query of scheduling programs; accessing the 3D product model; viewing of simulations; viewing analysis results, RMA, CESA and other activities as required by the Government to effectively support the LPD 17 IPPD team. This capability shall support 150 concurrent off-site Government users.

8.3.2.7 Communications Server Access

The Contractor shall provide remote system access to the communications server for at least twelve connections for the

core Government IPPD users. The remote access shall use remote control software running on personal computers/communications server hardware with capabilities equivalent to those provided at IPPD workstations. At a minimum, the requirement is for 28.8K modems which are compatible with current and proposed laptops. Remote capabilities shall mirror on-site capabilities with exceptions granted for those applications which are not viable via modem. In order to ensure ready access, the Contractor shall provide a toll free connection with rollover capability to the communications server over independent "dedicated" phone lines.

8.3.2.8 Video-Teleconference Applications

The Contractor shall provide the capability for multi-site personal computer video and document teleconferencing between Contractor sites, the LPD 17 program office, and other LPD 17 program participants. This capability shall incorporate remotely displayed data and data products from the IPDE to support video teleconferencing interactions.

The video and document teleconferencing capability must support interactions between separate Local Area Networks across NAVSEA Enterprise Wide Network (NEWNET). The capability provided shall be an IP based VTC product running on an 802.3 Ethernet LAN and support ITU-T (International Telecommunications Union) standards for audio and video (Audio - G.711, G.722, and G.728 Video - H.261 and H.320). The teleconferencing capability must provide a minimum performance level of 12-17 frames/sec with a minimum 320x240 resolution (1/4 screen). The video and document teleconferencing capability shall support point-to-point VTC sessions and multi-point constant presence sessions for up to 3 different participants.

The capability shall include software based bandwidth management utilities, support for external audio/video input and output, and shall have collaborating functions including; shared whiteboarding, document annotation (e.g., post-it notes, colored pen markers), and application sharing.

8.3.2.9 LPD 17 Wide Area Network (WAN) Connectivity

The Full Service Contractor (FSC) shall provide network access and communicate LPD 17 data to off-site Navy activities via connectivity to the NEWNET. Network communication between the Full Service Contractor and its major sub-contractors shall be via other commercial communication mechanisms.

8.4 IPDE Security

The Contractor shall establish, a security system and enforce data protection and integrity standards in accordance with DOD-5200.28 and DOD-5220.22-M. Controls to prevent unauthorized access shall be established such as control passwords and log-on IDs for authorized personnel. Individual access rights shall be approved by the IPPD team. The Contractor shall incorporate a system application that verifies user authorization at each access attempt. The Contractor shall identify all system security vulnerabilities and implement a disaster recovery plan. Any peculiar security software that must be resident on Government on-site access terminals shall be provided and maintained by the Contractor.

Methodologies to handle sensitive, classified, and unclassified data shall be developed and certified for use on the LPD 17 program. The Contractor must comply with the data security requirements necessary to implement the IPDE, including the use of encryption devices where required, and the modification of business practices to support the LPD 17 program requirements.

All new personal computers and workstations purchased for use on the LPD 17 program IPDE shall be capable of supporting at least two Personal Computer Memory Card International Association (PCMCIA) cards of the type II height configuration. To ensure compatibility with the Department of Defense (DOD) Multilevel Information Systems Security Initiative (MISSI) and other PCMCIA products, the following specifications shall be used:

PCMCIA Standard	Release 2.1
PC Card Standard	Release 2.1
Socket Services Standard	Release 2.1
Recommended Extensions	Release 1.0
AT Adapter	Release 1.02
Auto Indexing Mass Storage	Release 1.01

8.5 IPDE User Authentication

8.5.1 The IPDE shall incorporate automated controls for applications that support the LPD 17 Program to verify the authorization of each user every time an access attempt is made.

8.5.2 The IPDE plan shall specify a method to provide traceability of changes to the existing baseline which is consistent with the Configuration Management Plan in the IMP. The objective is to ensure that only authorized changes to the baseline occur.

8.6 IPDE Workflow Integration

The Contractor shall establish a system interface utilizing a "workflow" system to facilitate communication and to reduce product cycle times between IPPD team members and other supporting activities.

8.7 IPDE System Demonstration

The Contractor shall demonstrate system capabilities in accordance with the schedule contained in the Contractor's IPDE Implementation Plan contained in the IMP. The demonstration results will be taken into consideration for award fee purposes. The demonstration shall include, but is not limited to, data integration, data access, product locator, and report generation.

8.8 IPDE Metrics

The Contractor shall propose and the IPPD shall agree to automated metrics capabilities for the IPDE.

8.9. IPDE External Interfaces

The Contractor shall establish an interface to all Government activities listed in Attachment J0004. Participating Government activities will establish network connectivity to facilitate exchange and on-line sharing of data.

8.10 IPDE Shipboard Implementation

8.10.1 The Contractor shall ensure that the IPDE interfaces with all shipboard systems which utilize configuration and/or support data. The Contractor shall:

- a. Document the data format and content requirements of those ship systems.
- b. Correlate those data requirements with the data contained in IPDE.
- c. Analyze and document, in an IPPD environment, existing and projected Government infrastructures which deliver shipboard data products which are based on the IPDE.
- d. Propose for Government approval the process by which the data contained in IPDE will be transferred to the ship systems, both initially and for the life-cycle, identifying both technical mechanisms and Government/Contractor organizational responsibilities.

e. Document the process by which these ship system data products are configuration managed, including the method by which ship modifications are, after completion, reflected in IPDE and are subsequently reflected in shipboard data products.

f. Provide the mechanism to allow IPDE view-only access by the shipboard crew at a level at least equal to that of the IPPD.

g. Include the plan for implementation of these requirements in the IPDE Implementation Plan of the IMP.

h. Provide the required configuration data to shipboard systems.

8.10.2 Unless otherwise approved by the Government, the database contained in NTCSS shall be the reference for use by shipboard systems. At a minimum, such systems shall be linked to NTCSS for the purposes of ensuring that distributed data structures are coherent.

8.11 IPDE/Data Management

8.11.1 The Contractor shall develop, implement, and maintain a data management capability within the IPDE for the integration, storage, access, management, delivery, and exchange of data furnished by the Government and its designated agents, or generated by the Contractor and its major subcontractors/vendors as part of the LPD 17 program. The system shall be capable of maintaining a record and reporting the status of data accession and data deliveries for each ship constructed under this contract. The system shall incorporate an automated metrics capability to assess the number of times a data product has been accessed.

8.11.2 The Contractor shall develop a data validation capability within the IPDE for assessing the validity of data generated for the LPD 17 contract.

8.11.3 The Contractor shall develop and maintain a Data Accession List (DAL) that will include all data acquired or developed in performance of the contract by either the Contractor or all subcontractors/vendors.

8.12 IPDE in the In-Service Phase

The IPDE shall support the execution of the Class Maintenance and Modernization Plan (CMMP) contained in the IMP. The system shall also identify the status of emergent work and impact on schedules via the MIRWS. The system shall provide the capability to generate the following:

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a. A current ship-by-ship priority list of all outstanding maintenance and modernization work in a format that permits rapid assembly of a work package.

b. Continuous update of the DCACA program to record equipment/system reliability data.

c. Corrective maintenance data reporting for work not requiring parts support.

d. A Ship Alteration and Repair Package (SARP) tailored to the availability duration and location. All necessary information to execute work packages shall be identified/recommended including use of Alteration Installation Teams (AITs), rotatable pools, In-Service Engineering Agents (ISEAs), or other technical assistance, as well as variations and risks involved.

e. Projected impact of maintenance and modernization work upon Operational Availability (A_o), maintenance manhour requirements, training, and total ship manning levels.

f. The capability to interface with each ship's Current Ship's Maintenance Project (CSMP) to maintain a material history and up-to-date ship material condition.

g. The capability to interface with Type Commander (TYCOM) work request screening systems.

h. The capability to interface with the Fleet Modernization Program Management Information System (FMPMIS).

i. The capability to provide inputs to advanced planning and authorization letters.

j. The capability to record and report status on all alterations and changes as scheduled for each availability.

B. TECHNICAL**9.0 ITEM 0001 - (AND IF THE OPTIONS ARE EXERCISED, ITEMS 0002, AND 0003) DETAIL DESIGN, TOTAL SHIP SYSTEMS INTEGRATION, CONSTRUCTION, TESTING, LOGISTICS AND LIFE CYCLE SUPPORT PLANNING****9.1 Develop Detail Design**

The Contractor shall develop a detail design for the construction of the LPD 17 that meets all the requirements in the contract. The LPD 17 shall incorporate state-of-the-art expeditionary warfare ship-self defense systems, radar cross section reduction, distributed system architecture, and total ship system integration, with emphasis upon reduced ownership costs.

9.1.1 The Contractor shall provide continuous access to the in-process detail design (working drawings, specifications, bill of materials, and any other technical data that is part of the detail design) and schedules to the Government.

9.1.2 The Contractor's detail design shall be subjected to a PRR, wherein the Contractor must satisfy the mutually agreed upon PRR exit criteria, prior to the start of construction.

9.1.3 The Contractor shall develop the detail design within the IPDE.

9.1.4 The Contractor shall develop and implement a Manpower Optimization Program in the IMP to ensure the most efficient allocation of human resources aboard ship and to reduce overall manning levels.

9.1.5 The Contractor shall incorporate into the Detail Design either the Reverse Reduction Gear/Fixed Pitch Propeller (RRG/FPP) or Main Reduction Gear/Controllable Pitch Propeller (MRG/CPP) propulsion train selected by the Government at the time of contract award.

In the event that the MRG/CPP propulsion train option is selected, the requirements of Attachment J0038 will be substituted for the corresponding sections of Attachment J0001. The Contractor shall provide complete documentation regarding the interface between the CPP propeller blades and the propeller hub.

9.2 Total Ship Systems Integration

The Contractor shall be responsible for total ship integration efforts. Through concurrent engineering practices, the Contractor shall provide an incremental detail design, ship systems integration, construction, testing, logistics and life cycle planning approach to fulfill total ship functional requirements. Total ship system integration shall be performed as an integral part of the detail design process. The level of total ship system integration achieved prior to start of construction shall be an exit criteria for the PRR.

9.2.1. In order to facilitate the Government's goal of ensuring that technological evolution can be smoothly incorporated during detail design, ship systems integration, construction, testing, logistics and life cycle support planning, the Contractor shall develop and implement a process which:

- a. Minimizes the effect of GFE system nomenclature changes.
- b. Streamlines the ECP implementation process in the IPPD environment.
- c. Defines the level of detail and types of GFI required for preliminary, draft and final versions of GFI for each system.
- d. Makes use of the Associate Contractor Agreement clause C-6.
- e. Includes a no-cost change to Schedule A and Schedule C formats required to implement the approach.
- f. Maximizes use of the modular track system to decouple space design from GFE installation.
- g. Includes development and implementation of space design, construction, loadout and testing for CIC, Troop Operations Logistics Center, Debark Control Center, Joint Intelligence Center, Combat System Maintenance Central, Radar Rooms, and the CIC Unattended Equipment Room which allows "Just-In-Time" delivery and installation of GFE. This process shall also document and implement, for each of these spaces, the sequence of installation steps which must be completed prior to GFE equipment loadout.

This process shall be documented in the IMP.

9.2.2 The Contractor shall participate in the development of the Operational Sequencing Systems.

Cognizant Government activities will have the lead for co-chairing applicable working groups and for producing the

documentation. The Contractor shall support this process in the IPDE environment by providing required design data and by generating operating and casualty procedures for CFE systems as required in Attachment J0001. The Contractor shall evaluate and implement an effective workstation based method for hosting applications which provide watchstanders access to OSS products. The Contractor shall integrate the cold and hot checks required to prove these procedures into the appropriate Ship Test Program stages. The Contractor's plan to implement the requirements of this paragraph and of other Attachment J0001 requirements relating to integration, and support of OSS procedures and products shall be documented in the IMP.

9.2.3 In support of these efforts the Contractor shall participate in approximately four fleet reviews which will be hosted by the Government in Norfolk, VA or San Diego, CA.

9.3 Total Ship Information Management Integration

This section describes the following:

- a. Development of the Integration Functional Baseline
- b. Interface and integration planning
- c. Interface and integration development, including establishment of the Integration Allocated Baseline
- d. Interface and integration implementation
- e. Integration testing
- f. Use of the SDIA for interior voice requirements
- g. SWAN acquisition strategy
- h. Bridge integration requirements
- i. Video integration requirements

9.3.1 Within 30 days after contract award, a joint Government/Contractor sub-team of the IPPD shall be convened at a site determined by the Contractor to transition Government information and databases (Total Ship Information Management Specification (TSIMS), included in Attachment J0001) to the Contractor and to develop the process which shall be used to establish the LPD 17 Integration Functional Baseline (IFB). The Contractor shall expand the TSIMS documentation provided to include all of the total ship integration requirements, including integration requirements contained in Attachment J0001 but not documented in TSIMS Volume 2 or 3. The Contractor shall propose changes necessary to reflect its proposed Shipboard Wide Area Network (SWAN) approach and integration concepts. Upon approval by the Government, these changes shall be incorporated, and an Integration Functional Baseline (IFB) shall be established consisting of TSIMS volumes 1, 2, and 3 no later than 120 days after contract award.

9.3.2 For each physical and logical interface indicated by the intersections on the Communications Matrix in the IFB, the Contractor shall develop a plan which clearly delineates Contractor/Government tasks to be accomplished, describes Associate Contractor responsibilities, addresses schedules, refines GFE/GFI needs, identifies technical issues for resolution, establishes PRR exit criteria, documents SWAN integration requirements for the functional interface being discussed, and establishes the test strategy, including identification of required first article tests and critical item tests. Each plan shall also propose the evolution of configuration change control authority for that interface from the time of contract award through ship delivery. Following concurrence by the Government, each interface integration plan shall be incorporated into the Integrated Management Plan (IMP). These planning efforts shall be completed no later than 240 days after contract award.

9.3.3 Following the establishment of the IFB, the Contractor shall complete the establishment of integration requirements by developing the interface details for each element of the Communication Matrix, TSIMS volume 2, including SWAN integration requirements required to support each interface, as follows:

a. CFE-to-CFE: Contractor has total responsibility to develop the interface implementation and capture the detail in the TSIMS and the Program Integrated Design Environment (TSIMS/PrIDE) database as defined in the Ship Specifications.

b. CFE-to-GFE:

(1) If a GFE detailed interface requirement is furnished, the Contractor shall implement that interface and capture the detail in the TSIMS/PrIDE database. The Contractor shall utilize Associate Contractor Agreements (ACA) to resolve issues associated with CFE-GFE interfaces.

(2) If the Government provides a functional requirement, then the Contractor shall develop and negotiate the details of the interface with the designated Government vendor, using Associate Contractor Agreements.

(3) Cost drivers associated with resolution CFE to GFE interfaces shall be identified to the Government as they arise.

c. GFE-to-GFE: The Contractor shall incorporate the Government developed interface documentation into the TSIMS and participate as a member of the IPPD team in all technical activity during resolution of GFE-GFE issues which have an impact

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on LPD-17. Associate Contractor Agreements shall be used to facilitate this process.

All interface definition efforts shall be completed within 360 days after Contract Award, at which time an Integration Allocated Baseline (IAB) consisting of TSIMS volumes 1 through 6, produced from the PrIDE database, shall be established.

9.3.4 During Total Ship Integration implementation, the Contractor shall develop, test and document the hardware and software design required to satisfy integration requirements, including the implementation of all SWAN connectivity necessary to meet Integration requirements. Specific requirements are as follows:

a. CFE to CFE System Interfaces

The Contractor shall design, develop and test the system in accordance with the Ship Specifications and IAB. The Contractor shall keep the TSIMS/PrIDE current.

b. CFE to GFE System Interfaces

The Contractor shall implement and maintain a process which provides for timely exchange of information between the Contractor and the Government's GFE vendors, utilizing the Associate Contractor Agreement provisions of Clause C-6. This process shall continue throughout the design, development, and system level testing phases. During the design phase, the Contractor shall maintain configuration control of the interface specification documentation. Concurrently with the PRR, the interface specification documentation will be placed under configuration control.

c. GFE to GFE System Interfaces

The Contractor shall monitor GFE system design, development, and implementation efforts. The Contractor shall keep the TSIMS current.

9.3.5 The Contractor shall demonstrate successful integration via the test program defined in the Ship Specifications.

9.3.6 The Government will designate to the Contractor the vendor which has been selected by the Navy, through a separate procurement, as the System Design and Integration Activity (SDIA) for integrated voice systems. The SDIA shall be the directed source for all hardware required to meet the requirements of Attachment J0001 Ship Spec Section 432 with the exception of those items associated with wire free communications, sound powered

phones and land lines. The SDIA contract will contain options which the Contractor may exercise for, engineering services, documentation, training and spares related to hardware under its cognizance. The Contractor retains the responsibility for meeting the functional and integration requirements of Attachment J0001 Section 432. The Government's award of the SDIA contract might not support the FSC's schedule for accomplishing the requirements of ship specification section 432. If this situation occurs, the FSC will be required to perform the requirements of ship specification section 432 without the SDIA as a directed source. Therefore, the Contractor shall notify the Government, within 30 days after contract award, of the date by which it must be notified of this situation so that it can fulfill the contract requirements on its own without delay and disruption. All funding of SDIA activities required to support integrated voice shall be executed through the use of a subcontract between the Contractor and the SDIA.

9.3.7 In support of the implementation of the SWAN, the Contractor shall ensure that the equipments installed are state-of-the-market at the time of preliminary acceptance. Within five months after contract award, the Contractor shall submit its strategy for SWAN acquisition for Government approval. Following approval, the strategy shall be incorporated into the IMP.

9.3.8 The Contractor shall conduct an analysis of commercial and government systems to determine the most effective approach to meet the Bridge integration requirements of the Ship Specifications. The Government will identify a maximum of 5 Government systems/applications to be included in the analysis. At a minimum, the Government list will include the Joint Maritime Command Information System (JMCIS) including Navigation Sensor Subsystem Interface (NAVSSI), Advanced Combat Direction System (ACDS) and Ship Self Defense System (SSDS). The list of Government systems/applications will be provided one month after contract award. Not later than nine months after contract award, the Contractor shall submit for approval its recommended system implementation which shall:

a. Demonstrate the technical approach will meet the requirements of the Ship Specifications, specifically addressing: data structures, required application programming interfaces, and system-to-system interfaces.

b. Address the required implementation schedule, and any impact to MIRWS.

c. Address any modifications to Schedule "A", Government Furnished Equipment for LPD 17, Attachment J0005.

d. Address the Human Machine Interface, including assessment of touch screen, voice recognition, trackball and keyboard methods of data input.

In support of this effort the Contractor shall participate in approximately four fleet reviews which will be hosted by the Government in Norfolk, VA or San Diego, CA.

The Contractor shall document its approach to evaluation and implementation of Bridge integration requirements in the IMP.

9.3.9 The Contractor shall perform an analysis of video distribution options associated with the radar video and 23TV functional requirements contained in Attachment J0001. Options to be considered shall include, at a minimum, use of commercial video compression techniques, employment of X-Window architectures, and implementation of the systems as specified in Attachment J0001. The analysis will consider the requirements of all user systems and shall compare the options based on cost and performance. The Contractor shall recommend changes to Attachment J0001 that implement the video distribution requirements within 12 months after contract award.

9.4 IPDE and Total Ship Integration

The Contractor shall incorporate the Government furnished Total Ship Systems Information Management Specification/Program Integrated Design Environment (TSIMS/PrIDE) data structure into the IPDE as part of the Product Model (Level I). The incorporation of TSIMS/PrIDE shall permit the cross-referencing of all technical management information pertinent to the integration effort to the applicable system, including but not limited to:

- a. Approved physical/logical configuration (functional, allocated and product baselines)
- b. Status of interface development
- c. Software baseline documenting software Computer Software Configuration Item (CSCI) associated with each equipment
- d. Hardware development/delivery status
- e. Software development/delivery status
- f. Delineation of organizational responsibilities for systems documented in the TSIMS/PrIDE, including hardware, software and interface control

- g. Status of proposed physical/logical changes
- h. Test status, plans and trouble reports
- i. Documentation and status of all corrective action issues associated with Total Ship Integration.

9.5 Hardware Development/Selection

9.5.1 Hardware selection shall meet the requirements of the Attachment J0001. Prior to the development of hardware, the Contractor shall conduct a market survey to identify candidate COTS/GOTS capable of achieving the performance requirements. The COTS/GOTS and other NDI selection criteria shall include the following factors listed in descending order:

- a. Ship Specifications compliance.
- b. Opens systems standards compliance
- c. Life Cycle Costs, including acquisition cost, and operational and support cost.
- d. Qualitative system considerations, including:
 - (1) Market acceptability
 - (2) Reprocurability, Obsolescence and upgradeability
 - (3) Adequacy of available technical data and procurement data rights of the product
 - (4) Availability of long term technical and part support from the OEM

In cases where available technical data for a product is inadequate to determine if the product is suitable for its intended shipboard environment as defined in the Ship Specifications, the Contractor shall identify the additional testing required and the cost associated with this testing.

In deciding between alternative solutions, the Contractor shall place the highest priority on meeting the Ship Specifications. The Contractor shall use its best business judgment to identify to the Government those cases where modifications to the Ship Specifications can reduce life cycle costs or reduce shipboard manning requirements (i.e., cost/benefit tradeoff). Such changes shall be proposed through the ECP process

9.5.2 Whenever the "or equal" phrase appears in the Ship Specifications, the vendor(s) noted in Attachment J0001 may not be the only acceptable vendor(s) for that equipment. Where an alternative source is proposed the "or equal" procedures of J0001 shall be followed.

9.5.3 When hardware must be developed to meet system requirements, documentation shall be developed in a format consistent with the IPDE.

The Contractor shall develop product and test specifications that incorporate the performance requirements for the Contractor-furnished systems to functionally significant items as defined in the Ship Specifications.

The Contractor shall develop or procure product data and associated lists to document the design of all functionally significant items. These lists shall be included in the IPDE. All product data shall provide detail design, engineering, manufacturing, testing and quality support information necessary to permit a competent manufacturer to produce and test an interchangeable item which duplicates the physical and performance characteristics of the original design without additional design engineering or recourse to the original manufacturer.

9.5.4 The Contractor shall incorporate software and hardware development schedule and status information into MIRWS.

9.5.5 The Contractor shall develop and implement a process which ensures that CFE hardware which is installed on the ship is current technology at the time of installation. This process shall include a controlled evolution of hardware configurations during detail design, total ship system integration and equipment procurement and installation during ship construction. The Contractor shall document its overall approach to this requirement in the IMP, and shall develop a plan for the development of each CFE system identified in the Communications Matrix of the TSIMS Volume 2. Each plan shall propose the evolution of configuration change control authority for that hardware from the time of contract award through ship delivery and shall include identification of required first article tests and critical item tests. These plans shall be completed no later than 240 days after contract award, and after government concurrence shall be incorporated into the IMP.

9.6 EQUIPMENT AND COMPONENT STANDARDIZATION

The Contractor shall develop a standardization process to enhance supportability and minimize life cycle costs through the

selection of equipment and components of proven performance which are, to the maximum extent possible, common with equipment/components currently installed in U.S. Navy ships and fully supported within the Navy supply system. This process shall be developed in accordance with the requirements of Attachment J0001 and documented in the Contractors Standardization Plan which is part of the IMP. The objectives of standardization are to improve the operational readiness of the ship; to reduce costs and manpower needed to operate and maintain the ship and its systems; to optimize/minimize the variety of items used in logistics support; to enhance interchangeability, reliability, maintainability, and availability; and to ensure that products of requisite quality are procured that meet specified performance, safety, and environmental requirements.

The primary objective is to ensure the use of identical equipment for similar functions on each ship. The secondary objective is to attain the maximum level of interchangeability of equipment and components installed throughout all ships of the LPD 17 Class. The tertiary objective is to obtain standardization with existing supported equipment and components in the Fleet while meeting all performance and other requirements.

The Contractor's standardization process shall include at a minimum:

- a. Limit the range of different types of equipment and components on the ship.
- b. Limit the range of different types of equipment and components throughout the LPD 17 Class.
- c. Maximize the use of equipment which is currently installed on other Navy ships and which is fully supported in the Navy supply system.
- d. Provide the maximum use of common maintenance, test and support equipment and training material.
- e. Require all suppliers to comply with the standardization requirements of J0001 and herein and to convey them to their sub-tier suppliers when procuring equipment/components.
- f. Conduct event based reviews. These reviews shall address the coordination of standardization efforts with other design and ILS efforts.

g. Establish a reporting process as part of the IPDE which provides maximum visibility of the standardization process and resulting key decisions to the IPPD.

The Contractor shall develop a procedure for identifying to the IPPD team the degree of standardization being achieved during the detail design, ship systems integration, and construction of the ship. The Contractor shall include in this process the means to notify team members of instances where the available standard equipment is not the most effective design choice or best value (acquisition and life cycle costs considered) to the Government. Supporting rationale shall be provided for all equipment selection decisions including of specification compliance, total acquisition costs, life cycle support costs, RM&A data, and manpower, training, provisioning, depot supportability, safety, and environmental considerations.

9.7 Software Development

The Contractor shall develop or procure software as required to meet the Ship Specifications. The Contractor shall conduct a market survey to identify candidate COTS/GOTS software capable of achieving the performance requirements of the Contractor-furnished systems, including conformance to the open systems standards and profiles contained in Attachment J0001.

9.7.1 For the development of the Engineering Control Systems software and software development efforts that are equivalent or greater in dollar value than the Engineering Control System software, the Contractor shall establish a Software Quality Improvement Program in accordance with Attachment J0001.

9.7.2 For Contractor developed software, the Contractor shall ensure software reuse is provided for technology insertion. For existing software, the Contractor shall identify opportunities to modify software products for reuse and shall evaluate the benefits and costs of these opportunities.

9.8 Environmental and Hazardous Material Management

The Contractor shall develop and implement an Environmental and Hazardous Material Management Plan (EHMMP) in accordance with National Aerospace Standard NAS 411 and consistent with the requirements in the Ship Specifications, Attachment J0001. The EHMMP shall address requirements for hazardous materials and elimination, substitution, and handling of hazardous pollutants

and potential pollutants. The Contractor shall require its subcontractors to comply with the provisions of the EHMMP.

9.9 Electromagnetic Compatibility Advisory Board (EMCAB)

The Contractor shall participate in LPD 17 Class Electromagnetic Compatibility Advisory Board (EMCAB) to identify and resolve electromagnetic compatibility interface issues. The EMCAB will meet four times a year at the Contractor's facility.

9.10 Battle Force Tactical Trainer (BFTT)

The Contractor shall integrate, install and test the BFTT system in accordance with Attachment J0001.

10.0 RELIABILITY AND MAINTAINABILITY (R&M)

The Contractor shall identify its approach to the conduct of R&M early in the detail design and ship systems integration process to influence system/equipment selection and to identify life cycle support and initial procurement cost trade-offs. The Contractor shall identify to the Government those alternatives which provide the maximum cost benefit to the Government over the life cycle, considering standardization and other external factors. The Contractor shall use lessons learned by the Data Collection, Analysis and Corrective Action (DCACA) Program to continuously improve the incorporation, accessibility, and maintainability of GFE and CFE throughout design, construction, and life cycle of the ship(s).

10.1 R&M Metrics

The Contractor shall establish R&M processes and procedures which focus upon measurable benefits (metrics) to the Government, such as total ship Mean Time Between Failures (MTBF), Mean Time To Repair (MTTR), and Mean Logistics Delay Time (MLDT).

A_0 is a measure of the degree to which an item is in the operable and committable state at the start of a mission when the mission is called for at an unknown (random) time. The LPD 17 primary mission of amphibious warfare involving the embarking, transporting, and landing of Marines, requires total ship combat systems and HM&E equipment availability. Total Ship A_0 is defined as $(Uptime/Uptime+Downtime)$. Downtime includes corrective maintenance time and spares logistics delay. Preventive maintenance is performed so as not to interfere with the ship's mission and is therefore not included in downtime.

A_0 is quantified over the 120 day wartime Design Reference Mission (DRM), which is considered to fall within the first 6 month deployment of the Operational Schedule Timeline of Attachment J0002, using the NAVSEA TIGER RMA computer program (TIGER 9), employing the LPD 17 Amphibious Assault Ship Contract Design RMA Report 076-03D-TR-0031 as the starting baseline.

Inherent availability (A_i) is also quantified over the 120 day wartime DRM using the NAVSEA TIGER RMA computer program under the assumption that 100% of the range and depth of spares required for the mission are on-site and have no logistics delay times. A_i represents the maximum availability that can be expected from the inherent design of the system.

Mission reliability is the ability of an item to perform its required functions for the duration of the specified assault phase "mission profile". The LPD 17 assault phase Reliability (R_5) is defined as the probability that all required systems will be available during the first 5 hours of the amphibious assault.

The Contractor shall achieve, through its R&M processes and procedures, the following:

- a. Total Ship Inherent Availability (A_i) of 0.95;
- b. Operational Availability (A_0) of 0.80; and,
- c. Assault Reliability (R_5) of 0.86.

which shall be verified through the RMA modeling shown above.

The Contractor shall establish maintenance manhour per operating hour (MMOH/OH) goals for those systems/equipments identified in Attachment J0018. These goals shall reflect a reduction of MMOH/OH when compared with existing or like systems/equipments.

10.2 R&M in IPDE

The Contractor shall develop an automated capability to perform R&M tasks that are integrated with the detail design, ship systems integration, construction, testing, logistics support and life cycle planning processes. This capability shall be integrated with the IPDE, interfaced with the evolving detail design, and used to support design decisions. The Contractor shall develop, as part of the IPDE, a capability to maintain a complete reliability and maintenance history throughout the LPD 17 ship(s) life cycle. This capability shall, as a minimum, include:

- a. Automated R&M analysis procedures coupled to design, parts libraries, and to material characteristics databases;
- b. Automated R&M synthesis based on design rules and lessons learned from prior design experience, DCACA, and Fleet use;
- c. Fully characterized (tested and validated) component part performance and R&M characteristics database(s),
- d. Design decision traceability.

10.3 Maintainability Design Engineering

The Contractor shall conduct concurrent engineering to include automated fault detection, fault isolation, casualty control, human engineering factors, and operational sequencing capabilities in the ship's detail design. In order to reduce the maintenance burden of the ship, maintainability design engineering efforts shall address new technologies such as condition monitoring, sensor technology, and infrared imaging that improve system performance while achieving reduced ownership costs.

The Contractor shall establish detailed maintainability design criteria to minimize the maintenance manhours required for the ship. The criteria shall include accessibility, adequate work space, and work clearance for equipment maintenance. The maintainability design criteria shall also include compatibility with Automatic Test Equipment (ATE) and visual and physical access.

10.4 R&M Traceability

The R&M program shall permit traceability of preventive and corrective maintenance tasks back to specific engineering failure modes identified during detail design. The Contractor shall develop an analysis of in service/operational shelf life and wearout data to support the Reliability Centered Maintenance analysis process.

10.5 Built In Test (BIT)

The Contractor shall develop system and equipment level Built-in-Test (BIT) capabilities for electronic systems required by Attachment J0001. BIT shall provide a means of fault detection and isolation with minimal operator intervention. BIT shall be executed automatically and without interruption of normal system/equipment operation or need to remove circuit cards or connectors.

BIT shall enable detection of faults in individual processors, data communication links and external data interfaces. BIT shall also provide fault indications of failed equipment even when redundant equipment remains operational and no loss of operational capability has occurred.

To the extent practicable, BIT shall isolate faults to the lowest replaceable assembly level or to the individual data path. BIT shall be used to minimize or eliminate the use of Maintenance Assist Modules (MAMS).

The Contractor shall provide system level fault isolation which integrates self test features for multiple equipments and systems. This system level fault isolation shall isolate faults to the sub-system and equipment level, shall provide automatic analysis of test results, and shall provide top-level fault summary reporting.

The Contractor shall incorporate requirements for BIT and factory test of BIT in all purchase orders for electronic equipment. The Contractor shall conduct testing of BIT as part of BDT, BST and AT.

10.6 Failure Modes, Effects and Criticality Analysis (FMECA)

The Contractor shall perform a FMECA in accordance with the Ship Specifications, Attachment J0001. The Contractor shall synchronize the identification of equipment specific potential failure modes and performance characteristics to support the timely development of ICAS software requirements of the Ship Specifications, Attachment J0001.

10.7 ILS Interfaces

The R&M Program and the ILS Program require many similar tasks to accomplish their objectives. For example, similar tasks are required to obtain data for FMECA and the Concurrent Engineering Supportability Analysis (CESA). R&M analyses use CESA report information to identify corrective maintenance tasks and their frequency.

In order to make sure that the results of related tasks are made available to all related activities, it is required that information from the R&M Program be shared with the ILS Program and the ILS information brought forward to influence the design process and life cycle cost efforts. This shared data shall be created once to support multiple tasks as part of the IPDE. The Contractor shall identify the data elements required for this shared environment, identify their sources, and describe the

input/output processing necessary to make the data available for R&M, ILS and design use. The Contractors plans for this shared environment shall be included in the R&M Implementation Plan and the R&M Program Plan.

10.8 PARM Interface

The Contractor shall assure that the PARMs for GFE are included in all R&M efforts. This includes participation in program planning, R&M tasks, reviews, and member participation on the Failure Review Board. The Contractor shall work with PARMs to develop the data connectivity required to interface the IPDE with PARM databases.

C. CONSTRUCTION

11.0 PROCUREMENT OF LONG LEAD MATERIAL

11.1 Delivery

The Contractor shall provide long lead time material to support the orderly construction of the lead ship. Delivery dates for the long lead time material shall be developed on the basis of the dates the items would be required in the shipbuilder's yard to support delivery of the lead ship in accordance with the MIRWS.

11.2 Domestic Source Limitations

Pursuant to the Defense Authorization Act for FY 96, the following components of LPD 17 class ships must be procured from manufacturers which are part of the national technology and industrial base:

- a. Air circuit breakers
- b. Welded shipboard anchor and mooring chain with a diameter of four inches or less
- c. Vessel propellers with a diameter of six feet or more
- d. Gyrocompasses
- e. Electronic navigation chart systems
- f. Steering controls
- g. Pumps
- h. Propulsion and machinery control systems.

Additionally, propellers for LPD 17 class ships can only be procured from manufacturers which pour and finish all castings incorporated into such propellers in the United States.

11.3 List of Material

The Contractor shall submit to the Government a list of long lead material that must be ordered prior to completion of the PRR. This list shall be integrated into the MIRWS.

11.4 Procurement of Medical and Dental Equipment

The Contractor shall design the medical and dental spaces as specified in Section 652 of Attachment J0001. The Contractor shall be responsible for the procurement of all equipment required by Section 652 of Attachment J0001. However, in order to facilitate the installation of the latest medical and dental technology in the ships of the LPD 17 class, the Government and Contractor shall agree on the date when the Government will provide an updated listing of the medical and dental equipment identified in Attachment J0030. The Contractor shall procure the updated listing of equipment and install the equipment in the medical and dental spaces. For budgeting the purchase of medical and dental equipment, the Contractor shall price all the equipment listed in Section 652 of Attachment J0001.

11.5 Delivery of MRG/CPD Test Articles

In the event that the MRG/CPD propulsion train option is selected, the Contractor shall deliver the first production hub and specified hub attachments no later than sixteen (16) months after contract award to support Government testing. The Contractor shall deliver the first production hub to: Department of Navy; Naval Surface Warfare Center/Carderock Division; Carderock, Maryland.

12.0 CONSTRUCTION OF LPD 17

12.1 Requirements

The Contractor shall construct the LPD 17 ship in accordance with the detail design and ship systems integration developed by the Contractor. Construction shall comprise the total effort of building and testing the ship, including the preparation of work instructions, shop sketches, and other drawings, diagrams, schedules, plans and data incidental to the construction effort. The Contractor's attention is drawn to the radar cross section reduction requirements of the detail design and ship systems integration phase. The Contractor shall be responsible for the installation and integration of all GFE (listed in Attachment J0005) on the ship, as well as the procurement and installation of all CFE, the procurement and installation of onboard spares,

repair parts, equipage, and tools and support equipment/documentation for all Contractor Furnished Equipment (CFE).

Each requirement of this contract that is not included in the detail design shall nonetheless be satisfied by the Contractor unless specifically stated in the contract to be the responsibility of the Government.

The Contractor shall prepare and integrate all plans and schedules required for construction of the ship into the IMP and the MIRWS. Both CFE and GFE delivery schedules shall be included in the MIRWS. Notwithstanding GFE/GFI schedules in the MIRWS, the Government's GFE/GFI delivery obligations shall be as indicated in Attachments J0005 and J0006.

The Contractor shall deliver the LPD 17 in accordance with the delivery date specified elsewhere in this contract.

12.2 Turnkey

The Contractor shall comply with the Radio Communication System/Ship Signal Exploitation Space Implementation (RCS/SSSES) Turnkey process described in the Ship Specifications. The RCS Management Plan, Attachment J0011 is provided for guidance.

12.3 Personal Computers, Printers and Peripherals

In support of the implementation of Ship Specifications requirements for personal computers, printers and peripherals contained in Attachment J0001 Section 490, the Contractor shall ensure that the equipments installed are state-of-the-market at the time of preliminary acceptance. The Government and Contractor shall mutually agree upon a procurement baseline no later than 6 months prior to preliminary acceptance of the ship. These equipments shall be installed as part of the ship outfitting process.

12.4 Availability Periods

12.4.1 Prior to Contract Milestone (Builders Sea Trial) but after Contract Milestone (Builders Dock Trial), the Contractor shall establish an availability period of not less than twelve (12) weeks to provide for cost effective incorporation of approved Engineering Change Proposals (ECPs) or Contractor deficiency corrections.

12.4.2 Pursuant to Clause F-1, "DELIVERY OF COMPLETED VESSEL", the Contractor shall provide access to the ship for crew training for a maximum of four hours each day during the hours 0800-2000 for the period commencing upon completion of Acceptance Trials and ending at delivery.

12.4.3 During the conduct of crew familiarization training, the Contractor shall provide ship services such as power, cooling water, dry air, and air conditioning. The Contractor shall also provide technical and operator personnel as necessary to assist the crew and Government representatives.

12.5 Post Delivery Availability

12.5.1 Immediately following delivery, the ship will commence a Post Delivery Availability of sixty days in duration at the Contractor's facility. During this period, the Government will perform deferred installation of GFE, conduct crew training and operate the ship for the purpose of conducting special tests and trials. In support of these efforts, the Contractor shall provide berthing space and pierside support for the ship including brows and landing platforms, as appropriate, utilities from shore connections (electricity, fresh water, compressed air, sewage, telephone) and crane services. The Contractor shall also provide convenient parking space and on-site transportation for ships company personnel as provided to the Nucleus Crew as well as access through the yard to ship's force personnel and their authorized visitors.

12.5.2 When ordered pursuant to Special Contract Requirement H-Clause "ORDERS", the Contractor shall provide industrial services for post-delivery work, industrial services to the Navy test team, and logistic support for the ship's commissioning ceremony.

13.0 TOTAL SHIP TEST PROGRAM

13.1 Test And Evaluation Program

13.1.1 The Contractor shall develop and implement the Test and Evaluation Program (TEP) required by the Ship Specifications, Attachment J0001 and Test Documentation Booklet, Attachment J0023. The Contractor shall incorporate the TEP into the IMP. To accomplish design integration testing, the Contractor shall design and develop a National Test Network (NTN) as required by Attachment J0001. The Contractor is not precluded from proposing alternative approaches to accomplish design integration testing.

Alternative approaches, if proposed, shall be more cost effective than developing an NTN, and shall not degrade the design integration testing requirements contained in J0001. Where testing of shipset hardware is required prior to Land On Ship (LOS), the NTN or other distributed testing methods, shall be use when cost effective.

13.1.2 The IPPD team shall include a Combined Test Team (CTT). The CTT is responsible to ensure that the TEP is integrated with all other plans and schedules of the IMP and the MIRWS.

13.1.3 The Contractor shall procure installation and checkout (INCO) spare parts needed to support the construction, installation, and testing of CFE. When required, INCO spares to support GFE will be provided by the Government. Upon completion of final ship testing, unused INCO spares shall be delivered to the Government.

13.1.4 The Contractor shall provide any test equipment needed to meet the requirements of the contract.

13.1.5 The LPD 17 "Lighting Off" (LO) Contract Milestones include Combat System Light Off (CSLO), Main Engine (MELO), Electrical Generator (EGLO) and Electronic Systems (ESLO). "LO" is defined as initial power up of equipment (Stage 3 Tests). Prior to light off(s) of any system, or component within a system, the ship compartments and support systems associated with that system must be completed to the degree required to support uninterrupted testing. Prior to system light off(s), the ship compartments containing the systems undergoing test shall be complete including final paint, air testing and final paint of supporting spaces such as fan rooms. Shipboard distributed systems shall be complete including completion of support systems test procedures. A modified list of ship compartments to support light off shall be updated by the Combined Test Team (CTT). The selected Stage 3 Tests to be conducted during LO are to be identified in the MIRWS.

D. Cost of Ownership**14.0 CONFIGURATION MANAGEMENT****14.1 Configuration Management Program**

The Contractor shall develop a Configuration Management program for maintaining each ship's configuration baseline, identifying configuration items, maintaining configuration control, conducting functional and physical configuration audits as appropriate, and maintaining configuration status accounting. MIL-STD-00973 may be used as guidance. The Contractor shall prepare engineering change proposals (ECPs), requests for deviations (RFDs), and requests for waivers (RFWs) in accordance with Contract Requirements C-Clause "Configuration Management".

14.2 Ship's Configuration Baseline

The configuration baseline shall be established in the IPDE and maintained in accordance with Contract Requirements C-Clause "Configuration Management".

14.3 Configuration Validation

The Contractor shall validate the ship's configuration baseline in accordance with the Ship Specifications, Attachment J0001.

15.0 INTEGRATED LOGISTIC SUPPORT (ILS) PROGRAM**15.1 Implementation**

The Contractor shall implement an ILS program, as required by the Ship Specifications, Attachment J0001, that ensures supportability criteria and characteristics are considered throughout the detail design, ship systems integration, construction, testing, and life cycle support planning. The ship(s) shall be delivered with accurate and total logistic support in accordance with MIRWS.

For the purpose of emphasis, it is restated here that for LPD 17 acquisition, the Contractor must consider the principal factors of the ships' ownership costs from the inception of detail design through disposal. This point is made throughout the Statement of Work to ensure that the Contractor fully understands that the intent of the Government is to aggressively set a new standard in the LPD 17 procurement.

The Contractor's IMP (Integrated Logistics Support) shall include a methodology to monitor and alert the Government of any potential increase in ship's manning, mission essential equipment maintenance workload and training requirements above those established in the LPD 17 baselines identified in Attachments J0010 and J0018.

15.2 Provisioning

The Contractor shall integrate the provisioning effort with ship detail design and engineering, supportability analysis, and material selection processes to ensure that LPD 17 systems and equipment have optimum logistics support. The Contractor shall use Readiness Based Sparing system as required by Attachment J0001 to analyze allowance candidates and their associated cost and contribution to operational availability

15.2.1 The Contractor shall use concurrent provisioning processes for development of Provisioning Technical Documentation (PTD) in accordance with the NAVSEA Program Manager's Guide. Specific requirements for LPD 17 concurrent provisioning will be tailored by the Provisioning Management Team after contract award. The Contractor's MIRWS shall include a PTD development schedule which shall be mutually agreed to by the Government and Contractor. This schedule shall depict the timely completion of PTD to allow for the establishment of organic supply support capability at ship delivery. PTD shall contain information relating parts to the block on the reliability block diagram.

15.2.2 The Contractor shall develop provisioning documentation as required by the Ship Specifications and shall furnish all provisioned items ordered by the Government in accordance with the Special Contract requirements H-Clause, "ORDERS".

15.3 Fitting-out Services

The Contractor, pursuant to Special Contract Requirement H-Clause, "ORDERS", shall outfit the ship(s) in accordance with the Ship Specifications and the IMP (Outfitting Operations). The ship(s), when delivered, shall be fully outfitted with equipment, technical data, and supply support material as defined by approved allowance and applicability lists. Supply support material includes all spare and repair parts (an approximate range of 14,000 and depth of 85,000 NSNs), equipage, special tools, support and test equipment, and on-board data and consumables, including fuels and lubricants. Ammunition, small arms, cryptographic equipment and pyrotechnics are excluded. Technical data includes electronic technical manuals, ship selected records, and Planned Maintenance System documentation.

15.3.1 The Contractor shall prepare and retain lists of applicable items to be transferred (hard-copy drawings and technical publications, certifications, or miscellaneous items such as locks and keys to be placed aboard the ship). The Contractor and ship's Prospective Commanding Officer or his/her designated representative shall agree on the details of transfer. The Contractor shall obtain the signature of the Prospective Commanding Officer or his/her representative certifying that the Government has accepted custody of the items.

15.4 Maintenance Planning

The Contractor shall integrate maintenance planning with detail design, R & M, manpower optimization, human systems integration, material selection, and other logistics processes. The Contractor shall propose an Engineered Operating Cycle (EOC) for the LPD 17 Class which precludes regular ship overhauls (ROHs) and extends the interval between drydocking availabilities. The Contractor's EOC shall investigate reduced duration of all depot availabilities. The Contractor's EOC shall consider the Regional Maintenance Center (RMC) concept which combines maintenance afloat and maintenance ashore capabilities.

The life cycle support of this ship shall be consistent with the Navy's Modified Phased Maintenance Program which emphasizes a continuous approach to performing maintenance to enable ships to undergo availabilities of shorter duration. The Contractor shall apply "condition based maintenance" strategies and associated electronic condition monitoring technology to ensure maximum readiness and greatly reduced organizational workloads for minimum expenditure of funds.

The Contractor shall develop and implement a Shipboard Facilities Maintenance Improvement Plan as part of the LPD 17 Manpower Optimization Program. Requirements for the program shall be developed as part of the IMP. The Contractor shall undertake new and innovative means to reduce shipboard facility maintenance requirements in all habitability areas to reduce operating and support costs. The Contractor shall recommend to the Government areas of the ship where improvements can be accomplished and provide an assessment of the impact and cost to implement these improvements. The plan shall also include a description of how shipboard facilities maintenance requirements will be accomplished throughout the ships' service life.

The Contractor shall use maintenance planning methods which assess the number of manhours required for individual tasks in determining the need for IETMs and interactive diagnostics to reduce MTTR.

The overall objective of maintenance planning for the ship is to use new technologies to reduce the number of manhours expended performing maintenance.

15.5 Support and Test Equipment

The Contractor shall procure, calibrate, warehouse in secured storage, and outfit support and test equipment pursuant to orders placed in accordance with Special Contract Requirements H-Clause "ORDERS".

15.6 Training and Personnel

The Contractor shall be responsible for total shipboard training integration (including training for embarked troops) which shall be accomplished as an integral component of the detail design, ship system integration, testing, logistics, construction, and life cycle support planning. The training system capability shall promote cross-training, eliminate NECs, allow assignment of lowest level technician with high confidence, and reduce the organic training pipeline (number and length of courses required).

The Contractor shall use enabling technologies that focus on reduced manning and improved readiness. Traditional systems as well as a full range of simulation and stimulation techniques and synthetic environments shall include:

- Authoring Instructional Materials (AIM)
- Computer Improved Instructor Training Aid (CIITA) and other evolving instructor tools,
- Distributive Interactive Simulation (DIS)
- Interactive Electronic Tech Manuals (IETM) with training linkages,
- Interactive Courseware/Computer Based Training (ICW/CBT)
- Distance Learning and the Electronic Classroom via Video Teleconferencing (VTC)
- Training Effectiveness Evaluation (TEE) methods to continuously monitor and improve training capabilities.

16.0 LIFE CYCLE COST ESTIMATES

16.1 Implementation

The Contractor shall implement a Life Cycle Cost Estimating Program (LCCEP) to ensure that cost of ownership is considered by the IPPD team throughout detail design, ship systems integration, construction, testing, logistics, and life cycle support

planning. Within 90 days after contract award, the Contractor shall provide an initial baseline life cycle cost estimate for the lead ship.

The baseline life cycle cost estimate shall be revised and issued quarterly thereafter to reflect the current configuration of the ship(s) under this contract. The estimate shall include projected life cycle cost estimates for anticipated future ships of the LPD 17 Class.

The Contractor shall prepare life cycle cost estimates to support trade-off decisions by the IPPD team in selecting systems, equipment, components, and materials and other ship attributes for the ship(s) under this contract.

16.2 Life Cycle Cost Estimating Metrics

The Contractor shall establish life cycle cost estimating processes and procedures that include metrics and relationships for identifying the time phasing of cost effects of ship attributes for each category of cost included in Attachment J0022 for all phases of the life cycle of each ship of the LPD 17 Class. The life cycle cost estimate for each ship shall include the estimated annual cost by cost category for each year of the ship from contract award through disposal. The life cycle cost estimate for each ship shall include the estimated cost of Government furnished items and Contractor furnished items, and shall separately identify the cost of these items within the life cycle cost estimate. Life cycle cost estimates shall be provided in then year dollars and in constant FY 1996 dollars. The life cycle cost estimating methodology shall include the capability to convert the annual cost streams to a net present value in FY 1996. The Life Cycle Cost Estimating Table, Attachment J0022, shall be used in performance of all Life Cycle Cost calculations.

16.3 Life Cycle Cost Estimating in IPDE

The life cycle cost estimate is an attribute of the ship and is integral to the product model of the ship. The Contractor shall develop automated capabilities for performing life cycle cost estimating that are integrated with the IPDE, the CWBS, and the evolving ship configuration. The Contractor shall develop, as part of the IPDE, the capability to maintain a complete life cycle cost estimate history throughout the life cycle for each ship of the LPD 17 class.

ITEM 0004 - FAMILIARIZATION

The Contractor shall develop and conduct a familiarization program as delineated in the IMP (Integrated Logistics Support).

ITEM 0005 - TECHNICAL MANUALS

17.0 Technical Manuals

The Contractor shall be responsible for supplying a full set of electronic technical manuals, authored in Standard American English, to support operation and maintenance of the entire ship. The Contractor shall provide technical manuals in accordance with the Ship Specifications, Attachment J0001.

The Contractor shall be responsible for proposing delivery dates for Technical Manuals as part of the MIRWS (Integrated

Logistics Support). The proposed dates shall support the familiarization training program.

ITEM 0006 - MATERIAL (FFP)

18.0 Material

The Contractor shall provide COSAL material and major shore based spares for the ship in accordance with Special Contract Requirement H-Clause entitled "ORDERS".

ITEM 0007 - PERFORM SPECIAL STUDIES, ANALYSES AND REVIEWS (CPFF)

19.0 Special Studies, Analyses and Reviews

The Contractor shall perform special studies, design, analyses, and reviews, in support of the Design and Construction of LPD 17, in accordance with Special Contract Requirements H-Clause entitled "ORDERS".

ITEM 0008 - PERFORM ENGINEERING AND INDUSTRIAL SERVICES (FFP)

20.0 ENGINEERING AND INDUSTRIAL SERVICES

The Contractor shall perform engineering industrial services and provide material/equipment for the ship when issued a contract modification in accordance with Special Contract Requirements H-Clause entitled "ORDERS".

**ITEM 0009 - LPD 17 CLASS LIFE CYCLE SUPPORT PLANNING - POST
DETAIL DESIGN AND CONSTRUCTION (OPTION) (CPAF)**

21.0 LIFE CYCLE SUPPORT PLANNING

The Government anticipates establishing and maintaining a long term relationship with the FSC throughout the service life of the LPD 17 Class. The LPD 17 Class acquisition strategy includes a phased decision making process beginning with the selection of an FSC and the FSC's cost reduction efforts initiated under CLIN 0001. The process is sustained if the Government exercises CLIN 0009. The decision to exercise CLIN 0009 will be made approximately 40 months after lead ship contract award. The Government's decision to exercise CLIN 0009 will be based on an assessment of the Contractor's achievements regarding life cycle cost performance under this Contract, as

well as its proposed prices for the next ship construction contract.

The Contractor's subsequent performance under CLIN 0009, as well as its proposed prices for the final ship construction contract and the LPD 17 Class Planning Yard Contract, will provide the basis for the Government's decision to award an LPD 17 Class Planning Yard Contract to the FSC concurrently with the award of the final ship construction contract.

21.1 Life Cycle Support Planning

The Contractor shall develop an LPD 17 Life Cycle Support Plan as part of the IMP that shall address planning for the ships' operation cycle, maintenance and modernization, homeporting, ILS life cycle, configuration data management, ADP system support and life cycle integration.

21.2 Operational Cycle Planning

The Contractor shall develop methods and practices, not previously considered during detail design and construction, to continue to reduce the duration of availabilities.

21.3 Maintenance and Modernization Planning

The Contractor, through the IPPD team, shall develop and update an LPD 17 Class Maintenance and Modernization Plan (CMMP), (which will ultimately be tailored for each ship), based upon continuous reliability and maintainability engineering efforts, planned mid-life and other warfighting upgrades, and alteration planning. The CMMP shall be a separate Annex of the IMP. The Class Maintenance Policy for Surface Ships Specification, NAVSEA SL790-AC-SPN-010/(CMP) Rev. A, 1 October 1995, may be used for guidance. The CMMP shall identify total maintenance requirements and all necessary support requirements (including plant industrial equipment, special test equipment, special facilities, and shore-based spares). The CMMP shall provide for an interface with the Navy's automated 3M system.

The Contractor's CMMP shall provide for a central planning activity for all maintenance and modernization work to be performed during the ship(s) lifetime. The Contractor's plan shall include methods, techniques and metrics to monitor and measure results of reduced life cycle cost initiatives implemented during the detail design and construction phases. These methods, technique and metrics shall include, at a minimum, data from shipboard electronic condition monitoring systems.

Additionally, the Contractor shall provide for the development and integration of a Hull Management System within IPDE to provide in-service support of LPD 17 ships to track

individual maintenance and modernization plans/schedules and all engineering/alteration planning. This system shall be linked to the CMMP for each hull and shall indicate the readiness to execute each of the work items in the CMMP.

21.3.1 The Contractor's CMMP shall address: participation in the LPD 17 Class Change Control Process (CCP); accomplishment of backfit or other alterations for applicable ships; planning "forward fit" changes for follow ships; technical reviews of SCN-ship changes to determine applicability to operational ships; and, RM&A data to determine potential candidates for design change.

The Contractor's plan shall address the maintenance of required characteristics throughout the life cycle of the ship. Specific attention shall be placed on configuration control in the area of radar cross section reduction and survivability and weight and moment control to ensure full life cycle capability.

21.3.2 The Contractor's plan shall address the capability within IPDE to track individual ship maintenance and modernization plans/schedules and EOC planning through the IMP and the MIRWS.

21.4 Homeport Planning

The Contractor CMMP shall provide on-site Homeport Troubleshooting Teams to provide technical assistance to ship's force and provide liaison between the ships, TYCOMs, PMS317 and other Government activities.

21.5 ILS Life Cycle Planning

The Contractor CMMP shall address the continuous update and maintenance of all logistics products developed during design and construction. Elements of this plan shall include technical data (e.g., ship selected records, ETMS, IETMs, PMS, COSAL, DCB/DCS, ICAS). The Contractor shall include in the plan a method for the establishment of a Mobile Industrial Support Equipment (MISEP) Program. The Contractor shall perform cost benefit analysis to determine if the MISEP would reduce ownership costs.

21.6 Configuration Data Management Planning

The Contractor CMMP shall address performance of Configuration Data Management (CDM) responsibility for the LPD 17 ship class. The plan shall address the maintenance of Weapon System File data and the integrity of the ships' SNAP database, and ship's configuration baselines. The plan shall also identify methods to be used to develop Configuration Overhaul Planning data.

21.7 Systems Support Planning

The Contractor CMMP shall address the coordination of software updates/improvements and ship/equipment modernization throughout the ships' life cycle. The plan shall identify which shipboard systems require ISEA support and recommend, of those, which should have Contractor ISEA support.

ITEM 0010 - AFFORDABILITY THROUGH COMMONALITY (FFP)

22.0 AFFORDABILITY THROUGH COMMONALITY

In accordance with firm-fixed priced orders issued pursuant to H-11 "ORDERS" the Contractor shall participate in a Research and Development effort to undertake ATC efforts authorized by the Government as described by Attachment J0021. The concept is to identify and develop ideas, technologies, materials, processes, methods, devices, or techniques which can be applied across Navy ship programs to achieve lower life cycle cost. These efforts shall explore the use of common architectures, modularization, standardization, and process simplification/improvement, including design for production.

The generic development program for the Navy's Affordability Through Commonality Program (ATC) efforts may encompass any discipline, functional area or suggested measure for the ATC life cycle cost reduction initiatives.

ITEM 0011 - CROSS PROGRAM PROCUREMENT (CPP) (FFP-LOE)**23.0 Cross Program Procurement**

The Navy is implementing an initiative to achieve increased standardization and reduced logistics support costs across multiple ship programs. This initiative is known as Cross Program Procurement (CPP). In support of this initiative, the FSC shall negotiate options for designated LPD 17 equipments/systems that can be exercised by commercial or Government activities designated by the Government. For ships under this contract, these equipments shall be procured and installed under the appropriate construction Line Item(s). The equipments/systems designated below are included in the CPP initiative:

1. Firepumps-175psi and 150psi 1000 GPM (annual quantities 0-60)
2. Reverse Osmosis Desalinization Plants-12000 GPD (annual quantities 0-20)
3. Refrigeration Plants-1.5 ton, HFC 134 (annual quantities 0-15)
4. Air Conditioning Plants-200 ton, HFC 134 (annual quantities 0-35)

The FSC shall negotiate options which contain a range of step ladder prices dependent on the quantities of systems/equipment procured in any Fiscal Year. The maximum annual quantities to be included in the options shall be as indicated above for each system/equipment. The quantities specified above include LPD 17 requirements. For each system/equipment, the unit price in any given Fiscal year shall be determined by the total quantity ordered during that Fiscal year. The options shall cover a period of 5 years with the initial year of procurement beginning in FY97. Copies of option agreements shall be provided to activities as designated by the Government.

23.1 Configuration Control for CPP Systems/Equipments

The FSC shall maintain baseline configuration control of CPP equipments/systems under this contract line item. The FSC shall develop, maintain and update configuration control procedures and the technical hardware and software configuration, shall control

changes to these systems/equipments and provide configuration status accounting reports.

23.1.1 The FSC shall develop and maintain current configuration control procedures for CPP equipment to apply to the FSC, vendors and other procurement activities designated by the Government. These procedures shall be part of the overall Configuration Management Plan developed as part of the IMP.

The FSC shall maintain configuration control procedures with cognizant vendors and implement configuration control procedures with the above organizations.

The FSC shall assist in developing the procedures necessary to transition CPP configuration control from new construction to life cycle support.

23.2 Configuration Control

(a) The FSC shall review and evaluate proposed changes to CPP systems/equipment and identify mandatory and optional changes. Mandatory changes are those that must be accomplished for the safety of personnel or equipment, to obtain satisfactory equipment performance, or are required to satisfy an operational aspect of another ship change. For mandatory changes, the Contractor shall make recommendations for approval or revision and re-submittal. For optional changes, the Contractor shall evaluate the change for utility and real value offered to the Government and make recommendations for approval, revision and submittal or disapproval.

(b) For each equipment change, the FSC shall determine potential interface impact upon the ship, impact upon delivery schedule of the equipment and identify "impact" and "no impact" changes.

(c) For "impact" changes, the FSC shall provide the anticipated impact on ship interface or delivery schedule of the equipment and a recommended course of action to the Government, including recommended retrofit actions. The impact of the change on designated procuring activities shall also be obtained. When appropriate the FSC shall secure vendor information and or direct preparation of a vendor ECP. All "impact" changes will be considered Class I changes as defined in DOD-STD-480B. This impact summary shall be included as part of the FSC's ECP submittal.

(d) For changes the FSC identifies as having no impact on ship interface or ship delivery schedule, the FSC shall classify proposed vendor changes as Class I or II as defined in DOD-STD-

480B. Class I and Class II changes shall be submitted to the Navy for technical review and approval. Class II changes shall be submitted to the Navy for concurrence in classification.

(e) The FSC shall, when authorized by the Navy, negotiate all changes with the vendors. The FSC shall negotiate price and terms with the vendor, shall compile results including the FSC's cost/price analysis, develop a recommended implementation plan, and shall submit these results to designated procurement activities for concurrence. Subsequent to receipt of procurement activities concurrence, the FSC shall submit the ECP package to the Government for approval. Appropriate requirements/procedures will be added to requiring activity contracts to support the process.

(f) For all Navy approved changes the FSC shall direct vendor changes to drawings and documents. As applicable, proposed changes to drawings and documents, retrofit instructions and recommendations for six (6) months on-board repair parts shall be included in hardware ECPs. Recommendations for on board repair parts must be consistent with the maintenance concept for that equipment and required parts availability to support ship operations.

(g) The FSC shall provide direction to vendors and ensure that purchase order addenda require that each retrofit kit contain Navy-approved installation instructions, the retrofit accomplishment report form, a complete packing list for the change kit and the requirement that the kit is externally identified by its proper identifying number.

(h) The FSC shall receive and record, from various sources, Retrofit Accomplishment Reports which acknowledge the incorporation of changes into the hardware.

(i) The FSC shall request retrofit schedules for installation of retrofit kits from the designated procurement activities and shall compile and maintain records thereof.

(j) The FSC shall review all vendor furnished data requirements which undergo revision as the result of authorized changes. The work shall include the review of the revisions made to CPP Equipment data, follow-up with vendors on required corrections and resolution of any outstanding problems with changed data. The FSC shall negotiate, as necessary, changes to the Option agreement Purchase Order to incorporate approved changes. Further, the FSC shall provide the designated procurement activities necessary information to amend their purchase orders to incorporate the approved changes.

(k) In support of this program, the FSC shall determine the need for any changes to affected equipment Test Procedures and shall submit the recommended changes to the Navy for approval. These changes shall be submitted as part of the FSC's impact summary described in (c) above.

(1) The FSC shall maintain a financial accounting system to identify the costs associated with each CPP item, for all ships under all designated procurement activity contracts. This data shall include but not be limited to; option agreement prices, in-process changes not yet approved (to include both non-recurring and recurring costs), approved changes (to include non-recurring and recurring costs), and a running balance of the total cost of each CPP item.

23.3 Resolution of CPP Deficiencies

The FSC shall assist the Navy by providing advice and recommendations on issues regarding CPP deficiencies. This shall pertain primarily, but not exclusively, to issues regarding classification as a quality problem, a vendor design problem, a non-vendor design problem or an installation problem.

23.3.1 CPP Vendor Contracts and Option Agreements

The FSC shall perform the following in support of CPP vendor contract option agreements:

1. Be responsible for placing contracts with vendors which establish options to support out-year procurement and construction needs for all designated procurement activities.

2. Be responsible for maintaining, updating or renewing existing contracts and option agreements.

3. Update option agreements and/or contracts to reflect all approved CPP changes. The Contractor shall maintain a numbering system for CPP changes.

4. Identify and process modifications to CPP option agreements and/or requirements contracts to support the requirements of CPP configuration control.

23.3.2 Configuration Status Accounting for CPP:

The FSC shall support Configuration Status Accounting for CPP as follows:

1. Record reports of change incorporation from vendors, designated procurement activities and Navy retrofits. The FSC shall publish and distribute status reports periodically to the Navy, the designated procurement activities, and others designated by the Navy. The FSC shall develop and maintain a computer assisted configuration accounting system that will provide for change processing status, retrofit status, as built configuration data per equipment per hull, software change and status activity and shall be responsive to ad hoc reporting requirements. This shall be a part of the FSC's Configuration Management Information System.

2. Maintain a change history file consisting of baseline drawings plus changed drawings for each item of CPP. This history file shall be updated to reflect current approved changes to CPP.

3. Based on designated procurement activity inputs, track retrofit kit delivery and receipts among vendor, and designated procuring activities.

4. Provide other CPP program support software (e.g. ECPs, marked up drawings, technical manual changes, retrofit installation instructions, etc.) to designated activities as directed by the Navy.

23.3.4 Maintenance of CPP Procurement Specifications

The FSC shall maintain CPP procurement specifications for the Navy. The FSC shall:

- (1) Control all revisions to the documents;
- (2) Track the status of all ECPs which impact CPP procurement specifications;
- (3) Maintain Master CPP Procurement Specifications for each program year;
- (4) Assemble baseline CPP Procurement Specifications as required to support RFP releases; and
- (5) Update and distribute CPP Procurement Specifications as required to support procurement and construction needs of all designated procurement activities.

ITEM 0012 - DATA

The data to be furnished hereunder shall be prepared in accordance with the Contract Data Requirements List, DD Form 1423, Exhibit(s) "A", attached hereto.

PART 2 - GENERAL REQUIREMENTS**C-1. ACCESS TO THE VESSEL(S) (AT) (NAVSEA) (JAN 1983)**

Officers, employees and associates of other prime Contractors with the Government and their subcontractors, shall, as authorized by the Supervisor, have, at all reasonable times, admission to the plant, access to the vessel(s) where and as required, and be permitted within the plant and on the vessel(s) to perform and fulfill their respective obligations to the Government. The Contractor shall make reasonable arrangements with the Government or Contractors of the Government, as shall have been identified and authorized by the Supervisor to be given admission to the plant and access to the vessel(s) for office space, work areas, storage or shop areas, or other facilities and services, necessary for the performance of the respective responsibilities involved, and reasonable to their performance.

C-2. ACCESS TO VESSELS BY NON-U.S. CITIZENS (NAVSEA) (MAY 1993)

(a) No person not known to be a U.S. citizen shall be eligible for access to naval vessels, work sites and adjacent areas when said vessels are under construction, conversion, overhaul, or repair, except upon a finding by COMNAVSEA or his designated representative that such access should be permitted in the best interest of the United States. The Contractor shall establish procedures to comply with this requirement and NAVSEAINST 5500.3 (series) in effect on the date of this contract or agreement.

(b) If the Contractor desires to employ non-U.S. citizens in the performance of work under this contract or agreement that requires access as specified in paragraph (a) of this requirement, approval must be obtained prior to access for each contract or agreement where such access is required. To request such approval for non-U.S. citizens of friendly countries, the Contractor shall submit to the cognizant Contract Administration Office (CAO), an Access Control Plan (ACP) which shall contain as a minimum, the following information:

(1) Badge or Pass oriented identification, access, and movement control system for non-U.S. citizen employees with the badge or pass to be worn or displayed on outer garments at all times while on the Contractor's facilities and when performing work aboard ship.

(i) Badges must be of such design and appearance that permits easy recognition to facilitate quick and positive identification.

(ii) Access authorization and limitations for the bearer must be clearly established and in accordance with applicable security regulations and instructions.

(iii) A control system, which provides rigid accountability procedures for handling lost, damaged, forgotten or no longer required badges, must be established.

(iv) A badge or pass check must be performed at all points of entry to the Contractor's facilities or by a site supervisor for work performed on vessels outside the Contractor's plant.

(2) Contractor's plan for ascertaining citizenship and for screening employees for security risk.

(3) Data reflecting the number, nationality, and positions held by non-U.S. citizen employees, including procedures to update data as non-U.S. citizen employee data changes, and pass to cognizant CAO.

(4) Contractor's plan for ensuring subcontractor compliance with the provisions of the Contractor's ACP.

(5) These conditions and controls are intended to serve as guidelines representing the minimum requirements of an acceptable ACP. They are not meant to restrict the Contractor in any way from imposing additional controls necessary to tailor these requirements to a specific facility.

(c) To request approval for non-U.S. citizens of hostile and/or communist-controlled countries (listed in Department of Defense Industrial Security Manual, DOD 5220.22-M or available from cognizant CAO), Contractor shall include in the ACP the following employee data: name, place of birth, citizenship (if different from place of birth), date of entry to U.S., extenuating circumstances (if any) concerning immigration to U.S., number of years employed by Contractor, position, and stated intent concerning U.S. citizenship. COMNAVSEA or his designated representative will make individual determinations for desirability of access for above group. Approval of ACP's for access of non-U.S. citizens of friendly countries will not be delayed for approval of non-U.S. citizens of hostile communist-controlled countries. Until approval is received, Contractor must deny access to vessels for employees who are non-U.S. citizens of hostile and/or communist-controlled countries.

(d) An ACP which has been approved for specific Master Ship Repair Agreement (MSRA) or Agreement for Boat Repair (ABR) or

Basic Ordering Agreement (BOA), is valid and applicable to all job orders awarded under that agreement.

(e) The Contractor shall fully comply with approved ACPs. Noncompliance by the Contractor or subcontractor serves to cancel any authorization previously granted, in which case the Contractor shall be precluded from the continued use of non-U.S. citizens on this contract or agreement until such time as the compliance with an approved ACP is demonstrated and upon a determination by the CAO that the Government's interests are protected. Further, the Government reserves the right to cancel previously granted authority when such cancellation is determined to be in the Government's best interest. Use of non-U.S. citizens, without an approved ACP or when a previous authorization has been canceled, will be considered a violation of security regulations. Upon confirmation by the CAO of such violation, this contract, agreement or any job order issued under this agreement may be terminated or default in accordance with the clause entitled "DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)" (FAR 52.249-8), "DEFAULT (FIXED-PRICE RESEARCH AND DEVELOPMENT)" (FAR 52.249-9) or "TERMINATION (COST REIMBURSEMENT)" (FAR 52.249-6), as applicable.

(f) Prime Contractors have full responsibility for the proper administration of the approved ACP for all work performed under this contract or agreement, regardless of the location of the vessel, and must ensure compliance by all subcontractors, technical representatives and other persons granted access to U.S. Navy vessels, adjacent areas, and work sites.

(g) In the event the Contractor does not intend to employ non-U.S. citizens in the performance of the work under this contract, but has non-U.S. citizen employees, such employees must be precluded from access to the vessel and its work site and those shops where work on the vessel's equipment is being performed. The ACP must spell out how non-U.S. citizens are excluded from access to contract work areas.

(h) The same restriction as in paragraph (g) above applies to other than non-U.S. citizens who have access to the Contractor's facilities (e.g., for accomplishing facility improvements, from foreign crewed vessels within its facility, etc.).

C-3. ALTERNATIVES TO SPECIFICATIONS OR STANDARDS

(a) This contract contains military, federal and non-government specifications and standards. To assist in the standardization of military/commercial specifications and standards and to enable the Government to evaluate current commercial practices, the Contractor is encouraged to propose (1) alternatives to those

military, federal or commercial specifications and standards listed in this contract and/or (2) tailoring of mandatory military or federal specifications and standards identified in this contract.

(b) The contractor is encouraged to propose alternative commercial specifications and standards or specifications and standards as replacements for any mandatory military, federal or non-government specification and standard listed herein. The contractor's proposal must identify the mandatory specifications and standards proposed for replacement, include a copy of the proposed alternative commercial or tailored specification or standard, and provide supporting rationale for the recommended replacement, which explains why the proposed alternative is more advantageous to the government, but without compromise to mandatory contract performance requirements.

(c) The Government will evaluate the proposed alternative specifications and standards to determine whether they meet/satisfy the contract requirements. If the Government accepts the proposed alternative specification and standards, the recommendation will be incorporated into the contract, either in whole or in part, at the Government's discretion.

C-4. APPROVAL BY THE GOVERNMENT (AT) (NAVSEA) (JAN 1983)

Approval by the Government as required under this contract and applicable specifications shall not relieve the Contractor of its obligations to comply with the specifications and with all other requirements of the contract, nor shall it impose upon the Government any liability it would not have had in the absence of such approval.

C-5. ASSIGNMENT AND USE OF STOCK NUMBERS (NAVSEA) (SEP 1990)

To the extent that National Stock Numbers (NSNs) or preliminary NSNs are assigned by the Government for the identification of parts, pieces, items, subassemblies or assemblies to be furnished under this contract, the contractor shall use such NSNs or preliminary NSNs in the preparation of provisioning lists, package labels, packing lists, shipping containers and shipping documents as required by applicable specifications, standards or Data Item Descriptions of the contract or as required by orders for spare and repair parts. The cognizant Government Contract Administration Office shall be responsible for providing the Contractor such NSNs or preliminary NSNs which may be assigned and which are not already in possession of the Contractor. NSNs are not required to appear on any equipment, parts or components (including spare and repair parts) to be furnished under this contract.

C-6. ASSOCIATE CONTRACTOR AGREEMENT (ACA)

The Contractor recognizes and agrees the performance under this contract must be coordinated with Government Furnished Equipment vendors. For this purpose, the Contractor shall enter into ACAs with the 'associate contractors' listed in Attachment J0031 in support of the LPD 17 program. These ACAs shall provide for completion of tasks detailed in the Statement of Work for exchange of data, and for such other interactions and cooperative effort among the contractors as may be necessary to achieve total ship systems integration. The Contractor shall fund the effort of Associate Contractors as necessary to meet the requirements of this clause. The ACAs listed in Attachment J0031 are categorized as either I, II or III in descending order of anticipated level of effort. The Contractor shall negotiate ACAs for each GFE item identified in Attachment J0031 in the amount (inclusive of fee) not to exceed [REDACTED] for Category I, [REDACTED] for Category II, and [REDACTED] for Category III.

To assure the greatest degree of integration between the tasks called for under this contract and tasks under associated contracts, the contractor shall:

- a. Coordinate and exchange freely and directly with the associate contractors, all information pertinent and essential for the detail design, ship systems

integration, construction, testing, logistics and life cycle support planning of the LPD 17 within the scope of this contract.

b. Negotiate associate agreements with all associate contractors as identified above. The associate agreement shall address the following:

- Identification of the data, data rights and information to be furnished between the prime contractor and associate contractors.

- Services to be provided to each party.

- Materials to be provided to each party.

- Facilities to be provided by each party.

- Delineation of respective interface responsibilities.

- Provision for furnishing copies of communications relative to performance of prime or associate contractor responsibilities.

- Marking and handling of proprietary information or data interchanged between the prime and associate contractors.

- Participation and Attendance by Associate Contractors in the LPD 17 specific technical meetings.

c. Work with associate contractor as necessary to resolve interface problems.

Any disagreement which cannot be resolved between the prime Contractor and/or associate contractors shall be submitted to the Procuring Contracting Officer (PCO). The Contractor shall not be relieved of its obligations to make timely deliveries or to be entitled to any other adjustments because of failure of the

contractor to promptly refer matters to the PCO or because of failure to implement PCO directions.

C-7. CONFIGURATION MANAGEMENT

The Contractor shall provide and maintain configuration control throughout the performance of this contract. MIL-STD-0973A (Draft) may be used as guidance. The Contractor shall establish and maintain a configuration control baseline, and shall not depart from that baseline without the approval by the Government of formal change proposals. The ship's configuration baseline shall be the product model and shall include any drawings or documents, set forth or referenced in the ship's specifications and the Statement of Work.

All formal change submittals shall contain a one page executive summary background and rationale for the change. The supporting data shall include a detailed technical description itemizing clearly both material deleted and material added as well as any difference in the labor involved or equivalent information for any change. The data shall also include estimates of the impact of the proposed change on (i) the estimated cost, base fee and award fee of the ship(s) construction, and (ii) revised constructions schedules. The data shall include sufficient detail to allow the Government to discern how the cost of the change was determined. In addition, changes to life cycle support costs shall be included. Change proposals which do not contain adequate support data will be returned to the Contractor for resubmittal with no additional preparation costs to be borne by the Government.

In addition to any submittal of an initial or revised formal engineering change proposal, the Contractor agrees to submit, upon request of the Contracting Officer, a completed and signed SF 1411 "Contract Pricing Proposal (Cover Sheet)", and a signed "Certificate of Current Cost or Pricing Data". Where SF 1411 is required, the change proposal number from block 5d of DD Form 1692 shall be entered in the "This proposal is submitted in response to" block of the SF 1411; the "Estimated Costs/Savings Under Contract", in block 21 of DD Form 1692 shall agree with the total "Net Cost of Change" shown on SF 1411 and the "Effect on Production Delivery" in block 19 of DD Form 1692 shall be restated under "Reference" on the SF 1411.

In addition to formal engineering change proposals, the Contractor shall submit requests for major, critical, or minor deviations or waivers.

The Contractor shall verify (by physical inspection including sight validation of the ship(s)) to the Government that all engineering change proposals, cost proposals, and non-engineering change proposals authorized by Field Modification Requests (FMRs) and Headquarters Modification Requests (HMRs) (including Government responsible trial items) have been incorporated into the ship(s). Verification shall include:

a. List of all engineering change proposals authorized by HMRs or FMRs to date.

b. List of those engineering change proposals authorized by HMRs or FMRs verified to be complete.

c. List of those engineering change proposals authorized by HMRs or FMRs which are partially complete or not started with scheduled date for their completion.

C-8. NOT USED.

C-9. DEPARTMENT OF LABOR SAFETY AND HEALTH STANDARDS FOR SHIPBUILDING (AT) (NAVSEA) (JAN 1990)

Attention of the Contractor is directed to Public Law 91-596, approved December 29, 1970 (84 Stat. 1590, 29 USC 655) known as the "OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970" and to the "OCCUPATIONAL SAFETY AND HEALTH STANDARDS FOR SHIPYARD EMPLOYMENT" promulgated thereunder by the Secretary of Labor (29 CFR. 1910 and 1915). These regulations apply to all shipbuilding and related work, as defined in the regulations. Nothing contained in this contract shall be construed as relieving the Contractor from any obligations which it may have for compliance with the aforesaid regulations.

C-10. DISCLAIMER ON CERTAIN GOVERNMENT PROVIDED INFORMATION

As specified in various sections of this contract, Government information will be provided to the Contractor for use in performance of the contract requirements. This information is not warranted by the Government to be acceptable for use in the performance of this contract and the Government shall not assume any liability for its use by the Contractor. If the Contractor uses this information, the Contractor assumes any risk associated with its use. An itemized list of this information is as follows:

- Attachment J0011 RCS Management Plan - Attachment J0026 Contract Guidance Drawings
- Attachment J0027 Computer Aided Engineering Data

- Attachment J0028 Affordability Through Commonality Data
- Drawings specified for Guidance in Attachment J0001
- ICAS and DCS Software Documentation

C-11. NOT USED.

C-12. NOT USED.

C-13. INFORMATION AND DATA FURNISHED BY THE GOVERNMENT (COST TYPE)

(a) Contract Specifications. The Government will furnish, if not included as an attachment to the contract, any unique contract specifications set forth in Section C.

(b) Contract Drawings and Data. The Government will furnish contract drawings, , and/or other design data cited or referenced in Section C or in the contract specification as mandatory for use or for contract guidance.

(c) Government Furnished Information (GFI). GFI is defined as that information essential for the installation, test, operation, and interface support of all Government Furnished Material enumerated on NAVSEA Form 4205/19 or Schedule A, as applicable, attached to the contract. The Government shall furnish only the GFI identified on the NAVSEA Form 4340/2 or Schedule C, as applicable, attached to the contract. The GFI furnished to the contractor need not be in any particular format. Further, the Government reserves the right to revise the listing of GFI on the NAVSEA Form 4340/2 or Schedule C, as applicable, as follows:

(1) The Contracting Officer may at any time by written order:

(i) delete, supersede, or revise, in whole or in part, data listed or specifically referenced in NAVSEA Form 4340/2 or Schedule C, as applicable; or

(ii) add items of data or information to NAVSEA Form 4340/2 or Schedule C, as applicable; or

(iii) establish or revise due dates for items of data or information in NAVSEA Form 4340/2 or Schedule C, as applicable.

(2) If any action taken by the Contracting Officer pursuant to subparagraph (1) immediately above causes an increase or decrease in the costs of, or the time required for, performance of any part of the work under this contract, an equitable adjustment shall be made in the contract amount and

delivery schedule in accordance with the procedures provided for in the clause of this contract entitled "CHANGES--COST-REIMBURSEMENT" (FAR 52.243-2) or "CHANGES--TIME-AND-MATERIALS OR LABOR-HOURS" (FAR 52.243-3).

(d) Except for the Government information and data specified by paragraphs (a), (b), and (c) above, the Government will not be obligated to furnish the Contractor any specification, standard, drawing, technical documentation, or other publication, notwithstanding anything to the contrary in the contract specifications, the GFI listed on the NAVSEA Form 4340/2 or Schedule C, as applicable, the clause of this contract entitled "GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS)" (FAR 52.245-5), or any other term or condition of this contract.

(e) Referenced Documentation. The Government will not be obligated to furnish Government specifications and standards, including Navy standard and type drawings and other technical documentation, which are referenced directly or indirectly in the contract specifications set forth in Section C and which are applicable to this contract as specifications. Such referenced documentation may be obtained from:

Standardization Document
Order Desk, Building 4, Section D
700 Robbins Avenue
Philadelphia, Pennsylvania 19111-5094

Commercial specifications and standards, which may be referenced in the contract specification or any sub-tier specification or standard, are not available from Government sources and should be obtained from the publishers.

C-14. NUCLEUS CREW

The Nucleus Crew will total approximately 107 personnel. They shall have reasonable access to the Contractor's plant at all reasonable times for a period commencing approximately twelve (12) months prior to ship acceptance trials. The Contractor shall provide the Nucleus Crew with separate offices at the Contractor's plant, similar to those of the IPPD team, which include the necessary space, furnishings and facilities for a minimum of 12 officers and 95 enlisted men. The space allocation shall be at least 100 square feet per officer for officers, and 75 square feet per enlisted man for enlisted men. Concurrently, the Contractor shall make available telephone services, classified material and cash stowage facilities, ship's store, vending machine stowage, use of network supported classrooms, a

network supported conference room for daily meetings, toilet facilities/rest rooms, and parking spaces adjacent to the offices for three official vehicles.

The Contractor shall equip these spaces with the following:

- 1 paper shredders with crosscut capability
- 1 facsimile machine
- 1 modem
- 30 phone instruments and lines
- 2 photo reproduction machines (copiers) with collator, enlarge/reduce capability.

The Contractor shall provide an office automation capability similar to that provided to the IPPD team. The Contractor shall provide 20 workstations and two high capacity laser printers. The Nucleus crew shall be provided with IPDE access. The Nucleus crew network shall have direct connectivity to the IPPD team network. The Nucleus crew network shall be expandable to accommodate the entire Nucleus crew. The Contractor shall provide the Nucleus crew network capabilities to use Electronic Technical Manuals.

Nucleus Crew facilities shall be located contiguous to the ships under this contract such that no more than an approximate 15 minute walk or 5 minute motor vehicle/boat ride is required of nucleus crew members for access to the ship. Nucleus crew members shall also be permitted use of the facilities provided to IPPD team members.

Nine months prior to ship acceptance trials, the Contractor shall provide the same space allocation for an additional 3 officers and 25 enlisted men. An additional 20 phone instruments and lines shall be provided.

A minimum of 25 parking spaces in the shipyard employee parking lot shall be available to the Nucleus crew. If such parking spaces are distant from the Contractor's plant, any personnel transportation services available to shipyard personnel between parking lot and shipyard shall be available to the ship's personnel.

The nucleus crew will be required to comply with the Contractor rules and regulations governing personnel at its shipyard relating to security and safety. Each prospective Commanding Officer shall be allowed access to the ship at all reasonable times, be permitted to attend IPPD team status meetings, and receive copies via the IPPD team or Supervisor of all status reports transmitted.

To the extent that each nucleus crew's activities will not interfere with the Contractor's obligations to deliver the ship in accordance with the contract terms and conditions, the nucleus crew shall be allowed reasonable access to the ship for the following activities:

(1) Indoctrination and familiarization with the general arrangement and condition of the ship.

(2) Participation during sea trials to the extent permitted by available ship's accommodations and consistent with INSURV requirements.

(3) Assisting the Government's personnel in conducting inspections of the ship.

(4) Participating as members of the Combined Test Team.

The Contractor shall provide a minimum of 7500 square feet of secure, environmentally-controlled warehouse space to store pre-commissioning support material such as the medical allowance (AMAL), the dental allowance (ADAL), and the ship's recreation gear. This space shall include sufficient open area, with ventilation, to permit crew members to layout a work area in which to inventory, stencil, paint and label material as may be required. The Contractor shall furnish the warehouse with standard office furnishings, telephones, and a refrigerator (to store medical supplies). Transportation both within and outside the warehouse shall be provided (truck, forklift, etc.) along with management support to staff the warehouse for receipts, storage and delivery of material to the ship as needed.

C-15. Not Used

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C-16. PERMITS AND RESPONSIBILITIES (NAVSEA) (SEP 1990)

The Contractor shall without additional expense to the Government, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal, State, and Municipal laws, codes, and regulations, in connection with any movement over the public highways of overweight/overdimensional materials.

C-17. PLANT PROTECTION (NAVSEA) (SEP 1990)

(a) The Contractor shall provide for its plant and the work in process under this contract such safeguards, including personnel, devices, and equipment, as would constitute reasonable protection under peacetime conditions (in the light of the size of the plant and the scope of its operations) against all hazards, including unauthorized entry, malicious mischief, theft, vandalism and fire.

(b) In addition to the foregoing precautions, the Contractor shall provide such additional safeguards as may be required or approved by the Contracting Officer for the protection of its plant and the work in process under this contract against espionage, sabotage, and enemy action. The cost to the

Contractor of all safeguards so required or approved shall, to the extent allocable to this contract, be reimbursed to the Contractor in the same manner as if the Contractor has furnished such safeguards pursuant to a change order issued under the clause of this contract entitled "CHANGES--FIXED-PRICE" (FAR 52.243-1) or "CHANGES--COST-REIMBURSEMENT" (FAR 52.243-2), as applicable. Such cost shall not include any allowance on account of overhead expense, except shop overhead charges incident to the construction or installation of such devices or equipment.

(c) Upon payment by the Government of the cost to the Contractor of any device or equipment required or approved under paragraph (b) above, title thereto shall vest in the Government, and the Contractor shall comply with the instructions of the Contracting Officer respecting the identification and disposition thereof. No part or item of any such devices or equipment shall be or become a fixture by reason of affixation to any realty not owned by the Government.

C-18. PROTECTION OF THE VESSEL (NAVSEA) (SEP 1990)

(a) The Contractor shall exercise reasonable care, as agreed upon with the Supervisor, to protect the vessel from fire, and shall maintain a system of inspection over the activities of its welders, burners, riveters, painters, pipe fitters, and similar workers, and of its subcontractors, particularly where such activities are undertaken in the vicinity of the vessel's magazines, fuel oil tanks, or store rooms containing inflammable materials. All ammunition, fuel oil, motor fuels, and cleaning fluids shall have been off-loaded and the tanks cleaned, except as may be mutually agreed upon between the Contractor and the Supervisor prior to work on the vessel by the Contractor. Fire hose lines shall be maintained by the Contractor ready for immediate use on the vessel at all times while the vessel is berthed alongside the Contractor's pier or in dry dock. All tanks under alteration or repair shall be cleaned, washed, and steamed out or otherwise made safe to the extent necessary, and the Contractor shall furnish the vessel's Gas Free Officer and the Supervisor with a "Gas Chemists' Certificate" before any hot work is done. The Contractor shall maintain a fire watch aboard the vessel in areas where the Contractor is working. All other fire watches aboard the vessel shall be the responsibility of the Government.

(b) Except as otherwise provided in contractually invoked technical specifications or NAVSEA furnished directives, while the vessel is at the Contractor's plant and when the temperature becomes as low as thirty-five degrees Fahrenheit, the Contractor shall assist the Government when requested in keeping all pipe-lines, fixtures, traps, tanks, and other receptacles on the

vessel drained to avoid damage from freezing, or if this is not practicable, the vessel shall be kept heated to prevent such damage. The vessel's stern tube and propeller hubs shall be protected by the Contractor from frost damage by applied heat through the use of a salamander or other proper means.

(c) The work shall, whenever practicable, be performed in such manner as not to interfere with the work performed by military personnel attached to the vessel, and provisions shall be made so that personnel assigned shall have access to the vessel at all times, it being understood that such personnel will not unduly interfere with the work of the Contractor's workmen.

(d) The Contractor shall at all times keep the site of the work on the vessel free from accumulation of waste material or rubbish caused by its employees, or the work performed by the Contractor in accordance with this contract, and at the completion of such work shall remove all rubbish from and about the site of the work, and shall leave the work in its immediate vicinity "broom clean", unless more exactly specified by the Supervisor.

C-19. RECOGNITION OF ELECTRONIC DELIVERABLES

Data required to be delivered under the Contract Data Requirement List (CDRL) or this contract, that would be deemed Technical Data under DFARS 252.227-7013, if it were delivered in written form, shall not lose its status as Technical Data because access by the Government, or delivery by the Contractor, is by electronic means. The rights of the parties in said Technical Data shall be as specified in DFARS 252.227-7013.

C-20. SPECIAL AGREEMENT REGARDING SWITCHBOARD SUBCONTRACTS (NAVSEA) (FEB 1991)

(a) The Government has an interest in maintaining a competitive market for switchboards to be used on U.S. Naval vessels. The requirements of 10 U.S.C. 2507 result in a major component of certain switchboards (i.e. air circuit breakers) being available from a single domestic source who is also a competitor for such switchboards. Therefore, the Contractor shall evaluate subcontract proposals for such switchboards exclusive of air circuit breaker content or on some other basis that ensures an equitable switchboard competition.

(b) Notwithstanding approval of the Contractor's purchasing system or the thresholds established in the "Subcontracts" clause the Contractor shall, in all cases involving subcontracts which contain air circuit breakers for switchboards, give advance notification to the contracting officer and obtain written

consent of the contracting officer prior to placing any such subcontract. Such advance notification shall include all information required by the "SUBCONTRACTS (COST-REIMBURSEMENT AND LETTER CONTRACTS)" (FAR 52.244-2) clause.

C-21. EVENT-BASED READINESS REVIEWS (EBRR)

- (a) The Contractor agrees to attend event-based progress meetings to be held at the Naval Sea Systems Command, or if the Government so elects, at the Contractor's plant, in accordance with Section C requirements. In addition to the requirements of Section C, the Contractor shall report progress, anticipated delays, cost experience in relation to budget and projected end costs, manning, schedules, receipt of Government-furnished

property/Contractor-furnished material, production problems, and other related matters.

(b) It is agreed and understood that the reports to be made by the Contractor pursuant to this requirement are additional to, and not in substitution for, reports and notices required to be made or given by the Contractor pursuant to other requirements of this contract, including, but not limited to, the "NOTIFICATION OF CHANGES" requirement.

C-22. SUPERVISOR/SHIPS FORCE FACILITIES

(a) The Contractor shall provide offices, and rooms and equipment for the reproduction of items such as plans, booklets, test memoranda, and allowance lists for the use of the Supervisor, his assistants, other Government employees, approximately twelve persons to support the ship and ship's crew as set forth herein. These spaces shall be of adequate size for such purposes and shall be furnished, ventilated, lighted, air-conditioned, and heated. The Contractor shall furnish all cleaning services for keeping the rooms, shower and toilet facilities, including soap and towels, in order and clean, Furniture (including locks) for stationery, file cases for cards, letters, plans inspection reports, test reports, and orders for material; safes, desks, chairs, stools and clothes lockers or hooks for clothing shall be furnished by the Contractor for offices, drafting and reproduction rooms.

(b) The Contractor shall provide convenient automobile parking facilities for the Supervisor, his assistants, and other Government employees in proportion to those that are provided by the Contractor to his employees.

(c) In lieu of providing the Supervisor with space and equipment for plan and correspondence reproduction, the Contractor may instead provide these services from his own facilities to the extent that it is necessary for the Supervisor to administer the contract.

(d) The Contractor shall furnish and maintain telephones in the Supervisor's offices. Such telephones shall be connected to the Contractor's telephone system and the local telephone system. Toll charges for the Supervisor's telephone calls will be paid for by the Government. Separate lines for fax machines and computer dedicated modem lines, not through a switchboard, shall be furnished.

C-23. TESTS AND TRIALS - ALTERNATE I (NAVSEA) (MAY 1993)

During the conduct of required tests and trials, the vessel shall be under the control of the Contractor and the Contractor's crew with representatives of the Contractor and the Government on board to determine whether or not the work done by the Contractor has been satisfactorily performed. The Contractor shall provide and install all fittings and appliances which may be necessary for dock and sea trials to enable the representatives of the Government to determine whether the requirements of the contract have been met, and the Contractor shall install and remove instruments and apparatus furnished by the Government for such trials, as required by the specifications.

C-24. WEIGHT CONTROL

(a) In accordance with the procedures set forth in Section 096 of the Specifications, the Contractor shall enter into agreement with the Government as to the Accepted Weight Estimate (AWE) for the ship(s) under this contract, and such agreement shall be set forth in a Supplemental Agreement. The parties agree that the Accepted Weight Estimate shall consist of a lightship weight estimate, including separate accounts for design and building margin, and the loads that are described herein. The AWE values for Full Load Displacement and vertical center of gravity above bottom of keel (KG) are the baseline for measuring Contractor responsibility within the meaning of this clause. The aforementioned AWE values including design and building margin for the ship(s) under this contract shall be equal to or less than the following Not-to-Exceed (NTE) values:

Full Load Displacement	25,153 metric tons
Full Load KG	11.04 meters

In the event an agreement on the AWE cannot be reached within four months after award of this contract, the NTE values become AWE values.

(b) The net weight and moment effect of every change incorporated into this contract shall be agreed upon and set forth in a Supplemental Agreement. When the purpose of a change is the acceptance of a Value Engineering Change Proposal that has a favorable effect on weight or moment values, the weight and moment effect to be set forth in the Supplemental Agreement shall be one-half ($\frac{1}{2}$) of the amount of the related savings set forth in the accepted proposal.

(c) One month prior to the inclining experiment, the net weight and moment differences to Government Furnished Material (GFM) since the AWE, that were beyond the control of the Contractor,

excluding the effect of contract changes, shall be agreed upon and set forth in a Supplemental Agreement. All weight and moment differences to GFM resulting from the correction of data for which accurate information was available prior to the AWE or from the relocation of GFM at the discretion of the Contractor are considered to be within the control of the Contractor.

(d) The Contractor shall be responsible for the Full Load Displacement and KG of the delivered ship(s) minus the weight and vertical moment values agreed upon for contract changes and differences to GFM beyond its control. Also, the Contractor shall be responsible for the delivery of the ship(s) with a trim and list within the tolerances specified in the Section 070h. of the ship specifications. The Contractor, however, will not be responsible for the net total adverse effect on trim or list caused by contract changes and differences to GFM beyond his control.

(e) If the Contractor proposes contract changes solely for the purpose of meeting the values of displacement, KG, trim, or list required by this contract, and if the Contracting Officer approves, the parties shall enter into a Supplemental Agreement implementing such changes and such Supplemental Agreement shall adjust the Estimated or Target Cost, the Fixed or Target Fee and delivery schedule pursuant to the "Changes" clause except that no increase in the Fixed or Target Fee or time for performance of the contract shall be considered in arriving at the adjustment for such changes. Changes described in this paragraph, as well as Value Engineering Changes that reduce weight, are not considered contract changes when computing the Contractor responsible condition described in paragraph (d) above.

C-25. UPDATING SPECIFICATIONS AND STANDARDS (NAVSEA) (AUG 1994)

If, during the performance of this or any other contract, the contractor believes that any contract contains outdated or different versions of any specifications or standards, the contractor may request that all of its contracts be updated to include the current version of the applicable specification or standard. Updating shall not affect the form, fit or function of any deliverable item or increase the cost/price of the item to the Government. The contractor should submit update requests to the Procuring Contracting Officer with copies to the Administrative Contracting Officer and cognizant program office representative for approval. The contractor shall perform the contract in accordance with the existing specifications and standards until notified of approval/disapproval by the Procuring Contracting Officer. Any approved alternate specifications or standards will be incorporated into the contract.

C-26. PROPULSION ENGINES FOR LPD 17

Pursuant to Section 8109 of the Defense Appropriations Act for Fiscal Year 1996, the propulsion engines for the LPD 17 class of ships must be diesel engines manufactured in the United States by a domestically operated entity; provided, that the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

C-27. LOGISTIC SUPPORT REQUIREMENT

(a) This requirement applies whenever the contract specifications, by reference to a Military Specification or otherwise, specify repair parts or stock components (hereinafter called "repair parts") for a ship component or item of equipment.

(b) With respect to ship components or equipments manufactured other than in the United States or Canada, the Contractor agrees that, in addition to any other data required by this contract, it will furnish under this contract sufficient data so that the repair parts can be reproduced in the United States or Canada unless the suppliers of the ship components or equipments shall have made arrangements satisfactory to the Contractor and approved by the Contracting Officer for the manufacturing of repair parts in the United States or Canada. For the purpose of this requirement, "sufficient data" shall mean detail drawings and other technical information sufficiently extensive in detail to show design, construction, dimensions, and operation or function, manufacturing methods or processes, treatment or chemical composition of materials, plant layout and tooling. All data shall be in the English language and according to the system of weights and measures required by J0001, and drawings for components, assemblies, subassemblies and parts protected by U.S. patents shall contain a prominent notation to that effect fully identifying the patent or patents involved, and bearing the number of this contract.

(c) In order to satisfy the requirements of paragraph (b), above, unless the supplier of the ship components or equipments shall have made arrangements, satisfactory to the Contractor and approved by the Contracting Officer, for the manufacture of such repair parts in the United States or Canada, the Contractor shall include in all subcontracts for the purchase of ship components or equipments from foreign sources a clause, acceptable to the

Contracting Officer, granting to the United States Government for a period of seven (7) years, "Government Purpose License Rights" (GPLR) (as defined in paragraph (a)(14) of the clause of this contract entitled "RIGHTS IN TECHNICAL DATA AND COMPUTER SOFTWARE" (DFARS 252.227-7013) in all technical data necessary to manufacture spare and repair parts for such components or equipments.

**C-28. FACILITIES NOT TO BE GOVERNMENT-FURNISHED (CT) (NAVSEA)
(JAN 1990)**

The Contractor's obligation to perform this contract is in no way conditioned upon the providing by the Government of any facilities, except as may be otherwise expressly provided herein. Accordingly, no such facilities shall be either acquired by the Contractor for the account of the Government or furnished to the Contractor by the Government hereunder. For the purpose of this requirement, facilities means industrial property (other than material, special tooling, military property, and special test equipment) for production, maintenance, research, development or test, including real property and rights therein, buildings, structures, improvements, and plant equipment as defined in FAR 45.101 and 45.301 and DFARS 245.301.

SECTION D: PACKAGING AND MARKING

ITEM 0006 - The parts ordered hereunder shall be cleaned, preserved, packaged, packed and marked in accordance with instructions provided by the Contracting Officer, provisioning activity or ACO. When not otherwise instructed, spare and repair parts shall be cleaned, preserved, packaged, packed and marked Level A in accordance with Military Specification MIL-E-17555H(2), dated 2 November 1992.

ITEM 0012 - Classified data, if applicable, shall be prepared for delivery in accordance with Department of Defense Industrial Security Manual for Safeguarding Classified Information, DoD 5220.22-M.

Unclassified documentation shall be prepared for delivery in accordance with the contractor's standard commercial practice.

D-1 IDENTIFICATION MARKING OF PARTS

(a) Identification marking of individual parts within the systems, equipments, assemblies, subassemblies, components, and of spare and repair parts shall be done in accordance with applicable drawings. To the extent identification marking of such parts is not specified in applicable specifications or drawings, such marking shall be accomplished in accordance with the following:

(1) Parts not manufactured to Government specifications shall be marked in accordance with generally accepted commercial practice.

(2) Parts manufactured to Government specifications shall be marked as follows:

(3) Electrical parts - that is, all repairables in electrical equipment and electrical parts when used in equipment which are not electrical in nature (e.g., electrical controls) - shall be identified and marked using any process that will not adversely affect the function of the finished part. Any paper, plastics or metal tags used shall have all burrs and rough edges removed. In addition:

- a. Markings shall remain legible following completion of all inspections specified in the acquisition document for the normal life expectancy of the part.
- b. Marking materials shall be nonfading.
- c. Paper labels for attachment to parts shall not be used.

- d. Symbols used in functional and part identification marking shall conform to ANSI Y10.19 or IEEE 315.
- e. Any other markings that may be applied to the part shall not interfere with, obscure, or confuse those specified herein.
- f. Whenever practicable, markings shall be located in such a manner so as to allow its being visible during normal operational use.
- g. Marking materials creating hazardous conditions shall not be used.

Full Marking - All markings listed below shall be marked on the repairable part. Where size, surface condition, or other design consideration will not allow full marking on the part, markings will be made in the order shown below:

- a. Sensitive Electronic Device (SED) Symbol;
- b. Identifying Number;
- c. Design Activity Code/Contractor And Government Entity (CAGE);
- d. "JAN" Brand, for military specifications only;
- e. Source Code;
- f. Date Inspection Code;
- g. Lot Symbol;
- h. Characteristics And Ratings; and
- i. Distributor's Symbol.

Definitions for a through i above can be found in MIL-STD-1285B.

Preferred Markings - The following preferred marking methods are provided as a guide and are not mandatory.

<u>Marking Method</u>	<u>Recommended Use</u>
Metal Stamp	Metal or nonmetal parts that will not deform under the stamping pressure required. Also the alteration of the surface roughness finish will be detrimental to proper functioning.
Engraving	Sheet Metal fabrication that will deform if metal stamped. Functional markings with color fill.
Electrical Arc Pencil	Sheet Metal fabrication that will deform if metal stamped, irregular surface.
Embossing	Thin sheet metal, plastic or nonfunctional surfaces.
Cast or Forge	Should be used on non-machined surfaces only.
Molded	Usually plastic or rubber.
Electro-chemical/ Electrolytic process	Used on fine surface finishes without protective coating, also high hardness parts.
Rubber Stamp/Stencil	Fabric, wood, plastic and protective metal

Decal	finishes.
Tags	Instructional plates, part identification, and
Laser Engraving	when other methods are not available.
	When other methods are not available.
	When exact marking control is required without
	penetrating plating.

Warranted Items - Warranted items shall be marked in a conspicuous location to give notice that the items are subject to a warranty. The marking shall contain, as a minimum, the statement "WARRANTED ITEM" and the period or conditions of the warranty.

D-2 MARKING AND PACKING LIST(S)

(a) Marking. Shipping containers shall be marked in accordance with Ship Specification Section 083.

(b) Packing List(s). A packing list (DD form 250 Material Inspection and Receiving Report may be used) identifying the contents of each shipping container shall be provided by the contractor with each shipment in accordance with Ship Specification Section 083. When a contract line item identified under a single stock number includes an assortment of related items such as kit or set components, detached parts or accessories, installation hardware or material, the packing list(s) shall identify the assorted items.

Where DD Form 1348-1 or DD Form 1348-1A is applicable and an assortment of related items is included in the shipping container, a packing list identifying the contents shall be furnished.

SECTION E: INSPECTION AND ACCEPTANCE

ITEMs 0006AA, 0007, 0008, 0010 (and if the option(s) are exercised, Items 0006AB and 0006AC) - Inspection and acceptance for supplies and services shall be in accordance with contract modifications issued pursuant to the "ORDERS" clause.

ITEM 0012 - Inspection and acceptance of all data shall be as specified on the attached Contract Data Requirements List(s), DD Form 1423.

E-1. PRELIMINARY ACCEPTANCE (AT) (NAVSEA) (JAN 1983)

Upon satisfactory completion of the applicable trial requirements and upon delivery as provided in Section F of this contract, each vessel shall be preliminarily accepted.

E-2. GUARANTY PERIOD (FT) (NAVSEA) (JAN 1990)

(a) As used in this contract, the term "defects" includes any and all defects, deficiencies, deteriorations, and failure in the vessel(s). There shall be a guaranty period for each vessel beginning at the time of preliminary acceptance and ending nine (9) months after preliminary acceptance of the vessel, unless extended as provided in paragraph (b) below.

(b) The guaranty period for each vessel shall be extended by the time during which such vessel is not available for unrestricted service by reason of any defects for which the Contracting Officer shall determine the Contractor to be responsible. During said period the vessel, after being fully equipped and armed and in all respects complete and ready for service, may be finally tried by and at the expense of the Government under conditions prescribed by the Secretary of the Navy. The Contractor may, with approval of the Contracting Officer, have an engineer on board such vessel during such period. Such engineer shall have every reasonable opportunity to inspect the working of such vessel in all its parts but shall have no power to direct or control its operation.

E-3. FINAL ACCEPTANCE (AT) (NAVSEA) (JAN 1983)

Each vessel shall be finally accepted upon the expiration of its guaranty period.

inspect the plant or plants of the Contractor or of any of his subcontractors engaged in the performance of this contract. If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor shall provide and shall require subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. All inspections and tests by the Government shall be performed in such a manner as will not unduly delay the work. Except as otherwise provided in this contract, acceptance of any supplies or lots of supplies shall be made as promptly as practicable after delivery thereof and shall be deemed to have been made no later than sixty (60) days after the date of such delivery, unless the Government has refused to accept all or any of the supplies or, if acceptance has not been made earlier within such period.

(c) Guaranty

The Contractor guarantees that at any time during performance of this contract, and for a period of nine (9) months after acceptance of the vessel, all supplies furnished under this contract will be free from defects in material and workmanship and will conform with the specifications and all other requirements of this contract; provided, however that with respect to Government furnished property, the Contractor's guarantee shall extend only to its proper installation, unless the Contractor performs some modification or other work on such property, in which case the Contractor's guarantee shall extend to such modification or other work. During the guaranty period, the Contractor shall have an engineer on board the vessel. Such engineer shall have every reasonable opportunity to inspect the working of the vessel in all its parts, but shall have no power to direct or control its operation.

(d) Remedies

(1) Right to corrective or replacement action. In the event of a defect within the scope of the Contractor's guarantee in paragraph (c) above, the Government may: (i) require the Contractor to repair or replace, at the Contractor's election, defective or nonconforming supplies, or (ii) require the Contractor to furnish such materials or parts and installation instructions as may be required to successfully accomplish the required correction or replacement. The Contractor shall also prepare and furnish to the Government data and reports applicable to any correction or replacement required under this clause (including revision and updating of all affected data called for under this contract). Except as otherwise provided in paragraph

E-4. INSPECTION FACILITIES (CT) (NAVSEA) (JAN 1990)

The facilities to be provided pursuant to the requirement entitled "INSPECTION OF SUPPLIES AND CORRECTION OF DEFECTS" shall be equal to those provided by the Contractor for his use for generally similar purposes, and shall include offices and related equipment; drafting rooms; convenient parking facilities; equipment for reproduction of such items as plans, booklets, test memoranda and allowance lists; and telephones connected to the Contractor's and local telephone system. Toll charges for the Supervisor's calls will be paid by the Government. In lieu of providing reproduction equipment, the Contractor may provide reproduction services to the Supervisor. Assistance shall include services necessary in testing or handling machinery, equipment, and materials for the purpose of inspection or test.

E-5. INSPECTION OF SUPPLIES AND CORRECTION OF DEFECTS (CT) (NAVSEA) (JAN 1990) (Applicable to Item 0001, and if option(s) is/are exercised, Items 0002 and 0003)**(a) Definitions**

(1) Supplies: the word "supplies" as used in this requirement includes without limitation raw materials, components, intermediate assemblies, end products, and (when the contract does not include the clause entitled "WARRANTY OF DATA" (DFARS 252.246-7001)) technical data.

(2) Defects: the word "defects" as used in this requirement, means any and all defects, deficiencies, deteriorations and failures, except deficiencies, deteriorations or failures caused by Government misuse or mishandling.

(3) Acceptance: the work "acceptance" as used in this requirement is deemed to be preliminary acceptance as defined in the requirement of this contract entitled "PRELIMINARY ACCEPTANCE".

(b) Inspection

All supplies shall be subject to inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture, and in any event prior to final acceptance. The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies, fabricating methods, and special tooling hereunder. The Government, through any authorized representative, may

(3) hereof, the cost of any action taken pursuant to this subparagraph for replacement or correction shall be included in computing allowable cost determined as provided in the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), but no additional fee shall be payable with respect thereto. Such supplies or lots of supplies shall not be tendered thereafter for acceptance unless the former requirement of correction is disclosed.

(2) Right if Contractor fails to proceed. If the Contractor fails to proceed with reasonable promptness to replace or correct such supplies or lots of supplies, the Government (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor any increased cost occasioned the Government thereby, or may reduce any fee payable under this contract (or require repayment of any fee theretofore paid) in such amount as may be equitable under the circumstances, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "TERMINATION (COST-REIMBURSEMENT)" (FAR 52.249-6). Failure to agree to the amount of any such increased cost to be charged to the Contractor or to such reduction in, or repayment of, the fee shall be a dispute within the meaning of the clause of this contract entitled "DISPUTES" (FAR 52.233-1).

(3) Additional Remedy. Notwithstanding the provisions of paragraphs (c) and (d) hereof, the Government may at any time require the correction or replacement by the Contractor, without cost to the Government, of supplies or lots of supplies which are defective in material or workmanship, or otherwise not in conformity with the requirements of this contract, if such defects or failures are due to fraud, lack of good faith, or willful misconduct on the part of any of the Contractor's directors or officers, or on the part of any of his managers, superintendents, or other equivalent representatives, who has supervision or direction of (i) all or substantially all of the Contractor's business, or (ii) all or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed, or (iii) a separate and complete major industrial operation in connection with the performance of this contract. The Government may at any time also require correction or replacement by the Contractor, without cost to the Government, of any such defective supplies or lots of supplies if the defects or failures are caused by one or more individual employees selected or retained by the Contractor after any such supervisory personnel has reasonable grounds to believe that such employee is habitually careless or otherwise unqualified.

(e) Corrected or Replaced Supplies.

(1) Any supplies or parts thereof corrected or furnished in replacement pursuant to this requirement shall also be subject to all the provisions of this requirement to the same extent as supplies initially delivered. The guarantee with respect to such supplies or parts thereof shall be six (6) months from the date of delivery and/or correction of such corrected or replaced supplies or until the expiration of the original guaranty period (whichever period is longer).

(2) The guaranty period set forth in (c) above shall be extended by the time during which the vessel is not available for unrestricted service by reason of any breach of the guarantee in paragraph (c) above. This requirement applies to individual subcontractor furnished supplies only to the extent that each individual supply is the cause of the vessel not being available for such service.

(f) Additional Provisions

(1) All implied warranties of merchantability and "fitness for a particular purpose" are hereby excluded from any obligation contained in this contract.

(2) The rights and remedies of the Government provided in this requirement are in addition to and do not limit any rights afforded to the Government by any other requirement or clause of the contract.

(3) The Contractor shall make its records of all inspection work available to the Government during the performance of this contract and for such longer period as may be specified in this contract.

SECTION E CLAUSES INCORPORATED BY REFERENCE

The following clauses are applicable to Items 0007 and 0009

FAR

<u>SOURCE</u>	<u>TITLE AND DATE</u>
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52.246-3	INSPECTION OF SUPPLIES--COST-REIMBURSEMENT (APR 1984)
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52.246-5	INSPECTION OF SERVICES--COST-REIMBURSEMENT (APR 1984)
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The following clause is applicable to Item 0006.

FAR

<u>SOURCE</u>	<u>TITLE AND DATE</u>
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52.246-2	INSPECTION OF SUPPLIES--FIXED PRICE (AUG 1996)
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The following clauses are applicable to Items 0008 and 0011.

FAR

<u>SOURCE</u>	<u>TITLE AND DATE</u>
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52.246-4	INSPECTION OF SERVICES--FIXED PRICE (AUG 1996)
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52.246-16	RESPONSIBILITY FOR SUPPLIES (APR 1984)
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SECTION F - DELIVERIES OR PERFORMANCE

ITEM 0001 (AND IF THE OPTIONS ARE EXERCISED, ITEM(S) 0002 and 0003) - It is anticipated the Contractor should be ready for a PRR no earlier than twenty-four (24) months after contract award.

The Contractor shall deliver the ship(s) to the Government at the Contractor's facility fully outfitted and tested in accordance with the provisions of this contract. The ship(s) shall be delivered in accordance with the following delivery schedule:

<u>ITEM</u>	<u>SHIP</u>	<u>DELIVERY DATE</u>
0001	LPD 17	01 July 2002
<u>OPTION ITEM</u>	<u>SHIP</u>	<u>DELIVERY DATE</u>
0002	LPD 18	62 Months after option exercise
0003	LPD 19	61 Months after option exercise

(1) Post delivery availability for each ship shall be completed sixty (60) days after delivery of each ship.

ITEM 0004 -
The period of performance for LPD familiarization is from contract award or option exercise date, as applicable, through delivery of the applicable ship and in accordance with the applicable Exhibits of the Contract Data Requirements List (CDRL), DD Form 1423, attached hereto.

ITEM 0005 - See Section C, paragraph 16.5.

ITEM 0006AA, 0007, 0008 and 0010 (and if the option(s) are exercised, ITEMS 0006AB, and 0006AC) - Supplies shall be delivered and services shall be performed in accordance with contract modifications issued pursuant to the "ORDERS" clause. Unless otherwise expressed in the unilateral or bilateral modification issued in accordance with the "ORDERS" clause, the supplies shall be delivered to the Contractor's facility.

Item 0009 - The period of performance for Life Cycle Support Planning is from exercise option date through expiration of the guaranty period set forth in the contract clause entitled "GUARANTY PERIOD" of Item 0001 or if the options are exercised Items 0002 and 0003 whichever is later.

Item 0011 - The Contractor shall provide Cross Program Procurement efforts commencing with contract award and continuing through delivery of Item 0001, and if the options are exercised, Items 0002 and 0003

ITEM 0012 - All data to be furnished under this contract shall be delivered prepaid to the destination(s) and at the time(s) specified on the Contract Data Requirements List(s), DD Form 1423.

F-1 DELIVERY OF COMPLETED VESSEL

The term "vessel" as used in this requirement refers to each of the vessels to be constructed and delivered under this contract.

(a) The vessel shall not be presented for acceptance trials until it is determined by the Government the Contractor has satisfactorily carried out those parts of the builder's trials for which the Contractor is responsible, including builder's dock and sea trials, and that the Contractor has:

(i) Corrected all Contractor responsible deficiencies discovered before completion of all builder's sea trials, unless otherwise agreed to in writing by the Contracting Officer; and

(ii) Corrected all Contractor responsible deficiencies discovered after completion of the builder's sea trials which are determined by the Contracting Officer to be necessary to avoid an adverse effect on the operational capability of the vessel.

(b) The Contractor shall be responsible for scheduling an interval of a minimum of thirty (30) days between the satisfactory completion of acceptance trials and delivery of the vessel. During this period, the Contractor shall satisfactorily correct all Contractor responsible deficiencies, whether discovered before, during, or after completion of acceptance trials, which are determined by the Contracting Officer to be necessary to avoid an adverse effect on the operational capability of the vessel.

(c) Prior to delivery of the vessel, to the extent necessary for tests, crew training, or operations which the Government is to perform and which do not require the Government to have control of the entire vessel, the Contractor shall make parts of the vessel available to the Government; to the extent necessary for tests, crew training, trials or operations which the Government is to perform and which require the Government to have control of the entire vessel, such as alongside training, fast cruise and

underway trials, the Contractor shall make the entire vessel available to the Government at dockside, at the Contractor's plant, for such periods of time as are necessary for such trials and operations. During all periods of time when the entire vessel is made available to the Government, the Contractor shall, as requested by the Government, and required by the specifications, provide technical assistance and provide assistance necessary to correct defects which develop or are discovered during trials or operations of the vessel. Following the completion of each such trial or operation, the Government shall return the vessel to the Contractor at dockside, at the Contractor's plant, for the correction of defects, if any, and completion of construction in accordance with the terms of this contract.

(d) Upon satisfactory completion of acceptance trials and of the correction of deficiencies as provided in paragraph (b) above, the Contractor shall deliver the vessel to the Government for preliminary acceptance.

(e) Following preliminary acceptance, the Government may, during the guaranty period, make the vessel available to the Contractor, at the Contractor's plant for (i) correction of defects noted at the time of preliminary acceptance, or which are discovered during the guaranty period, and (ii) for the performance of any additional work required by change orders issued pursuant to the "CHANGES" clause of this contract prior to preliminary acceptance and not theretofore performed. If the Government elects to make the vessel(s) available to the Contractor, at the Contractor's plant, for the accomplishment of the above described post delivery work, the Contractor agrees to accept the vessel(s) and perform the work. The Contractor agrees to consider the accomplishment of additional work during the post-shakedown availability under a standard Government contract. If the post-shakedown availability period shall begin during but extend beyond the expiration of the guaranty period, the Government may during the extended period, leave the vessel at the Contractor's plant or return the vessel thereto for the correction of defects not previously corrected and for the performance of any additional work required by change orders issued pursuant to the "CHANGES" clause of this contract prior to preliminary acceptance and not theretofore performed.

(f) The Contractor shall exercise reasonable care to protect the vessel at all times until the delivery of the vessel, and thereafter during such times as the vessel is at the Contractor's plant during the guaranty period or during the post-shakedown availability period if the latter shall extend beyond the expiration of the guaranty period, except for periods of time when the entire vessel is made available to the Government.

During such periods, while the vessel is at the Contractor's plant, the Contractor shall provide assistance to protect and service the vessel, and shall effect any correction of defects or performance of uncompleted work, to the extent permitted or required by the Government.

(g) In accordance with the inspection provisions of the contract, all actions of the Government pursuant to this requirement shall be performed in such a manner as to not unduly delay the work.

F-2. CONTRACT MILESTONES (NAVSEA) (SEP 1990)

(a) The Contractor shall identify dates for the successful accomplishment of the following Contract Milestones.

<u>Contract Milestone</u>	<u>Date</u>
1. Integrated Allocated Baseline (IAB)	* 12/1/97
2. Production Readiness Review (PRR)	* 3/15/99
3. Launch	* 9/2/00
4. Level 2 Test Readiness Review	* 3/1/99
5. Electrical Generator Light-Off (EGLO)	* 5/1/01
6. Main Engine Light-Off (MELO)	* 8/1/01
7. Electronics Systems Light-Off (ESLO)	* 11/1/01
8. Combat Systems Light-Off (CSLO)	* 10/1/01
9. Builders' Dock Trials (BDT)	* 11/16/01
10. Builders' Sea Trials (BST)	* 2/26/02
11. Acceptance Trials	* 4/10/02
12. Delivery	* 7/1/02

* To be filled in by Offeror

(b) The Contractor shall successfully accomplish the contract milestones on, or prior to, the dates listed above.

(c) If any Contract Milestone is not accomplished by the date listed, and the failure to accomplish any such milestone event does not arise from a cause beyond the control and without fault or negligence of the Contractor, such failure may be deemed to constitute a failure to perform this contract in accordance with its terms within the meaning of the clause of this contract entitled "TERMINATION (COST REIMBURSEMENT) (MAY 1986).

CLAUSES INCORPORATED BY REFERENCE

<u>FAR SOURCE</u>	<u>TITLE AND DATE</u>
52.212-13	STOP-WORK ORDER (AUG 1989)
52.212-15	GOVERNMENT DELAY OF WORK (APR 1984)
52.247-29	F.O.B. ORIGIN (JUN 1988)
52.247-52	CLEARANCE AND DOCUMENTATION REQUIREMENTS--SHIPMENTS TO DOD AIR OR WATER TERMINAL TRANSSHIPMENT POINT (APR 1984)
52.247-55	F.O.B. POINT FOR DELIVERY OF GOVERNMENT-FURNISHED PROPERTY (APR 1984)
52.247-58	LOADING, BLOCKING AND BRACING OF FREIGHT CAR SHIPMENTS (APR 1984)
52.247-61	F.O.B. ORIGIN--MINIMUM SIZE OF SHIPMENTS (APR 1984)
52.247-65	F.O.B. ORIGIN, PREPAID FREIGHT--SMALL PACKAGE SHIPMENTS (JAN 1991)

SECTION G - CONTRACT ADMINISTRATION DATA

(a) Enter below the Contractor's address for receipt of payment if such address is different from the address shown on the SF 26 or SF 33, as applicable.

(b) Enter below the address (street and number, city, county, state and zip code) of the Contractor's facility which will administer the contract if such address is different from the address shown on the SF 26 or SF 33, as applicable.

PURCHASING OFFICE REPRESENTATIVE:

COMMANDER
ATTN: Teresa J. Ryan, SEA 02224
NAVAL SEA SYSTEMS COMMAND
2531 JEFFERSON DAVIS HWY
ARLINGTON VA 22242-5160
Telephone No. 703/602-3102

SECTION H - SPECIAL CONTRACT REQUIREMENTS

	<u>NUMBER</u>	<u>TITLE</u>
H-1	NAVSEA 5252.202-9101	ADDITIONAL DEFINITIONS
H-2	NAVSEA 5252.249-9105	AWARD FEE DETERMINATION IN EVENT OF TERMINATION OR DISCONTINUANCE
H-3	NAVSEA 5252.233-9103	DOCUMENTATION OF REQUESTS FOR EQUITABLE ADJUSTMENT (AT) ALTERNATE I
H-4	NAVSEA 5252.233-9107	EQUITABLE ADJUSTMENTS: WAIVER AND RELEASE OF CLAIMS
H-5	NAVSEA 5252.225-9100	FOREIGN SHIPYARD CONSTRUCTION PROHIBITION
H-6	NAVSEA 5252.227-9113	GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM
H-7	NAVSEA 5252.217-9121	INDEMNIFICATION FOR ACCESS TO VESSEL
H-8	NAVSEA 5252.228-9106	INSURANCE-PROPERTY LOSS OR DAME- LIABILITY TO THIRD PERSONS
H-9		NOT USED
H-10	NAVSEA 5252.243-9105	NOTIFICATION OF CHANGES
H-11	NAVSEA 5252.216-9110	ORDERS - FIXED PRICE
H-12	NAVSEA 5252.243-9113	OTHER CHANGE PROPOSALS
H-13	NAVSEA 5252.219-9112	ORDERS - COST PLUS FIXED FEE
H-14	NAVSEA 5252.249-9100	SPECIAL CONTRACT REQUIREMENT CONCERNING TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT
H-15	NAVSEA 5252.247-9110	TUG AND PILOT SERVICES
H-16		FINAL CONTRACT PERFORMANCE INCENTIVES
H-17	NAVSEA 5252.245-9115	RENT-FREE USE OF GOVERNMENT PROPERTY
H-18		FUNDING OF IPDE IMPROVEMENTS

H-1. NAVSEA 5252.202-9101

ADDITIONAL DEFINITIONS
(MAY 1993)

As used throughout this contract, the following terms shall have the meanings set forth below:

(a) DEPARTMENT - means the Department of the Navy.

(b) REFERENCES TO THE FEDERAL ACQUISITION REGULATION (FAR) All references to the FAR in this contract shall be deemed to also reference the appropriate sections of the Defense FAR Supplement (DFARS), unless clearly indicated otherwise.

(c) REFERENCES TO ARMED SERVICES PROCUREMENT REGULATION OR DEFENSE ACQUISITION REGULATION - All references in this document to either the Armed Services Procurement Regulation (ASPR) or the Defense Acquisition Regulation (DAR) shall be deemed to be references to the appropriate sections of the FAR/DFARS.

(d) NATIONAL STOCK NUMBERS - Whenever the term Federal Item Identification Number and its acronym FIIN or the term Federal Stock Number and its acronym FSN appear in the contract, order or their cited specifications and standards, the terms and acronyms shall be interpreted as National Item Identification Number (NIIN) and National Stock Number (NSN) respectively which shall be defined as follows:

(1) National Item Identification Number (NIIN). The number assigned to each approved Item Identification under the Federal Cataloging Program. It consists of nine numeric characters, the first two of which are the National Codification Bureau (NCB) Code. The remaining positions consist of a seven digit non-significant number.

(2) National Stock Number (NSN). The National Stock Number (NSN) for an item of supply consists of the applicable four position Federal Supply Class (FSC) plus the applicable nine position NIIN assigned to the item of supply.

H-2. NAVSEA 5252.249-9105 AWARD FEE DETERMINATION IN EVENT OF TERMINATION OR DISCONTINUANCE (CA) (JAN 1990)

In the event that this contract is terminated in whole or pursuant to the contract clause entitled "TERMINATION (COST-REIMBURSEMENT)" (FAR 52.249-6) or in the event this contract is discontinued pursuant to the contract clause entitled "LIMITATION OF COST" (FAR 52.232-20), the last award fee period shall end with the effective date of such termination or discontinuance. In either of such events, the amount of award fee, if any, determined to be otherwise payable shall be adjusted or prorated to reflect the difference, if any, in award fee periods resulting from termination or discontinuance.

H-3. NAVSEA 5252.233-9103 DOCUMENTATION OF REQUESTS FOR EQUITABLE ADJUSTMENT (AT) - ALTERNATE I (JAN 1990)

(a) For the purposes of this requirement, the term "change" includes not only a change made pursuant to a written order designated as a "change order" but also (i) an engineering change proposed by the Government or the Contractor pursuant to the "Other Change Proposals" or other requirements of this contract and (ii) any act or omission to act on the part of the Government in respect of which a request is made for equitable adjustment under the "CHANGES" clause or any other article or requirement of this contract.

(b) Whenever the Contractor requests or proposes an equitable adjustment of [REDACTED] or more per vessel in respect of a change made pursuant to a written order designated as a "change order" or in respect of a proposed engineering change and whenever the Contractor requests an equitable adjustment in any amount in respect of any other act or omission to act on the part of the Government, the proposal supporting such request shall include the following information for each individual item or element of the request:

(1) A description (i) of the work required by the contract before the change, which has been deleted by the change, and (ii) of the work deleted by the change which already has been completed. The description is to include a list of identifiable components, equipment, and other identifiable property involved. Also, the status of manufacture, procurement, or installation of such property is to be indicated. Separate description is to be furnished for design and production work. Items of identifiable raw

material, purchased parts, components and other identifiable hardware, which are made excess by the change and which are not to be retained by the Contractor, are to be listed for later disposition;

(2) Description of work necessary to undo work already completed which has been deleted by the change;

(3) Description of work which is substituted or added by the change. A list of identifiable components and equipment (not bulk materials or items) involved, should be included. Separate descriptions are to be furnished for design work and production work;

(4) Description of interference and inefficiencies in performing the change;

(5) Description of disruption attributable solely to the change; which description shall include the following information:

(i) Description of each identifiable element of disruption and how work has been, or may be, disrupted;

(ii) The calendar period of time during which disruption occurred, or may occur;

(iii) Area(s) of the Contractor's operations where disruption occurred, or may occur;

(iv) Trade(s) or functions disrupted, with a breakdown of manhours and material for each trade or function;

(v) Scheduling of trades before, during, and after the period of disruption insofar as such scheduling may relate to or be affected by the estimated disruption;

(vi) Description of any measures taken to lessen the disruptive effect of the change.

(6) Delay in delivery attributable solely to the change;

(7) Other work or increased costs attributable to the change;

(8) Supplementing the foregoing, a narrative statement of the nature of the alleged Government act or omission, when the alleged Government act or omission occurred, and

the "causal" relationship between the alleged Government act or omission and the claimed consequences therefor, cross-referenced to the detailed information provided as required above.

(c) Each proposal submitted in accordance with this requirement shall include a copy of the Contractor's ship's labor budget at the cost class level in effect as of the date the event began, the cost incurred at the cost level as of the same date, and the proposed effect of the change at the cost class level.

(d) It is recognized that an individual request for equitable adjustment may not include all of the factors listed in subparagraphs (b)(1) through (b)(8) above, or that the Contractor may not reasonably be able to furnish complete information on all of the factors listed in subparagraphs (b)(1) through (b)(8) above. Accordingly, the Contractor is only required to set forth in its request for equitable adjustment information with respect to those factors which are relevant to the individual request for equitable adjustment, or in the level of detail which is reasonably available to the Contractor.

(e) In addition to any information required under paragraph (b) above, each proposal submitted in support of a claim for equitable adjustment, under any requirement of this contract, in an amount which requires certified cost or pricing data, if requested by the Contracting Officer, shall contain a duly executed Standard Form (SF) 1411 with respect to each individual claim item. The information furnished shall be in sufficient detail to permit the Contracting Officer to cross-reference the claimed increased costs, or delay in delivery, or both, as appropriate, as set forth in the SF 1411, with the information submitted pursuant to subparagraphs (b)(1) through (b)(8) hereof.

(f) The certification requirements as set forth in the clause of this contract entitled "CERTIFICATION OF CLAIMS AND REQUESTS FOR ADJUSTMENT OR RELIEF" (DFARS 252.233-7000) shall be complied with.

(g) Pursuant to 10 U.S.C. 2405, no price adjustment to this contract will be made for any amount set forth in a claim, request for equitable adjustment, or demand for payment under this contract (or incurred due to the preparation, submission, or adjudication of any such claim, request, or demand) arising out of events occurring more than seventy-two (72) months before the submission of the claim, request, or demand. A claim, request, or demand shall be considered

to have been submitted only when the Contractor has provided the certification required by section 6(c)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 605(c)(1)) and the supporting data for the claim, request, or demand.

H-4. NAVSEA 5252.233-9107 EQUITABLE ADJUSTMENTS: WAIVER AND RELEASE OF CLAIMS (AT) (JAN 1983)

(a) Whenever the Contractor, after receipt of a change made pursuant to the clause of this contract entitled "CHANGES" or after affirmation of a constructive change under the "NOTIFICATION OF CHANGES" requirement, submits any claim for equitable adjustment under the foregoing, such claim shall include all types of adjustments in the total amounts to which the foregoing entitle the Contractor, including but not limited to adjustments arising out of delays or disruptions or both caused by such change.

(b) Further, the Contractor agrees (except as the parties may otherwise agree) that, if required by the Contracting Officer, it will execute a release, in form and substance satisfactory to the Contracting Officer, as part of the supplemental agreement setting forth the aforesaid equitable adjustment, and that such release shall discharge the Government, its officers, agents and employees, from any further claims including but not limited to further claims arising out of delays or disruptions or both, caused by the aforesaid change.

H-5. NAVSEA 5252.225-9100 FOREIGN SHIPYARD CONSTRUCTION PROHIBITION (AT) (JAN 1983)

Neither the vessel nor the hull, midbody, or other major fixed structural component of the vessel shall be constructed in a foreign shipyard.

H-6. NAVSEA 5252.227-9113 GOVERNMENT-INDUSTRY DATA EXCHANGE PROGRAM (JUL 1995)

(a) The Contractor shall participate in the appropriate interchange of the Government-Industry Data Exchange Program (GIDEP) in accordance with NAVSEA S0300-BU-GYD-010 dated November 1994. Data entered is retained by the program and provided to qualified participants. Compliance with this requirement shall not relieve the Contractor from complying with any other requirement of the contract.

(b) The Contractor agrees to insert paragraph (a) of this requirement in any subcontract hereunder exceeding \$500,000.00. When so inserted, the word "Contractor" shall be changed to "Subcontractor".

H-7. NAVSEA 5252.217-9121 INDEMNIFICATION FOR ACCESS TO VESSEL (MAY 1989)

Notwithstanding any provision in the "ACCESS TO VESSEL" clause, or any other clause of the contract, the Contractor agrees to allow officers, employees, and associates of the Government, or other prime contractors with the Government and their subcontractors, and officers, employees, and associates of offerors on other contemplated work, admission to the Contractor's facilities and access to the vessel without any further request for indemnification from any party, which has not previously been included in the contract price.

H-8. NAVSEA 5252.228-9106 INSURANCE-PROPERTY LOSS OR DAMAGE-LIABILITY TO THIRD PERSONS (CT) (JAN 1990)

(a) Unless otherwise directed by the Department, the Contractor shall procure and thereafter maintain with respect to each of the vessels Collision Liability and Protection and Indemnity Liabilities Insurance, if available, as set forth in the pamphlet entitled "Standard Forms of Marine Builders Risk (Navy Form Syndicate) and War Damage Insurance Policies, referred to in Vessel Contracts of the Bureau of Ships", dated 23 November 1942, in an amount equal to (i) eighty percent (80%) of the sum of the estimated cost of the vessel and an amount established by the Department to represent the value of materials and equipment furnished by the Government for installation by the Contractor, or (ii) Two Million Dollars (\$2,000,000), whichever shall be less. The Government will indemnify the Contractor against liabilities (including expenses incidental thereto) to third persons which, but for the limitation on amount specified in this paragraph, would have been covered by such Collision Liability and Protection and Indemnity Liabilities Insurance, and which are not compensated for by insurance or otherwise, provided such liabilities are represented by final judgments or by settlements approved in writing by the Department. The Contractor shall not, however, be so indemnified against liabilities with respect to which the Contractor has failed to procure or maintain insurance, if available, as required or approved by the Department. The Contractor shall promptly notify the Department of each suit or action filed and each claim made against which the Contractor may be

entitled to indemnification under this paragraph. The Contractor shall furnish the Department with copies of all papers received with respect to each suit, action or claim and, if requested by the Department, shall authorize representatives of the Government to settle, or direct or take charge of the defense of, such suit, action or claim. In the absence of such request, the Contractor shall diligently proceed with such defense. The Government's liability under this paragraph (a) and the Collision Liability and Protection and Indemnity Liabilities Insurance forms set forth in the pamphlet entitled "Standard Forms of Marine Builders Risk (Navy Form Syndicate) and War Damage Insurance Policies, referred to in Vessel Contracts of the Bureau of Ships, dated 23 November 1942, is subject to the availability of appropriated funds at the time a contingency occurs. Nothing in this contract shall be construed as implying that the Congress will, at a later date, appropriate funds sufficient to meet deficiencies.

(b) The cost of the insurance required by paragraph (a) of this requirement is included in the estimated cost and the cost of all other insurance which may be required or approved pursuant to this requirement will be reimbursed to the Contractor. If the Department should require or approve the cancellation of any insurance or any insurance is otherwise canceled, the Contractor will promptly pay to the Government the amount of all unearned premiums refunded to the Contractor, but only to the extent that such premiums shall have been reimbursed to the Contractor by the Government.

(c) All insurance which is or may be required or approved pursuant to this requirement shall be in such form, in such amounts, for such periods of time, and with such insurers as the Department may from time to time require or approve, provided the Contractor and the Government shall be named as insureds and shall be entitled to payment of any loss or damage as its interests may appear. The policies or certificates of insurance shall be deposited with the Assistant Secretary of the Navy (R,D&A), Insurance Office, or as the Department may otherwise direct.

(d) The indemnification afforded by the Government to the Contractor for the purposes of this requirement is without regard and as an exception to the clause of this contract entitled "LIMITATION OF COST" (FAR 52.232-20).

H-10. NAVSEA 5252.243-9105 NOTIFICATION OF CHANGES (CT) (JAN 1983)

(a) Definitions. As used in this requirement, the term "Contracting Officer" does not include any representative of the Contracting Officer whether or not such representative is acting within the scope of his authority nor does it include any other individuals or activities that in any way communicate with the Contractor. As used in this requirement, the term "conduct" includes both actions and failures to act, and includes the furnishing of, or the failure to furnish, any item under any requirement of this contract.

(b) Notice. The primary purpose of this requirement is to obtain prompt reporting of any conduct which the Contractor considers would constitute or would require a change to this contract. The parties acknowledge that proper administration of this contract requires that potential changes be identified and resolved as they arise. Therefore, except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Contracting Officer of any conduct which the Contractor considers would constitute or would require a change to this contract. Such notice shall be provided promptly, and in any event within thirty (30) calendar days from the date the Contractor identifies any such conduct. The Notice shall be written and shall state, on the basis of the most accurate information available to the Contractor:

(i) The date, nature, and circumstances of the conduct regarded as a change;

(ii) The name, function, and activity of the individuals directly involved in or knowledgeable about such conduct;

(iii) The identification of any documents and the substance of any oral communication involved in such conduct;

(iv) The particular elements of contract performance for which the Contractor might seek an equitable adjustment under this requirement, including:

(1) What ship(s) have been or might be affected by the potential change;

(2) To the extent practicable, labor or materials or both which have been or might be added, deleted, or wasted by the potential change;

(3) To the extent practicable, the Contractor's preliminary order of magnitude estimate of cost and schedule effect of the potential change; and

(4) What and in what manner are the particular technical requirements or contract requirements regarded as changed.

(c) Continued Performance. Except as provided in paragraph (f) below, following submission of notice, the Contractor shall take no action to implement a potential change until advised by the Contracting Officer in writing as provided in (d) below, unless the potential change was previously directed by the Contracting Officer, in which case the Contractor shall conform therewith. Nothing in this paragraph (c) shall excuse the Contractor from proceeding with contract work other than implementation of the potential change or from proceeding in accordance with directions issued by the Contracting Officer.

(d) Government Response. The Contracting Officer shall promptly, and in any event within twenty-one (21) calendar days after receipt of Notice, respond thereto in writing. In such response, the Contracting Officer shall either:

- (i) Confirm that the conduct of which the Contractor gave notice would constitute a change, and when necessary, direct the mode of further performance, or;
- (ii) Countermand any conduct regarded by the Contractor as a change, or;
- (iii) Deny that the conduct of which the Contractor gave notice would constitute a change and, when necessary, direct the mode of further performance, or;
- (iv) In the event the Contractor's notice information is inadequate to make a decision under (i), (ii) or (iii) above, advise the Contractor what additional information is required. Failure of the Government to respond within the time required above shall be deemed a countermand under (d)(ii).

(e) Equitable Adjustments. Equitable adjustments for changes confirmed or countermanded by the Contracting Officer shall be made in accordance with the clause of this

contract entitled "CHANGES", or any other requirement of this contract which provides for an equitable adjustment.

(f) Special Procedures. Paragraph (c) provides that the Contractor is to take no action to implement a potential change pending the Contracting Officer's response to the Contractor's notice of the potential change, except where specifically directed by the Contracting Officer. In special situations, however, where

(1) The circumstances do not allow sufficient time to notify the Contracting Officer of the facts prior to the need to proceed with the work, and;

(2) The work must proceed to avoid hazards to personnel or property or to avoid additional cost to the Government, the Contractor may proceed with work in accordance with the potential change. In such special situations, the Contractor shall advise the Contracting Officer in writing within ten (10) days of the conduct giving rise to the potential change that the Contractor has proceeded and shall describe the nature of the special situation which required proceeding prior to notification. Within thirty (30) calendar days of the conduct giving rise to the potential change, the Contractor shall provide notice as required in (b) above. The Contracting Officer shall respond as set forth in (d) above. If the Contracting Officer determines that the conduct constitutes a change and countermands it, the Contractor shall be entitled to an equitable adjustment for performance in accordance with that change prior to the countermand including performance resulting from the countermand.

(g) When the Contractor identifies any conduct which may result in delay to delivery of the ship(s), the Contractor shall promptly so inform the Contracting Officer thereof prior to providing the notice required by paragraph (b) above.

(h) Despite good faith best efforts, occasions may arise in which the Contractor does not provide notice within the time periods specified in paragraphs (b) and (f) above. Accordingly, prior to the end of the first and third quarters of each calendar year through the period of performance of this contract, beginning with the ___* quarter of ___, the Contractor shall deliver to the Government an executed bilateral contract modification, in the format set forth in Exhibit "A" to this requirement,

covering the six month period of time ending with the second and fourth quarters, respectively, of the preceding year, with such specific exceptions, if any, as are identified by the Contractor. If the Contractor cites specific exceptions to the release, the Contractor shall concurrently provide the Contracting Officer with notice, containing the information set forth in paragraph (b) of this requirement, for each item excepted from the release. However, the release required by this requirement shall not make unallowable any costs which are otherwise allowable under any other requirement of this contract.

Within sixty (60) days of receipt of the release, the Contracting Officer shall sign and return a copy of the release to the Contractor. If the Contracting Officer fails to execute and return the release within the required time, then the release shall be deemed to be void and of no effect for the period involved.

(i) If the release in accordance with paragraph (h) above is not provided to the Government by the Contractor in the time required, the Contracting Officer may execute the release as set forth in Exhibit "A" and send it to the Contractor. If the Contractor fails to execute the release and return it to the Government (with any specific exceptions) within sixty (60) days of receipt thereof, the required release shall then be deemed effective as if signed by the Contractor.

Exhibit A to the Requirement entitled "NOTIFICATION OF CHANGES"

This modification reflects the agreement of the parties to the mutual full and final releases for the consequences of that conduct (as conduct is defined in the requirement entitled "NOTIFICATION OF CHANGES"), described below, except the conduct identified in Attachment A hereto is excluded and not covered by the terms of this release.

1. Except for the conduct listed in Attachment A by either party, neither the Contractor nor the Government shall be entitled to any equitable adjustment or to money damages and/or other relief for any conduct, as specified below.

2. In consideration of the foregoing the parties hereby agree to the following release:

a. The Government, for itself, its assigns, vendors, suppliers, and contractors, hereby remises, releases, and forever discharges the Contractor, its officers, agents and

employees from any and all entitlement of the Government to equitable adjustment of the contract cost and fee and delivery schedule due to conduct under this contract, which occurred on or before ____.

b. The Contractor, for itself, its successors, assigns, vendors, suppliers, and subcontractors, hereby remises, releases and forever discharges the Government, its officers, agents and employees from (i) any and all entitlement of the Contractor to equitable adjustment of the contract cost and fee and/or delivery schedule of this contract or of any other Government contract (with this or any other Contractor) or any contract between the Contractor and any third party by reason of any conduct which increases the Contractor's cost or time of performance of work under this contract and meets the following conditions (1) known to the Contractor, (2) occurred on or before ____ and (3) the Contractor failed to give notice prior to date of this release, and (ii) any and all liabilities to the Contractor for money damages and/or other relief for the impact of any such conduct, upon this contract or any other Government contract (with this or any other Contractor) or any contract between the Contractor and any third party.

H-11. NAVSEA 5252.216-9110 ORDERS (FIXED-PRICE) (MAY 1993)
(Applicable to Items 0006, 0008 and 0010)

(a) General. Orders for supplies or services specified in Section B of the Schedule may be issued by the Contracting Officer at any time during the effective period of this agreement. Except as otherwise provided in paragraph (e) below, the Contractor agrees to accept and perform orders issued by the Contracting Officer within the scope of this agreement. It is understood and agreed that the Government has no obligation under the terms of this agreement to issue any orders. Except as otherwise provided in any order, the Contractor shall furnish all materials and services necessary to accomplish the work specified in each order issued hereunder; provided, however, that this agreement shall not be used for the furnishing of supplies or services which are covered by any "guaranty" or "warranty" clause(s) of the contract(s) under which the supplies were manufactured. In the event of any inconsistency between any order and this agreement, this agreement shall control. All requirements of this agreement shall be applicable to all orders issued hereunder. Wherever the word "contract" appears in this agreement, it shall be deemed to include within its meaning the word "order", and each order shall be considered a separate binding contract as of its effective date. The Contractor shall segregate the costs incurred in

the performance of any order issued hereunder from the costs of all other orders issued under this agreement.

(b) Ordering. Orders and revisions thereto shall be made in writing and be signed by any authorized Contracting Officer cited in paragraph (i). Each order shall:

- (1) set forth detailed specifications or requirements for the supplies or services being ordered, (or reference applicable specifications or requirements in Section C of this agreement), and, shall refer to the appropriate item under Section B of this agreement;
- (2) set forth quantities being ordered;
- (3) set forth preservation, packaging and packing instructions, if any;
- (4) set forth delivery or performance dates;
- (5) designate the place(s) where inspection and acceptance will be made by the Government;
- (6) set forth either the firm contract price or, in the case of an undefinitized order, the definitization schedule and both the monetary limitation on Government liability for the undefinitized order and the maximum ceiling amount at which the order may be definitized;
- (7) set forth appropriation and accounting data for the work being ordered;
- (8) set forth any discount offered for prompt payment;
- (9) be dated;
- (10) be identified by number in accordance with DFARS 204.7004;
- (11) set forth the property, if any, to be furnished by the Government and the date(s) such property is to be delivered to the Contractor;

- (12) set forth the disbursing office where payment is to be made and other applicable contract administration data;
- (13) cite the applicable circumstance or exception and the justification control number. Orders for items not identified in the class justification, or an individual justification, and the basic ordering agreement are unauthorized;
- (14) be issued on an SF 26 or a DD Form 1155; and
- (15) set forth any other pertinent information.

(c) Firm Priced Orders. Except as otherwise provided in paragraph (d) below, the Contractor shall not begin any work on an order until a firm priced order is issued by the Contracting Officer. Upon receipt of a proposed order, the Contractor shall promptly submit to the Contracting Officer a price proposal for the work specified in the order. The Contractor agrees that it will submit a signed SF 1411 (Contract Pricing Proposal) or such other cost or pricing data as the Contracting Officer may require. Promptly after receipt of the Contractor's proposal and supporting cost or pricing data, the Contractor and the Contracting Officer shall negotiate and agree upon a price and delivery schedule for the work being ordered. The price and delivery schedule, as agreed upon, shall be set forth in the priced order and the order shall be signed by both the Contracting Officer and the Contractor. Upon receipt of the priced order, the Contractor shall promptly commence work and shall diligently complete it.

(d) Undefinitized Orders. Whenever the Contracting Officer determines that urgent demands or requirements prevent the issuance of a firm priced order, the Contracting Officer may issue an unpriced order. Such order may be unilateral or bilateral and shall establish a limitation on Government liability, a maximum ceiling amount and a schedule for definitization, as described in subparagraph (f)(2) below. Upon request, the Contractor shall submit a maximum ceiling amount proposal before the undefinitized order is issued. The maximum ceiling amount is the maximum price at which the order may be definitized. Except as provided in paragraph (e) below, the Contractor shall commence performance of the order upon receipt. The clause entitled "PRICE CEILING" (DFARS 252.217-7027) shall be included in any undefinitized order.

(e) Rejection of Unilateral Orders. The Contractor may reject any unilateral order if the Contractor determines it cannot feasibly perform the order, or if it does not concur with the maximum ceiling amount. However, each unilateral order shall be deemed to have been accepted by the Contractor unless within fifteen (15) days of issuance of the order the Contractor notifies the Contracting Officer in writing of its rejection of the order.

(f) Definitization of Undefined Orders. (1) The Contractor agrees that following the issuance of an undefinitized order, it will promptly begin negotiating with the Contracting Officer the price and terms of a definitive order that will include: (A) all clauses required by regulation on the date of the order; (B) all clauses required by law on the date of execution of the definitive order; and, (C) other mutually agreeable clauses, terms and/or conditions. No later than sixty (60) days after the undefinitized order is issued, the Contractor shall submit a cost proposal with sufficient data to support the accuracy and derivation of its price; and, when required by FAR or the Contracting Officer, cost or pricing data, including SF 1411. If additional cost information is available prior to the conclusion of negotiations, the Contractor shall provide that information to the Contracting Officer. The price agreed upon shall be set forth in a bilateral modification to the order. In no event shall the price exceed the maximum ceiling amount specified in the undefinitized order.

(2) Each undefinitized order shall contain a schedule for definitization which shall include a target date for definitization and dates for submission of a qualifying proposal, beginning of negotiations and, if appropriate, submission of make-or-buy and subcontracting plans and cost or pricing data. Submission of a qualifying proposal in accordance with the definitization schedule is a material element of the order. The schedule shall provide for definitization of the order by the earlier of:

- (i) specified target date which is not more than 180 days after the issuance of the undefinitized order. However, that target date may be extended by the Contracting Officer for up to 180 days after the Contractor submits a qualifying proposal as defined in DFARS 217.7401; or
- (ii) the date on which the amount of funds expended by the Contractor under the undefinitized order exceeds fifty percent

(50%) of the order's maximum ceiling amount, except as provided in subparagraph (f)(3) below.

(3) If agreement on a definitive order is not reached within the time provided pursuant to subparagraph (f)(2) above, the Contracting Officer may, with the approval of the Head of the Contracting Activity, determine a reasonable price in accordance with Subpart 15.8 and Part 31 of the FAR, and issue a unilateral order subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1). In any event, the Contractor shall proceed with completion of the order, subject to the "LIMITATION OF GOVERNMENT LIABILITY" clause (FAR 52.216-24).

(g) Limitation of Government Liability. (1) Each undefinitized order shall set forth the limitation of Government liability, which shall be the maximum amount that the Government will be obligated to pay the Contractor for performance of the order until the order is definitized. The Contractor is not authorized to make expenditures or incur obligations exceeding the limitation of Government liability set forth in the order. If such expenditures are made, or if such obligations are incurred, those expenditures and obligations will be at the Contractor's sole risk and expense. Further, the limitation of liability shall be the maximum Government liability if the order is terminated. The clause at FAR 52.216-24 shall be included in any undefinitized order.

(2) Except for undefinitized orders for Foreign Military Sales; purchases of less than \$25,000; special access programs; and Congressionally-mandated long lead procurements; and except as otherwise provided in subparagraph (g)(3) below, the limitation of Government liability shall not exceed fifty percent (50%) of the maximum ceiling amount of an undefinitized order. In the case of orders within these excepted categories, however, the procedures set forth herein shall be followed to the maximum extent practical.

(3) If the Contractor submits a qualifying proposal, as defined in DFARS 217.7401, to definitize an order before the Contractor has incurred costs in excess of fifty percent (50%) of the maximum ceiling amount, the Contracting Officer may increase the limitation of Government liability up to no more than seventy-five percent (75%) of the maximum ceiling amount or up to seventy-five percent (75%) of the price proposed by the Contractor, whichever is less.

(4) If at any time the Contractor believes that its expenditures under an order will exceed the limitation of Government liability, the Contractor shall so notify the Contracting Officer, in writing, and propose an appropriate increase in the limitation of Government liability of such order. Within thirty (30) days of such notice, the Contracting Officer will either (i) notify the Contractor in writing of such appropriate increase, or (ii) instruct the Contractor how and to what extent the work shall be continued; provided, however, that in no event shall the Contractor be obligated to proceed with work on an undefinitized order beyond the point where its costs incurred plus a reasonable profit exceed the limitation of Government liability, and provided also that in no event shall the Government be obligated to pay the Contractor any amount in excess of the limitation of Government liability specified in any such order prior to definitization.

(h) Initial Spares. The limitations set forth in paragraph (d) and subparagraphs (f)(2), (g)(2) and (g)(3), do not apply to undefinitized orders for the purchase of initial spares.

(i) Ordering Activities. The following activities are authorized to issue orders hereunder:

-NAVSEA PMS 317

-Supervisor of Shipbuilding Conversion and Repair,
USN (TBD)

The Contracting Officer of the Ordering Activity shall forward a copy of each executed order marked "DD-350", to the Commander, Naval Sea Systems Command, ATTN: SEA 0294.

H-12. NAVSEA 5252.243-9113 OTHER CHANGE PROPOSALS (CT) (JAN 1990)

(a) The Contracting Officer, in addition to proposing engineering changes pursuant to other requirements of this contract, and in addition to issuing changes pursuant to the clause of this contract entitled "CHANGES", may propose other changes within the general scope of this contract as set forth below. Within forty-five (45) days from the date of receipt of any such proposed change, or within such further time as the Contracting Officer may allow, the Contractor shall submit the proposed scope of work, plans and sketches, and its estimate of: (A) the cost, (B) the weight and moment effect, (C) effect on delivery dates of the vessel(s), and (D) status of work on the vessels

affected by the proposed change. The proposed scope of work and estimate of cost shall be in such form and supported by such reasonably detailed information as the Contracting Officer may require. Within sixty (60) days from the date of receipt of the Contractor's estimate, the Contractor agrees to either (A) enter into a supplemental agreement covering the estimate as submitted, or (B) if the estimate as submitted is not satisfactory to the Contracting Officer, enter into negotiations in good faith leading to the execution of a bilateral supplemental agreement. In either case, the supplemental agreement shall cover an equitable adjustment in the contract cost and fee including an equitable adjustment for the preparatory work set forth above, scope, and all other necessary equitable adjustments. The Contractor's estimate referred to in this subparagraph shall be a firm offer for sixty (60) days from and after the receipt thereof by the Contracting Officer having cognizance thereof, unless such period of time is extended by mutual consent.

(b) Pending execution of a bilateral agreement or the direction of the Contracting Officer pursuant to the "CHANGES" clause, the Contractor shall proceed diligently with contract performance without regard to the effect of any such proposed change.

(c) In the event that a change proposed by the Contracting Officer is not incorporated into the contract, the work done by the Contractor in preparing the estimate in accordance with subparagraph (a) above shall be treated as if ordered by the Contracting Officer under the "CHANGES" clause. The Contractor shall be entitled to an equitable adjustment in the contract cost and fee for the effort required under subparagraph (a), but the Contractor shall not be entitled to any adjustment in delivery date. Failure to agree to such equitable adjustment in the contract cost and fee shall be a dispute within the meaning of the clause of this contract entitled "DISPUTES" (FAR 52.233-1).

H-13.NAVSEA 5252.216-9112

ORDERS (COST-PLUS-FIXED-FEE)

(MAY 1993)

(Applicable to Item 0007)

(a) General. Orders for supplies or services specified in Section B of the Schedule may be issued by the Contracting Officer at any time during the effective period of this agreement. Except as otherwise provided in paragraph (e) of this clause, the Contractor agrees to accept and perform orders issued by the Contracting Officer within the scope of this agreement. It is understood and agreed that the

Government has no obligation under the terms of this agreement to issue any orders. Except as otherwise provided in any order, the Contractor shall furnish all materials and services necessary to accomplish the work specified in each order issued hereunder; provided, however, that this agreement shall not be used for the furnishing of supplies or services which are covered by any "guaranty" or "warranty" clause(s) of the contract(s) under which the supplies were manufactured. In the event of any inconsistency between any order and this agreement, this agreement shall control. All the requirements of this agreement shall be applicable to all orders issued hereunder. Wherever the word "contract" appears in this agreement, it shall be deemed to include within its meaning the word "order", and each order shall be considered a separate binding contract as of its effective date. The Contractor shall segregate the costs incurred in the performance of any order issued hereunder from the costs of all other orders issued under this agreement.

(b) Ordering. Orders and revisions thereto shall be made in writing and be signed by any authorized Contracting Officer cited in paragraph (i). Each order shall:

- (1) set forth detailed specifications or requirements for the supplies or services being ordered, (or reference applicable specifications or requirements in Section C of this agreement), and, if applicable, shall refer to the appropriate item under Section B of this agreement;
- (2) set forth quantities being ordered;
- (3) set forth preservation, packaging and packing instructions, if any;
- (4) set forth delivery or performance dates;
- (5) designate the place(s) where inspection and acceptance will be made by the Government;
- (6) set forth the estimated cost and fixed fee or, in the case of an undefinitized order, the definitization schedule and both the monetary limitation on Government liability for the undefinitized order and the maximum ceiling amount at which the order may be definitized;

- (7) set forth appropriation and accounting data for the work being ordered;
- (8) be dated;
- (9) be identified by number in accordance with DFARS 204.7004;
- (10) set forth the property, if any, to be furnished by the Government and the date(s) such property is to be delivered to the Contractor;
- (11) set forth the disbursing office where payment is to be made and other applicable contract administration data;
- (12) cite the applicable circumstance or exception and the justification control number. Orders for items not identified in the class justification, or an individual justification and the basic ordering agreement are unauthorized;
- (13) be issued on an SF 26 or DD Form 1155; and
- (14) set forth any other pertinent information.

(c) Priced Orders. Except as otherwise provided in paragraph (d) below, the Contractor shall not begin any work on an order until the estimated cost and fixed fee for the order have been agreed upon by the Contracting Officer and Contractor and an order is issued by the Contracting Officer. Upon receipt of a proposed order, the Contractor shall promptly submit to the Contracting Officer a cost proposal for the work specified in the order. The Contractor shall submit a signed SF 1411 (Contract Pricing Proposal) or such other cost or pricing data as the Contracting Officer may require. Promptly after receipt of the Contractor's proposal and supporting cost or pricing data, the Contractor and the Contracting Officer shall negotiate and agree upon the estimated cost, fixed fee, and delivery schedule for the work being ordered. The estimated cost, fixed fee, and delivery schedule, as agreed upon, shall be set forth in the priced order and the order shall be signed by both the Contracting Officer and the Contractor. Upon receipt of the priced order, the Contractor shall promptly commence work and shall diligently complete it.

(d) Undefinitized Orders. Whenever the Contracting Officer determines that urgent demands or requirements prevent the issuance of a priced order, the Contracting Officer may issue an unpriced order. Such order may be unilateral or bilateral and shall establish a limitation on Government liability, a maximum ceiling amount, and a schedule for definitization of the order, as described in subparagraph (f)(2) below. Upon request, the Contractor shall submit a maximum ceiling amount proposal before the undefinitized order is issued. The maximum ceiling amount is the maximum amount (including fee) at which the order may be definitized. Except as provided in paragraph (e) below, the Contractor shall commence performance of the order upon receipt. The clause entitled "PRICE CEILING" (DFARS 252.217-7027) shall be included in any undefinitized order.

(e) Rejection of Unilateral Orders. The Contractor may reject any unilateral order if the Contractor determines that it cannot feasibly perform the order or if it does not concur with the maximum ceiling amount. However, each unilateral order shall be deemed to have been accepted by the Contractor unless within fifteen (15) days of issuance of the order the Contractor notifies the Contracting Officer in writing of its rejection of the order.

(f) Definitization of Undefinitized Orders. (1) The Contractor agrees that following the issuance of an undefinitized order, it will promptly begin negotiating with the Contracting Officer the CPFF and terms of a definitive order that will include: (A) all clauses required by regulation on the date of the order; (B) all clauses required by law on the date of execution of the definitive order; and, (C) other mutually agreeable clauses, terms and/or conditions. No later than sixty (60) days after the undefinitized order is issued, the Contractor shall submit a cost proposal with sufficient data to support the accuracy and derivation of its CPFF proposal; and, when required by FAR or the Contracting Officer, cost or pricing data, including SF 1411. If additional cost information is available prior to the conclusion of negotiations, the Contractor shall provide that information to the Contracting Officer. The CPFF agreed upon shall be set forth in a bilateral modification to the order. In no event shall the CPFF exceed the maximum ceiling amount specified in the undefinitized order.

(2) Each undefinitized order shall contain a schedule for definitization which shall include a target date for definitization and dates for submission of a qualifying proposal, beginning of negotiations and, if appropriate,

submission of make-or-buy and subcontracting plans and cost or pricing data. Submission of a qualifying proposal in accordance with the definitization schedule is a material element of the order. The schedule shall provide for definitization of the order by the earlier of:

- (i) a specified target date which is not more than 180 days after the issuance of the undefinitized order. However, that target date may be extended by the Contracting Officer for up to 180 days after the Contractor submits a qualifying proposal as defined in DFARS 217.7401; or
- (ii) the date on which the amount of funds expended by the Contractor under the undefinitized order exceeds fifty percent (50%) of the order's maximum ceiling amount, except as provided in subparagraph (f)(3) below.

(3) If agreement on a definitive order is not reached within the time provided pursuant to subparagraph (f)(2) above, the Contracting Officer may, with the approval of the Head of the Contracting Activity, determine a reasonable CPFF in accordance with Subpart 15.8 and Part 31 of the FAR, and issue a unilateral order subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1). In any event, the Contractor shall proceed with completion of the order, subject to the "LIMITATION OF GOVERNMENT LIABILITY" clause (FAR 52.216-24).

(g) Limitation of Government Liability. (1) Each undefinitized order shall set forth the limitation of Government liability, which shall be the maximum amount that the Government will be obligated to pay the Contractor for performance of the order until the order is definitized. The Contractor is not authorized to make expenditures or incur obligations exceeding the limitation of Government liability set forth in the order. If such expenditures are made or if such obligations are incurred, those expenditures and obligations will be at the Contractor's sole risk and expense. Further, the limitation of liability shall be the maximum Government liability if the order is terminated. The clause at FAR 52.216-24 shall be included in any undefinitized order.

(2) Except for undefinitized orders for Foreign Military Sales; purchases of less than \$25,000; special access programs; and Congressionally-mandated long-lead

procurements; and except as otherwise provided in subparagraph (g)(3) below, the limitation of Government liability shall not exceed fifty percent (50%) of the maximum ceiling amount of an undefinitized order. In the case of orders within these excepted categories, however, the procedures set forth herein shall be followed to the maximum extent practical.

(3) If the Contractor submits a qualifying proposal, as defined in DFARS 217.7401 to definitize an order before the Contractor has incurred costs in excess of fifty percent (50%) of the maximum ceiling amount, the Contracting Officer may increase the limitation of Government Liability up to no more than seventy-five percent (75%) of the maximum ceiling amount or up to seventy-five percent (75%) of the total CPFF proposed by the Contractor, whichever is less.

(4) If at any time the Contractor believes that its expenditure under an order will exceed the limitation of Government liability, the Contractor shall so notify the Contracting Officer, in writing, and propose an appropriate increase in the limitation of Government liability of such order. Within thirty (30) days of such notice, the Contracting Officer will either (i) notify the Contractor in writing of such appropriate increase, or (ii) instruct the Contractor how and to what extent the work shall be continued; provided, however, that in no event shall the Contractor be obligated to proceed with work on an undefinitized order beyond the point where its costs incurred plus a reasonable profit exceed the limitation of Government liability, and provided also that in no event shall the Government be obligated to pay the Contractor any amount in excess of the limitation of Government liability specified in any such order prior to definitization.

(h) Initial Spares. The limitations set forth in paragraph (d) and subparagraphs (f)(2), (g)(2) and (g)(3) do not apply to undefinitized orders for the purchase of initial spares.

(i) Ordering Activities. The following activities are authorized to issue orders hereunder:

- NAVSEA PMS 317

- Supervisor of Shipbuilding Conversion and Repair, USN (TBD)

The Contracting Officer of the Ordering Activity shall forward a copy of each executed order marked "DD-350", to the Commander, Naval Sea Systems Command, ATTN: SEA 0294.

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N00024-97-C-2202

**H-14. NAVSEA 5252.249-9100 SPECIAL CONTRACT REQUIREMENT
CONCERNING TERMINATION FOR CONVENIENCE OF THE GOVERNMENT
(SEP 1990)**

If this contract is terminated pursuant to the clause entitled "TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)" (FAR 52.249-2), the Contractor shall arrange for the return to its plant(s) or for other disposition of its engineers assigned to this contract and affected by such termination. To the extent terminated, the Government shall be liable only for payment in accordance with the payment and compensation requirements of this contract, for services of engineers assigned to this contract which are rendered prior to the effective date of termination and during the next thirty (30) days, or until the engineers' periods of service under this contract are terminated, whichever is earlier.

H-15. NAVSEA 5252.247-9110 TUG AND PILOT SERVICES (SEP 1990)

The Contractor shall provide necessary tug and pilot services to move the vessel(s) from the fairway of the plant to the pier or dock, and upon completion of all work from the pier or dock, to the fairway of the plant.

H-16 Final Contract Performance Incentives

1.0 Nature of Incentive:

The intent of this incentive is to provide an added inducement above and beyond the Award fee for the Contractor to design and build a trouble free ship capable of uninterrupted exceptional performance. This incentive shall be based solely on the overall operation and required maintenance of the Lead Ship (LPD 17), First Option Ship (LPD 18), and Second Option Ship (LPD 19).

2.0 Evaluation Factors:

The ship's performance shall be evaluated on the following factors:

1. How well each ship performed its required mission. Mission effectiveness is defined as the time of ship operation free of mission degrading (CAT 3 or 4)

- system casualties as a fraction of total operation time.
2. Predicted vs. actual Total Maintenance Man-Hours (TMMH), preventive and corrective, for selected mission essential equipment.
 3. Predicted vs. actual Operational Availability for selected mission essential equipment.
 4. Predicted vs. actual Operational and Support (O&S) Maintenance, Manpower and Training Costs.
 5. Overall effectiveness of operations at sea of the ship(s).
 6. IPDE effectiveness in Shipboard environment.

The Government may revise these factors and/or add additional factors in this section.

3.0 Incentive Periods:

Performance evaluations will be conducted in accordance with the schedule below:

3.1 Incentive Period for Lead ship (LPD 17): The incentive period shall commence at the conclusion of the ship Guaranty Period and conclude three (3) years later.

3.2 Incentive Period for Option ship(s) (LPD 18, and 19): The incentive period shall commence at the conclusion of the applicable Option ship Guaranty Period and conclude three (3) years later.

4.0 Performance Incentive Board:

Within thirty (30) days of the completion of each three (3) year performance period, the board specified below shall meet and determine what performance incentives, if any, shall be paid to the Contractor.

The Performance Incentive Board (PIB) shall consist of no less than six of the following member (or designated alternates):

- (1) PMS 317 LPD 17 Program Manager, Chairman
- (2) PMS 317 Director of Acquisition
- (3) PMS 317 Director of LPD 17 Fleet Operation, Support & Modernization
- (4) PMS 317 Director of Logistics and Fleet Support
- (5) Commanding Officer(s) as applicable
- (6) Representative of President, Board of Inspection and Surveys
- (7) COMNAVSURFLANT/PAC Representative as applicable

- (8) USMC Representative
- (9) Procuring Contracting Officer or designated representative

4.1 Approving Official

The Approving Official, who will be the LPD 17 Program Manager, shall make determinations of the incentive fee due to the Contractor upon the basis of the performance evaluation conducted by the PIB.

5.0 Calculation of Incentive:

5.1 Incentive for Evaluation Factors 1, 2, & 3:

For Lead Ship (LPD 17) :

For Evaluation Factor 1:

$$\text{Incentive} = \frac{(T17a - T17p)}{(100 - T17p)} \times 0.20 \times \begin{matrix} \text{Avail.} \\ \text{Incentive} \\ \text{for LPD 17} \end{matrix}$$

or .20 of available incentive, whichever is less.

Where:

T17a = Actual Time of Operation Free of C3 or C4
CASREPS (Expressed in percent)

T17p = Predicted Time of Operation Free of C3 or C4
CASREPS (Expressed in percent)

For Evaluation Factor 2:

$$\text{Incentive} = 2 \times \frac{(TMMH17p - TMMH17a)}{TMMH17p} \times 0.20 \times \begin{matrix} \text{Avail.} \\ \text{Incentive} \\ \text{for LPD 17} \end{matrix}$$

or .20 of available incentive, whichever is less.

Where:

TMMH17a = Actual Total Maintenance Man-Hours,
preventive and corrective, for selected
mission essential equipment on the LEAD
SHIP (LPD 17)

TMMH17p = Predicted Total Maintenance Man-Hours, preventive and corrective, for selected mission essential equipment on the LEAD SHIP (LPD 17)

For Evaluation Factor 3:

$$\text{Incentive} = \frac{(A_{o17a}) - (A_{o17p})}{(1.00 - A_{o17p})} \times 0.20 \times \text{Avail. Incentive for Lead Ship (LPD 17)}$$

or .20 of available incentive, whichever is less.

Where:

A_{o17a} = Actual A_o for selected mission essential equipment on the Lead Ship (LPD 17)

A_{o17p} = Predicted A_o for selected mission essential equipment on the Lead Ship (LPD 17)

For First Option Ship (LPD 18):

For Evaluation Factor 1:

$$\text{Incentive} = \frac{[(T_{17a} + T_{18a})/2] - T_{18p}}{(100 - T_{18p})} \times 0.20 \times \text{Avail. Incentive for First Option Ship (LPD 18)}$$

or .20 of available incentive, whichever is less.

Where:

T_{18a} = Actual Time of Operation Free of C3 or C4 CASREPS for First Option Ship (LPD 18) (Expressed in percent)

T_{18p} = T_{17p}, or T_{17a}, or prediction for LPD 18 whichever is greater (Expressed in percent)

For Evaluation Factor 2:

$$\text{Avail.} = \frac{(TMMH18p - [(TMMH17a + TMMH18a)]/2)}{}$$

$$\text{Incentive} = 2 \times \frac{\text{TMMH18p}}{\text{Incentive for First Option Ship (LPD 18)}} \times 0.20$$

or .20 of available incentive, whichever is less.

Where:

TMMH18a = Actual Total Maintenance Man-Hours, preventive and corrective, for selected mission essential equipment on the OPTION SHIP (LPD 18)

TMMH18p = TMMH17p, or TMMH17a, or prediction for LPD 18 whichever is lower.

For Evaluation Factor 3:

$$\text{Incentive} = \frac{[(A_{o17a} + A_{o18a})]/2 - A_{o18p}}{(1.00 - A_{o18p})} \times 0.20 \times \text{Avail. Incentive for First Option Ship (LPD 18)}$$

or .20 of available incentive, whichever is less.

Where:

Ao18a = Actual Ao for selected mission essential equipment on the First Option Ship (LPD 18)

Ao18p = Ao17p, or Ao17a, or predicted Ao for LPD 18, whichever is greater.

For Second Option Ship (LPD 19):

For Evaluation Factor 1:

$$\text{Incentive} = \frac{[(T17a + T18a + T19a)]/3 - T19p}{(100 - T19p)} \times 0.20 \times \text{Avail. Incentive for Second Option Ship (LPD 19)}$$

or .20 of available incentive, whichever is less.

Where:

T19a = Actual Time of Operation Free of C3 or C4
CASREPS for Second Option Ship (LPD 19)
(Expressed in percent)

T19p = T17p, T17a, T18p, T18a, or prediction for
LPD 19, whichever is greater. (Expressed in
percent)

For Evaluation Factor 2:

$$\text{Incentive} = 2 \times \frac{\text{TMMH19p} - [(\text{TMMH17a} + \text{TMMH18a} + \text{TMMH19a}) / 3]}{\text{TMMH19p}} \times 0.20 \times \begin{matrix} \text{Avail.} \\ \text{Incentive for} \\ \text{Option Ship} \\ \text{(LPD 19)} \end{matrix}$$

or .20 of available incentive, whichever is less.

Where:

TMMH19a = Actual Total Maintenance Man-Hours,
preventive and corrective, for selected
mission essential equipment on the OPTION
SHIP (LPD 19)

TMMH19p = TMMH17a, TMMH17p, TMMH18a, TMMH18p, or
prediction for LPD 19 whichever is lower.

For Evaluation Factor 3:

$$\text{Incentive} = \frac{[(A_{0.7a} + A_{0.18a} + A_{0.19a}) / 3 - A_{0.19p}]}{(1.00 - A_{0.19p})} \times 0.20 \times \begin{matrix} \text{Avail.} \\ \text{Incentive} \\ \text{for Option} \\ \text{Ship (LPD 19)} \end{matrix}$$

or .20 of available incentive, whichever is less.

Where:

A_{0.19a} = Actual A₀ for selected mission essential
equipment on Second Option Ship (LPD 19)

A_{0.19p} = A_{0.17p}, or A_{0.17a}, or A_{0.18p}, or A_{0.18a}, or
predicted A₀ for LPD 19, whichever is greater.

5.2 Evaluation 4, 5, 6 and 7:

The remaining incentive pool available after computing the incentive for factors 1, 2, and 3 will be available as the incentive pool for factors 4, 5, 6 and 7.

6.0 Incentive Pool

One hundred percent (100%) of all unearned award fee for CLINs 0001, 0002 and 0003, as calculated pursuant to Contract Requirements B-3 entitled "Determination of Fee (NAVSEA) (OCT 1990)", up to a maximum of \$10,000,000 per ship, shall be forward for this incentive pool.

7.0 Finality of Incentive Decision

Determinations with respect to the amount of incentives to be paid to the Contractor are final and shall not be subject to the "DISPUTES" Clause of this Contract.

H-17. NAVSEA 5252.245-9115 RENT-FREE USE OF GOVERNMENT PROPERTY (SEP 1990)

The Contractor may use on a rent-free, non-interference basis, as necessary for the performance of this contract, the Government property listed in Attachment J0039, accountable under Contract(s) N00024-85-C-2144, N00024-87-C-2800, N00024-93-C-2800, and N00024-90-E-3503. The Contractor is responsible for scheduling the use of all property covered by the above referenced contract(s) and the Government shall not be responsible for conflicts, delays, or disruptions to any work performed by the Contractor due to the use of any or all of such property under this contract or any other contracts under which use of such property is authorized.

H-18 FUNDING OF IPDE IMPROVEMENTS

In its cost proposal Avondale has estimated [REDACTED] will be required to provide for IPDE infrastructure improvements. The State of Louisiana has committed to provide up to [REDACTED] for these improvements. In the unlikely event state funding is not provided to Avondale, the contractor will not allocate to this contract or other Navy contracts existing on the award date of this contract, any IPDE infrastructure improvement costs up to the total of [REDACTED]

The estimated [REDACTED] investment includes the following components:

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(a) Construction cost of a new 160,000 square foot Avondale/UNO (University of New Orleans) Maritime Technology Center of Excellence at the production facility of Avondale Industries in New Orleans, Louisiana. This facility will house the LPD 17 IPTs, the IPDE Campus and "Think Tank," a training and research center administered by UNO, Nucleus Crew training rooms, and the Avondale Test Integration Facility (ATIF). The cost of this facility includes the building, parking facility, utilities and furniture.

(b) Hardware and software provided to each on-site IPT member with access to an appropriate Client Workstation and, as authorized, connectivity to the IPDE network. Based on anticipated on-site manning estimates from the Navy and all on-site Alliance members, it provides for the acquisition of approximately 630 Intergraph client workstations. In addition to the client workstations and based on the Navy's estimate of off-site users, it also provides for approximately 40 Intergraph servers along with supporting peripherals such as printers, plotters, etc. Each Client and Server will contain the appropriate software.

(c) All recurring maintenance cost on both Hardware and Software products described in (b) above.

(d) System Integration to meet IPDE integration requirements. This funding will provide for integration of requirements into the IPDE and Avondale's legacy systems.

(e) IPDE Training requirements provided at Avondale to all anticipated on-site manning from the Navy and all on-site Alliance members. The training will cover the cost of all class materials, preparation and instructors.

(f) Miscellaneous Equipment requirements such as electronic viewing equipment, printers, projectors, etc., in support of the Avondale/UNO Maritime Center of Excellence.

SECTION I - CONTRACT CLAUSES

SECTION I-1 - CLAUSES INCORPORATED BY REFERENCE

**I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES:
APPLICABLE TO ITEMS 0006, 0008, 0010 AND 0011**

<u>FAR SOURCE</u>	<u>TITLE AND DATE</u>
52.202-1	DEFINITIONS (OCT 1995)
52.203-3	GRATUITIES (APR 1984)
52.203-5	COVENANT AGAINST CONTINGENT FEES (APR 1984)
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)
52.203-7	ANTI-KICKBACK PROCEDURES (JUL 1995)
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (SEP 1990)
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JAN 1990) (Applies if this contract exceeds \$100,000.)
52.203-13	PROCUREMENT INTEGRITY—SERVICE CONTRACTING (SEP 1990)
52.204-2	SECURITY REQUIREMENTS (AUG 1996)
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER (JUNE 1996)
52.208-1	REQUIRED SOURCES FOR JEWEL BEARINGS AND RELATED ITEMS (APR 1984)
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JUL 1995)

Fixed-Price Supply (Negotiated) 21 October 1996
Updated through FAC 90-42 and DAC 91-11

FAR
SOURCETITLE AND DATE

52.211-5	NEW MATERIAL (MAY 1995)
52.211-7	OTHER THAN NEW MATERIAL, RESIDUAL INVENTORY, AND FORMER GOVERNMENT SURPLUS PROPERTY (MAY 1995)
52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (SEP 1990)
52.215-2	AUDIT AND RECORDS--NEGOTIATION (AUG 1996)
52.215-22	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1995)
52.215-23	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA--MODIFICATIONS (OCT 1995)
52.215-24	SUBCONTRACTOR COST OR PRICING DATA (OCT 1995)
52.215-25	SUBCONTRACTOR COST OR PRICING DATA--MODIFICATIONS (OCT 1995)
52.215-26	INTEGRITY OF UNIT PRICES (OCT 1995) (Applies if contract award was based on full and open competition.)
52.215-26 and Alt I	INTEGRITY OF UNIT PRICES (OCT 1995) AND ALTERNATE I (APR 1991) (Applies if contract award was not based on full and open competition.)
52.215-27	TERMINATION OF DEFINED BENEFIT PENSION PLANS (MAR 1996)
52.215-39	REVERSION OR ADJUSTMENT OF PLANS FOR POST- RETIREMENT BENEFITS OTHER THAN PENSIONS (PRB) (MAR 1996)
52.215-40	NOTIFICATION OF OWNERSHIP CHANGES (FEB 1995)

FAR
SOURCETITLE AND DATE

52.219-8	UTILIZATION OF SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS CONCERNS (OCT 1995)
52.219-9	SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (AUG 1996)
52.219-9 and Alt II	SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (AUG 1996) AND ALTERNATE II (MAR 1996)
52.219-16	LIQUIDATED DAMAGES--SUBCONTRACTING PLAN (OCT 1995)
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (APR 1984)
52.222-3	CONVICT LABOR (AUG 1996)
52.222-4	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--OVERTIME COMPENSATION (JUL 1995)
52.222-20	WALSH-HEALEY PUBLIC CONTRACTS ACT (DEC 1995) (Deviation 95-00009 dated 15 Dec 1995 deletes the words "representation and" from paragraph (a) of the APR 1984 clause.)
52.222-26	EQUAL OPPORTUNITY (APR 1984)
52.222-28	EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS (APR 1984) (Applies if this contract is \$1,000,000 or more.) (As used in the foregoing clause, the term "Contracting Officer" shall be deemed to mean the "Administrative Contracting Officer (ACO)".)
52.222-35	AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)
52.222-36	AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (JAN 1988)

FAR
SOURCE
52.223-2

TITLE AND DATE
CLEAN AIR AND WATER (APR 1984)

52.223-6

DRUG-FREE WORKPLACE (JUL 1990)

52.223-11

OZONE-DEPLETING SUBSTANCES (JUN 1996)

52.223-12

REFRIGERATION EQUIPMENT AND AIR CONDITIONERS (MAY 1995)

52.223-14

TOXIC CHEMICAL RELEASE REPORTING (OCT 1996)

52.225-10

DUTY-FREE ENTRY (APR 1984) (Applies if this contract exceeds \$100,000.)

52.225-11

RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (OCT 1996)

52.225-14

INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT (AUG 1989)

52.226-1

UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES (SEP 1996)

52.227-1

AUTHORIZATION AND CONSENT (JUL 1995)

52.227-2

NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996)

52.227-10

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

52.229-3

FEDERAL, STATE, AND LOCAL TAXES (JAN 1991)

52.229-4

FEDERAL, STATE, AND LOCAL TAXES (NON-COMPETITIVE CONTRACTS) (JAN 1991)

52.229-5

TAXES--CONTRACTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO (APR 1984)

52.230-2

COST ACCOUNTING STANDARDS (APR 1996)

52.230-3

DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (APR 1996)

**FAR
SOURCE**

TITLE AND DATE
ADMINISTRATION OF COST ACCOUNTING STANDARDS (APR 1996)

52.230-65

PAYMENTS (APR 1984)

52.232-1

DISCOUNTS FOR PROMPT PAYMENT (APR 1989)

52.232-8

LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)

52.232-9

EXTRAS (APR 1984)

52.232-11

PROGRESS PAYMENTS (JUL 1991) (Applies if the Contractor is other than a Small Business Concern.)

52.232-16

PROGRESS PAYMENTS (JUL 1991) AND ALTERNATE I (AUG 1987) (Applies if the Contractor is a Small Business Concern.)

52.232-16
and Alt I

INTEREST (JUN 1996)

52.232-17

ASSIGNMENT OF CLAIMS (JAN 1986) AND ALTERNATE I (APR 1984)

52.232-23
and Alt I

PROMPT PAYMENT (MAR 1994)

52.232-25

MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER PAYMENT (AUG 1996)

52.232-33

DISPUTES (OCT 1995) AND ALTERNATE I (DEC 1991)

52.233-1
and Alt I

PROTEST AFTER AWARD (AUG 1996) AND ALTERNATE I (JUN 1985)

52.233-3
and Alt I

INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (FEB 1995)

52.234-1

RESTRICTION ON SEVERANCE PAYMENTS TO FOREIGN NATIONALS (OCT 1995)

52.237-8

PENALTIES FOR UNALLOWABLE COSTS (OCT 1995)

52.242-3

F.O.B. ORIGIN-GOVERNMENT BILLS OF LADING OR PREPAID POSTAGE (APR 1984)

52.242-10

SOURCE

TITLE AND DATE

52.242-11

F.O.B. ORIGIN--GOVERNMENT BILLS OF LADING OR INDICIA
MAIL (FEB 1993)

52.242-12

REPORT OF SHIPMENT (REPSHIP) (JUL 1995)

52.242-13

BANKRUPTCY (JUL 1995)

52.243-1
and Alt II

CHANGES--FIXED-PRICE (AUG 1987) AND ALTERNATE
II (APR 1984)

52.243-6

CHANGE ORDER ACCOUNTING (APR 1984)

52.244-5

COMPETITION IN SUBCONTRACTING (JAN 1996)

52.245-2

GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) (DEC
1989) (DEVIATION) (SEP 1995) (The language "special tooling
accountable to the contract is subject to the provisions of the special
tooling clause and not the provisions of the Government Property
(Fixed-Price Contracts) clause" in paragraph 52.245-2(c) is waived for
a period of one year, ending 16 October 1996, or until the FAR is
changed, whichever occurs first.) (This clause applies if contract
award was based on full and open competition.)

52.245-2
and Alt I

GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS)
(DEC 1989) AND ALTERNATE I (APR 1984) (DEVIATION) (SEP
1995) (The language "special tooling accountable to the contract is
subject to the provisions of the special tooling clause and not the
provisions of the Government Property (Fixed-Price Contracts) clause"
in paragraph 52.245-2(c) is waived for a period of one year, ending 16
October 1996, or until the FAR is changed, whichever occurs first.)
(This clause applies if contract award was not based on full and open
competition.)

52.244-6

SUBCONTRACTS FOR COMMERCIAL ITEMS AND
COMMERCIAL COMPONENTS (OCT 1995)

FAR
SOURCE

TITLE AND DATE

52.246-23	LIMITATION OF LIABILITY (APR 1984)
52.246-24	LIMITATION OF LIABILITY--HIGH VALUE ITEMS (APR 1984)
52.246-25	LIMITATION OF LIABILITY--SERVICES (APR 1984)
52.247-1	COMMERCIAL BILL OF LADING NOTATIONS (APR 1984)
52.248-1	VALUE ENGINEERING (MAR 1989) (Applies if this contract equals or exceeds \$100,000.)
52.249-1	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (SHORT FORM) (APR 1984) (Applies if this contract is \$100,000 or less.)
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED PRICE) (SEP 1996) (Applies if this contract exceeds \$100,000.)
52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984)
52.253-1	COMPUTER GENERATED FORMS (JAN 1991)

II. DEFENSE FAR SUPPLEMENT (48 CFR CHAPTER 2) CLAUSES:

<u>DFARS SOURCE</u>	<u>TITLE AND DATE</u>
252.203-7000	STATUTORY PROHIBITIONS ON COMPENSATION TO FORMER DEPARTMENT OF DEFENSE EMPLOYEES (NOV 1995) (Applies if this contract exceeds \$100,000.)
252.203-7001	SPECIAL PROHIBITION ON EMPLOYMENT (NOV 1995)
252.203-7002	DISPLAY OF DOD HOTLINE POSTER (DEC 1991) (Applies if this contract exceeds \$5,000,000.)
252.204-7000	DISCLOSURE OF INFORMATION (DEC 1991)
252.204-7003	CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR1992)
252.205-7000	PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS (DEC 1991) (Applies if this contract exceeds \$500,000.)
252.209-7000	ACQUISITION FROM SUBCONTRACTORS SUBJECT TO ON-SITE INSPECTION UNDER THE INTERMEDIATE-RANGE NUCLEAR FORCES (INF) TREATY (NOV 1995)
252.209-7004	REPORTING OF COMMERCIAL TRANSACTIONS WITH THE GOVERNMENT OF A TERRORIST COUNTRY (SEP 1994)
252.211-7000	ACQUISITION STREAMLINING (DEC 1991)
252.215-7000	PRICING ADJUSTMENTS (DEC 1991)
252.215-7002	COST ESTIMATING SYSTEM REQUIREMENTS (DEC 1991)
252.219-7003	SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS) (APR 1996)
252.222-7001	RIGHT OF FIRST REFUSAL OF EMPLOYMENT--CLOSURE OF MILITARY INSTALLATIONS (APR 1993)
252.223-7004	DRUG-FREE WORK FORCE (SEP 1988)

DFARS SOURCE
252.225-7001TITLE AND DATE
BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM
(JAN 1994)

252.225-7002

QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS (DEC
1991)

252.225-7009

DUTY-FREE ENTRY--QUALIFYING COUNTRY END PRODUCTS AND
SUPPLIES (DEC 1991)

252.225-7010

DUTY-FREE ENTRY-ADDITIONAL PROVISIONS (DEC 1991)

252.225-7012

PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (NOV 1995)

252.225-7014
and Alt IPREFERENCE FOR DOMESTIC SPECIALTY METALS (NOV
1995) AND ALTERNATE I (DEC 1991)

252.225-7015

PREFERENCE FOR DOMESTIC HAND OR MEASURING TOOLS (DEC
1991)

252.225-7016

RESTRICTION ON ACQUISITION OF BALL AND ROLLER BEARINGS
(SEP 1996)

252.225-7017

PREFERENCE FOR UNITED STATES AND CANADIAN VALVES AND
MACHINE TOOLS (APR 1995)

252.225-7022

RESTRICTION ON ACQUISITION OF POLYACRYLONITRILE (PAN)
BASED CARBON FIBER (DEC 1991)

252.225-7025

FOREIGN SOURCE RESTRICTIONS (SEP 1996)

252.225-7026

REPORTING OF CONTRACT PERFORMANCE OUTSIDE THE UNITED
STATES (NOV 1995) (Applies if this contract exceeds \$500,000 or is
modified to exceed \$500,000.)

252.225-7028

EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN
GOVERNMENTS (DEC 1991)

252.225-7029

PREFERENCE FOR UNITED STATES OR CANADIAN AIR CIRCUIT
BREAKERS (APR 1995)

252.225-7031

SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 1992)

252.225-7034

RESTRICTION ON ACQUISITION OF COAL PETROLEUM PITCH
CARBON FIBER (MAY 1994)

DFARS SOURCETITLE AND DATE

252.227-7013

RIGHTS IN TECHNICAL DATA--NONCOMMERCIAL ITEMS (NOV 1995)

252.227-7014

RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND
NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (JUN
1995)

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)

252.227-7027

DEFERRED ORDERING OF TECHNICAL DATA AND COMPUTER
SOFTWARE (APR 1988)

252.227-7030

TECHNICAL DATA--WITHHOLDING OF PAYMENT (OCT 1988)

252.227-7036

CERTIFICATION OF TECHNICAL DATA CONFORMITY (MAY 1987)

252.227-7037

VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA
(NOV 1995)

252.231-7000

SUPPLEMENTAL COST PRINCIPLES (DEC 1991)

252.232-7004

DOD PROGRESS PAYMENTS RATES (FEB 1996)

252.232-7006

REDUCTION OR SUSPENSION OF CONTRACT PAYMENTS UPON
FINDING OF FRAUD (AUG 1992)

252.233-7000

CERTIFICATION OF CLAIMS AND REQUESTS FOR ADJUSTMENT OR
RELIEF (MAY 1994)

252.242-7000

POSTAWARD CONFERENCE (DEC 1991)

252.242-7003

APPLICATION FOR U.S. GOVERNMENT SHIPPING
DOCUMENTATION/INSTRUCTIONS (DEC 1991)

DFARS SOURCETITLE AND DATE

252.242-7004	MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM (SEP 1996) (Applies if this contract provides progress payments, unless it is set aside exclusively for a small business or small disadvantaged business concern.)
252.243-7001	PRICING OF CONTRACT MODIFICATIONS (DEC 1991)
252.245-7001	REPORTS OF GOVERNMENT PROPERTY (MAY 1994)
252.246-7000	MATERIAL INSPECTION AND RECEIVING REPORT (DEC 1991)
252.246-7001 & ALT II	WARRANTY OF DATA (DEC 1991)
252.249-7001	NOTIFICATION OF SUBSTANTIAL IMPACT ON EMPLOYMENT (DEC 1991) (Applies if this contract equals or exceeds \$5 million.)
252.249-7002	NOTIFICATION OF PROPOSED PROGRAM TERMINATION OR REDUCTION (MAY 1995)

SECTION I - CONTRACT CLAUSES

SECTION I-1 - CLAUSES INCORPORATED BY REFERENCE

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES:

APPLICABLE TO ITEMS 0001, 0004, 0005, 0007, 0009, 0012 AND, IF THE OPTIONS ARE EXERCISED, ITEMS 0002 AND 0003

<u>FAR SOURCE</u>	<u>TITLE AND DATE</u>
52.202-1	DEFINITIONS (OCT 1995)
52.203-3	GRATUITIES (APR 1984)
52.203-5	COVENANT AGAINST CONTINGENT FEES (APR 1984)
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)
52.203-7	ANTI-KICKBACK PROCEDURES (JUL 1995)
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (SEP 1990)
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JAN 1990) (Applies if this contract exceeds \$100,000.)
52.203-13	PROCUREMENT INTEGRITY--SERVICE CONTRACTING (SEP 1990)
52.204-2	SECURITY REQUIREMENTS (AUG 1996)
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER (JUN 1996)
52.208-1	REQUIRED SOURCES FOR JEWEL BEARINGS AND RELATED ITEMS (APR 1984)
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JUL 1995)

Cost-Reimbursement Supply - 21 October 1996
Updated through FAC 90-42 and DAC 91-11

FAR
SOURCETITLE AND DATE

52.211-5	NEW MATERIAL (MAY 1995)
52.211-7	OTHER THAN NEW MATERIAL, RESIDUAL INVENTORY, AND FORMER GOVERNMENT SURPLUS PROPERTY (MAY 1995)
52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (SEP 1990)
52.215-2	AUDIT AND RECORDS--NEGOTIATION (AUG 1996)
52.215-22	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1995)
52.215-23	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA-- MODIFICATIONS (OCT 1995)
52.215-24	SUBCONTRACTOR COST OR PRICING DATA (OCT 1995)
52.215-25	SUBCONTRACTOR COST OR PRICING DATA--MODIFICA-TIONS (OCT 1995)
52.215-27	TERMINATION OF DEFINED BENEFIT PENSION PLANS (MAR 1996)
52.215-39	REVERSION OR ADJUSTMENT OF PLANS FOR POST-RETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS (MAR 1996)
52.215-40	NOTIFICATION OF OWNERSHIP CHANGES (FEB 1995)
52.219-8	UTILIZATION OF SMALL, SMALL DISADVANTAGED AND WOMEN- OWNED BUSINESS CONCERNS (OCT 1995)
52.219-9	SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (AUG 1996)
52.219-9 and Alt II	SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (AUG 1996) AND ALTERNATE II (AUG 1996)

<u>FAR SOURCE</u>	<u>TITLE AND DATE</u>
52.219-16	LIQUIDATED DAMAGES--SUBCONTRACTING PLAN (OCT 1995)
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (APR 1984)
52.222-3	CONVICT LABOR (AUG 1996)
52.222-4	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--OVERTIME COMPENSATION (JUL 1995)
52.222-20	WALSH-HEALEY PUBLIC CONTRACTS ACT (DEC 1995) (Deviation 95- 00009 dated 15 Dec 1995 deletes the words "representation and" from paragraph (a) of the APR 1984 clause.)
52.222-26	EQUAL OPPORTUNITY (APR 1984)
52.222-28	EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS (APR 1984) (Applies if this contract is \$1,000,000 or more.) (As used in the foregoing clause, the term "Contracting Officer" shall be deemed to mean the "Administrative Contracting Officer (ACO)".)
52.222-35	AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)
52.222-36	AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (JAN 1988)
52.223-2	CLEAN AIR AND WATER (APR 1984)
52.223-6	DRUG-FREE WORKPLACE (JUL 1990)
52.223-11	OZONE-DEPLETING SUBSTANCES (JUN 1996)
52.223-12	REFRIGERATION EQUIPMENT AND AIR CONDITIONERS (MAY 1995)

**FAR
SOURCE****TITLE AND DATE**

52.223-14	TOXIC CHEMICAL RELEASE REPORTING (OCT 1996)
52.225-10	DUTY-FREE ENTRY (APR 1984) (Applies if this contract exceeds \$100,000.)
52.225-11	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (OCT 1996)
52.225-14	INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT (AUG 1989)
52.226-1	UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES (SEP 1996)
52.227-1 and Alt I	AUTHORIZATION AND CONSENT (JUL 1995) AND ALTERNATE I (APR 1984)
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996)
52.227-10	FILING OF PATENT APPLICATIONS--CLASSIFIED SUBJECT MATTER (APR 1984)
52.228-7	INSURANCE--LIABILITY TO THIRD PERSONS (MAR 1996)
52.229-8	TAXES-FOREIGN COST REIMBURSEMENT CONTRACTS (MAR 1990)
52.230-2	COST ACCOUNTING STANDARDS (APR 1996)
52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (APR 1996)
52.230-65	ADMINISTRATION OF COST ACCOUNTING STANDARDS (APR 1996)
52.232-9	LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)
52.232-17	INTEREST (JUN 1996)
52.232-20	LIMITATION OF COST (APR 1984) (Applies if this contract contains fully funded line items.)

FAR
SOURCETITLE AND DATE

52.232-22	LIMITATION OF FUNDS (APR 1984) (Applies if this contract contains incrementally funded line items.)
52.232-23 and Alt I	ASSIGNMENT OF CLAIMS (JAN 1986) AND ALTERNATE I (APR 1984)
52.232-25	PROMPT PAYMENT (MAR 1994)
52.232-33	MANDATORY INFORMATION FOR ELECTRONIC FUNDS TRANSFER PAYMENT (AUG 1996)
52.233-1 and Alt I	DISPUTES (OCT 1995) AND ALTERNATE I (DEC 1991)
52.233-3 and Alt I	PROTEST AFTER AWARD (AUG 1996) AND ALTERNATE I (JUN 1985)
52.231-1	INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (FEB 1995)
52.237-3	CONTINUITY OF SERVICES (JAN 1991)
52.237-8	RESTRICTION ON SEVERANCE PAYMENTS TO FOREIGN NATIONALS (OCT 1995)
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS (APR 1984)
52.242-3	PENALTIES FOR UNALLOWABLE COSTS (OCT 1995) (Applies if this contract exceeds \$500,000.)
52.242-10	F.O.B. ORIGIN--GOVERNMENT BILLS OF LADING OR PREPAID POSTAGE (APR 1984)
52.242-11	F.O.B. ORIGIN--GOVERNMENT BILLS OF LADING OR INDICIA MAIL (FEB 1993)
52.242-12	REPORT OF SHIPMENT (REPSHIP) (JUL 1995)
52.242-13	BANKRUPTCY (JUL 1995)
52.243-2 and Alt II	CHANGES--COST-REIMBURSEMENT (AUG 1987) AND ALTERNATE II (APR 1984)
52.243-6	CHANGE ORDER ACCOUNTING (APR 1984)

FAR
SOURCETITLE AND DATE

52.244-5	COMPETITION IN SUBCONTRACTING (JAN 1996)
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (OCT 1995)
52.245-5	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS) (JAN 1986)
52.246-23	LIMITATION OF LIABILITY (APR 1984)
52.246-24	LIMITATION OF LIABILITY--HIGH VALUE ITEMS (APR 1984)
52.246-25	LIMITATION OF LIABILITY--SERVICES (APR 1984)
52.247-1	COMMERCIAL BILL OF LADING NOTATIONS (APR 1984)
52.248-1	VALUE ENGINEERING (MAR 1989) (Applies if this contract equals or exceeds \$100,000.)
52.249-6	TERMINATION (COST-REIMBURSEMENT) (MAY 1986)
52.249-14	EXCUSABLE DELAYS (APR 1984)
52.251-1	GOVERNMENT SUPPLY SOURCES (APR 1984)
52.253-1	COMPUTER GENERATED FORMS (JAN 1991)

II. DEFENSE FAR SUPPLEMENT (48 CFR CHAPTER 2) CLAUSES:

<u>DFARS SOURCE</u>	<u>TITLE AND DATE</u>
252.201-7000	CONTRACTING OFFICER'S REPRESENTATIVE (DEC 1991) (Applies if this contract requires a Contracting Officer's Representative (COR).)
252.203-7000	STATUTORY PROHIBITIONS ON COMPENSATION TO FORMER DEPARTMENT OF DEFENSE EMPLOYEES (NOV 1995) (Applies if this contract exceeds \$100,000.)
252.203-7001	SPECIAL PROHIBITION ON EMPLOYMENT (NOV 1995)
252.203-7002	DISPLAY OF DOD HOTLINE POSTER (DEC 1991) (Applies if this contract exceeds \$5,000,000.)
252.204-7000	DISCLOSURE OF INFORMATION (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) (Applies if this contract exceeds \$500,000.)
252.209-7000	ACQUISITION FROM SUBCONTRACTORS SUBJECT TO ON-SITE INSPECTION UNDER THE INTERMEDIATE-RANGE NUCLEAR FORCES (INF) TREATY (NOV 1995)
252.209-7004	REPORTING OF COMMERCIAL TRANSACTIONS WITH THE GOVERNMENT OF A TERRORIST COUNTRY (SEP 1994)
252.211-7000	ACQUISITION STREAMLINING (DEC 1991)
252.215-7000	PRICING ADJUSTMENTS (DEC 1991)
252.215-7002	COST ESTIMATING SYSTEM REQUIREMENTS (DEC 1991)
252.219-7003	SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DoD CONTRACTS) (APR 1996)

<u>DFARS SOURCE</u>	<u>TITLE AND DATE</u>
252.222-7001	RIGHT OF FIRST REFUSAL OF EMPLOYMENT--CLOSURE OF MILITARY INSTALLATIONS (APR 1993)
252.223-7004	DRUG-FREE WORK FORCE (SEP 1988)
252.225-7001	BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM (JAN 1994)
252.225-7002	QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS (DEC 1991)
252.225-7009	DUTY-FREE ENTRY--QUALIFYING COUNTRY END PRODUCTS *AND SUPPLIES (DEC 1991)
252.225-7010	DUTY-FREE ENTRY-ADDITIONAL PROVISIONS (DEC 1991)
252.225-7012	PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES (NOV 1995)
252.225-7014 and Alt I	PREFERENCE FOR DOMESTIC SPECIALTY METALS (NOV 1995) AND ALTERNATE I (DEC 1991)
252.225-7015	PREFERENCE FOR DOMESTIC HAND OR MEASURING TOOLS (DEC 1991)
252.225-7016	RESTRICTIONS ON ACQUISITION OF BALL AND ROLLER BEARINGS (SEP 1996)
252.225-7017	PREFERENCE FOR UNITED STATES AND CANADIAN VALVES AND MACHINE TOOLS (APR 1995)
252.225-7019	RESTRICTION ON ACQUISITION OF FOREIGN ANCHOR AND MOORING CHAIN(DEC 1991)
252.225-7022	RESTRICTION ON ACQUISITION OF POLYACRYLONITRILE (PAN) BASED CARBON FIBER (DEC 1991)
252.225-7025	FOREIGN SOURCE RESTRICTIONS (SEP 1996)
252.225-7026	REPORTING OF CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (NOV 1995) (Applies if this contract exceeds \$500,000 or is modified to exceed \$500,000.)
252.225-7028	EXCLUSIONARY POLICIES AND PRACTICES OF FOREIGN GOVERNMENTS (DEC 1991)
252.225-7029	PREFERENCE FOR UNITED STATES OR CANADIAN AIR CIRCUIT BREAKERS (APR 1995)

<u>DFARS SOURCE</u>	<u>TITLE AND DATE</u>
252.225-7031	SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 1992)
252.225-7034	RESTRICTION ON ACQUISITION OF COAL PETROLEUM PITCH CARBON FIBER (MAY 1994)
252.227-7013	RIGHTS IN TECHNICAL DATA--NONCOMMERCIAL ITEMS (NOV 1995)
252.227-7014	RIGHTS IN NONCOMMERCIAL COMPUTER SOFTWARE AND NONCOMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (JUN 1995)
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)
252.227-7027	DEFERRED ORDERING OF TECHNICAL DATA AND COMPUTER SOFTWARE (APR-OCT- 1988)
252.227-7030	TECHNICAL DATA--WITHHOLDING OF PAYMENT (OCT 1988)
252.227-7036	CERTIFICATION OF TECHNICAL DATA CONFORMITY (MAY 1987)
252.227-7037	VALIDATION OF RESTRICTIVE MARKINGS ON TECHNICAL DATA (NOV 1995)
252.231-7000	SUPPLEMENTAL COST PRINCIPLES (DEC 1991)
252.232-7006	REDUCTION OR SUSPENSION OF CONTRACT PAYMENTS UPON FINDING OF FRAUD (AUG 1992)
252.233-7000	CERTIFICATION OF CLAIMS AND REQUESTS FOR ADJUSTMENT OR RELIEF (MAY 1994)
252.242-7000	POSTAWARD CONFERENCE (DEC 1991)
252.242-7003	APPLICATION FOR U.S. GOVERNMENT SHIPPING DOCUMENTATION/INSTRUCTIONS (DEC 1991)

<u>DFARS SOURCE</u>	<u>TITLE AND DATE</u>
252.242-7004	MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM (SEP 1996) (Applies if this contract exceeds \$25,000, unless it is set aside exclusively for a small business or small disadvantaged business concern.)
252.245-7001	REPORTS OF GOVERNMENT PROPERTY (MAY 1994)
252.246-7000	MATERIAL INSPECTION AND RECEIVING REPORT (DEC 1991)
252.246-7001	WARRANTY OF DATA (DEC 1991)
252.249-7001	NOTIFICATION OF SUBSTANTIAL IMPACT ON EMPLOYMENT (DEC 1991) (Applies if this contract equals or exceeds \$5 million.)
252.249-7002	NOTIFICATION OF PROPOSED PROGRAM TERMINATION OR REDUCTION (MAY 1995)

SECTION I-2 - CLAUSES INCORPORATED IN FULL TEXT

FAR 52.203-9 REQUIREMENT FOR CERTIFICATE OF PROCUREMENT INTEGRITY--
MODIFICATION (SEP 1995)

- (a) Definitions. The definitions set forth in FAR 3.104-4 are hereby incorporated in this clause.
- (b) The Contractor agrees that it will execute the certification set forth in paragraph (c) of this clause when requested by the Contracting Officer in connection with the execution of any modification of this contract.
- (c) Certification. As required in paragraph (b) of this clause, the officer or employee responsible for the modification proposal shall execute the following certification. The certification in paragraph (c)(2) of this clause is not required for a modification which procures commercial items.

CERTIFICATE OF PROCUREMENT INTEGRITY--MODIFICATION (NOV 1990)

(1) I, _____ (Name of certifier), am the officer or employee responsible for the preparation of this modification proposal and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certification, I have no information concerning a violation or possible violation of subsection 27(a), (b), (d), or (f) of the Office of Federal Procurement Policy Act, as amended* (41 U.S.C. 423), (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement _____ (Contract and modification number).

(2) As required by subsection 27(e)(1)(B) of the Act, I further certify that to the best of my knowledge and belief, each officer, employee, agent, representative, and consultant of _____ (Name of Offeror) who has participated personally and substantially in the preparation or submission of this proposal has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity--Modification (Continuation Sheet), ENTER "NONE" IF NONE EXISTS)

(Signature of the officer or employee responsible for the modification proposal and date)

(Typed name of the officer or employee responsible for the modification proposal)

*Subsections 27(a), (b), and (d) are effective on December 1, 1990. Subsection 27(f) is effective on June 1, 1991.

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(End of certification)

(d) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing Contractor responsible for the offer or bid, may rely upon a one-time certification from each individual

required to submit a certification to the competing Contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the contractor. If a Contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for a period of 6 years from the date a certifying employee's employment with the company ends or, for an agency, representative, or consultant, 6 years from the date such individual ceases to act on behalf of the contractor.

(e) The certification required by paragraph (c) of this clause is a material representation of fact upon which reliance will be placed in executing this modification.

FAR 52.216-7 ALLOWABLE COST AND PAYMENT (AUG 1996)

(a) Invoicing. The Government shall make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Subpart 31.2 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.

(b) Reimbursing costs. (1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (2) below, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only--

(i) Those recorded costs that, at the time of request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract,

(ii) When the Contractor is not delinquent in paying costs of contractor performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(A) Materials issued from the Contractor's inventory and placed in the production process for use on the contract;

(B) Direct labor;

(C) Direct travel;

(D) Other direct in-house costs; and

(E) Properly allocable and allowable indirect costs, as shown in the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(iii) The amount of progress payments that have been paid to the Contractor's subcontractors under similar cost standards.

(2) Contractor contributions to any pension or other postretirement benefit, profit-sharing or employee stock ownership plan funds that are paid quarterly or more often may be included in indirect costs for payment purposes, provided that the Contractor pays the contribution to the fund within 30 days after the close of the period covered. Payments made 30 days or more after the close of a period shall not be

included until the Contractor actually makes the payment. Accrued costs for such contributions that are paid less often than quarterly shall be excluded from indirect costs for payment purposes until the Contractor actually makes the payment.

(3) Notwithstanding the audit and adjustment of invoices or vouchers under paragraph (g) below, allowable indirect costs under this contract shall be obtained by applying indirect cost rates established in accordance with paragraph (d) below.

(4) Any statements in specifications or other documents incorporated in this contract by reference designating performance of services or furnishing of materials at the Contractor's expense or at no cost to the Government shall be disregarded for purposes of cost-reimbursement under this clause.

(c) Small business concerns. A small business concern may be paid more often than every 2 weeks and may invoice and be paid for recorded costs for items or services purchased directly for the contract, even though the concern has not yet paid for those items or services.

(d) Final indirect cost rates. (1) Final annual indirect cost rates and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (FAR) in effect for the period covered by the indirect cost rate proposal.

(2) The Contractor shall, within 90 days after the expiration of each of its fiscal years, or by a later date approved by the Contracting Officer, submit to the cognizant Contracting Officer responsible for negotiating its final indirect cost rates and, if required by agency procedures, to the cognizant audit activity proposed final indirect cost rates for that period and supporting cost data specifying the contract and/or subcontract to which the rates apply. The proposed rates shall be based on the Contractor's actual cost experience for that period. The appropriate Government representative and Contractor shall establish the final indirect cost rates as promptly as practical after receipt of the Contractor's proposal.

(3) The Contractor and the appropriate Government representative shall execute a written understanding setting forth the final indirect cost rates. The understanding shall specify (i) the agreed-upon final annual indirect cost rates, (ii) the bases to which the rates apply, (iii) the periods for which the rates apply, (iv) any specific indirect cost items treated as direct cost in the settlement, and (v) the affected contract and/or subcontract, identifying any with advance agreements or special terms and the applicable rates. The understanding shall not change any monetary ceiling, contract obligations, or specific cost allowance or disallowance provided for in this contract. The understanding is incorporated into this contract upon execution.

(4) Within 120 days after settlement of the final indirect cost rates covering the year in which this contract is physically complete, the Contractor shall submit a completion invoice or voucher to reflect the settled amounts and rates.

(5) Failure by the parties to agree on a final annual indirect cost rate shall be a dispute within the meaning of the Disputes clause.

(e) Billing rates. Until final annual indirect cost rates are established for any period, the Government shall reimburse the Contractor at billing rates established by the Contracting Officer or by an authorized representative (the cognizant auditor), subject to adjustment when the final rates are established. These billing rates--

(1) Shall be the anticipated final rates, and

(2) May be prospectively or retroactively revised by mutual agreement, at either party's request, to prevent substantial overpayment or underpayment.

(f) Quick-closeout procedures. Quick-closeout procedures are applicable when the conditions in FAR 42.708(a) are satisfied.

(g) Audit. At any time or times before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of cost audited. Any payment may be (1) reduced by amounts found by the Contracting Officer not to constitute allowable costs or (2) adjusted for prior overpayments or underpayments.

(h) Final payment. (1) Upon approval of a completion invoice or voucher submitted by the Contractor in accordance with (d)(4), and upon the Contractor's compliance with all terms of this contract, the Government shall promptly pay any balance of allowable costs and that part of the fee (if any) not previously paid.

(2) The Contractor shall pay to the Government any refunds, rebates, credits, or other amounts (including interest, if any) accruing to or received by the Contractor or any assignee under this contract, to the extent that those amounts are properly allocable to cost for which the Contractor has been reimbursed by the Government. Reasonable expenses incurred by the Contractor for securing refunds, rebates, credits, or other amounts shall be allowable costs if approved by the Contracting Officer. Before final payment under this contract, the Contractor and each assignee whose assignment is in effect at the time of final payment shall execute and deliver--

(i) An assignment to the Government, in form and substance satisfactory to the Contracting Officer, of refunds, rebates, credits, or other amounts (including interest, if any) properly allocable to costs for which the Contractor has been reimbursed by the Government under this contract, and

(ii) A release discharging the Government, its officers, agents, and employees from all liabilities, obligations, and claims arising out of or under this contract, except--

(A) Specified claims stated in exact amounts, or in estimated amounts when the exact amounts are not known;

(B) Claims (including reasonable incidental expenses) based upon liabilities of the Contractor to third parties arising out of the performance of this contract; provided, that the claims are not known to the Contractor on the date of the execution of the release, and that the Contractor gives notice of the claims in writing to the Contracting Officer within 6 years following the release date or notice of final payment date, whichever is earlier; and

(C) Claims for reimbursement of costs, including reasonable incidental expenses, incurred by the Contractor under the patent clauses of this contract, excluding, however, any expenses arising from the Contractor's indemnification of the Government against patent liability.

FAR 52.222-2 PAYMENT FOR OVERTIME PREMIUMS (JUL 1990)

(a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed _____ dollars or the overtime premium is paid for work--

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;

(2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall--

(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

(2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;

(3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each effected contract; and

(4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

FAR 52.244-2 SUBCONTRACTS (COST-REIMBURSEMENT AND LETTER CONTRACTS) (MAR 1996) AND ALTERNATE I (AUG 1996)

(a) "Subcontract," as used in this clause, includes but is not limited to purchase orders, and changes and modifications to purchase orders. The Contractor shall notify the Contracting Officer reasonably in advance of entering into any subcontract if--

(1) The proposed subcontract is of the cost-reimbursement, time-and-materials, or labor-hour type;

(2) The proposed subcontract is fixed-price and exceeds the greater of (i) the simplified acquisition threshold, or (ii) 5 percent of the total estimated cost of this contract;

(3) The proposed subcontract has experimental, developmental, or research work as one of its purposes;

(4) This contract is not a facilities contract and the proposed subcontract provides for the fabrication, purchase, rental, installation, or other acquisition of special test equipment valued in excess of \$25,000 or of any items of facilities.

(b) (1) In the case of a proposed subcontract that (i) is of the cost-reimbursement, time-and-materials, or labor-hour type and is estimated to exceed \$25,000, including any fee, (ii) is proposed to exceed \$100,000, or (iii) is one of a number of subcontracts with a single subcontractor, under this contract, for the same or related supplies or services that, in the aggregate, are expected to exceed \$100,000, the advance notification required by paragraph (a) above shall include the information specified in subparagraph (2) below.

(2)(i) A description of the supplies or service to be subcontracted;

(ii) Identification of the type of subcontract to be used;

(iii) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the competition obtained;

(iv) The proposed subcontract price and the Contractor's cost or price analysis;

(v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions;

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract; and

(vii) A negotiation memorandum reflecting--

(A) The principal elements of the subcontract price negotiations;

(B) The most significant considerations controlling establishment of initial or revised prices;

(C) The reason cost or pricing data were or were not required;

(D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;

(E) The extent, if any, to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and subcontractor; and the effect of any such defective data on the total price negotiated;

(F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and

(G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and summary of all trade-off possibilities considered.

(c) The Contractor shall obtain the Contracting Officer's written consent before placing any subcontract for which advance notification is required under paragraph (a) above. However, the Contracting Officer may ratify in writing any such subcontract. Ratification shall constitute the consent of the Contracting Officer.

(d) If the Contractor has an approved purchasing system and the subcontract is within the scope of such approval, the Contractor may enter into the subcontracts described in subparagraphs (a)(1) and (a)(2) of this clause without the consent of the Contracting Officer.

(e) Even if the Contractor's purchasing system has been approved, the Contractor shall obtain the Contracting Officer's written consent before placing subcontracts identified below:

(f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination (1) of the acceptability of any subcontract terms or conditions, (2) of the acceptability of any subcontract price or of any amount paid under any subcontract, or (3) to relieve the Contractor of any responsibility for performing this contract.

(g) No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement subcontracts shall not exceed the fee limitations in subsection 15.903(d) of the Federal Acquisition Regulation (FAR).

(h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Government may be entitled to reimbursement from the Government.

(i)(1) The Contractor shall insert in each price redetermination or incentive price revision subcontract under this contract the substance of the paragraph "Quarterly limitation on payments statement" of the clause at 52.216-5, Price Redetermination--Prospective, 52.216-6, Price Redetermination--Retroactive, 52.216-16 Incentive Price Revision--Firm Target, or 52.216-17, Incentive Price Revision--Successive Targets, as appropriate, modified in accordance with the paragraph entitled "Subcontracts" of that clause.

(2) Additionally, the Contractor shall include in each cost-reimbursement subcontract under this contract a requirement that the subcontractor insert the substance of the appropriate modified subparagraph referred to in subparagraph (1) above in each lower tier price redetermination or incentive price revision subcontract under that subcontract.

(j) To facilitate small business participation in subcontracting, the Contractor agrees to provide progress payments on subcontracts under this contract that are fixed-price subcontracts with small business concerns in conformity with the standards for customary progress payments stated in FAR 32.502-1 and 32.504(f), as in effect on the date of this contract. The Contractor further agrees that the need for such progress payments will not be considered a handicap or adverse factor in the award of subcontracts.

(k) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.

FAR 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (FT) (APR 1984) (DEVIATION 89-915 - 29 JUN 1989)

Modify the clause as follows:

(a) Wherever the word 'supplies' is used, it shall include 'vessels'.

(b) At the end of paragraph (b), add the following:

'In addition to its other remedies, the Government may, with respect to work terminated as permitted in this clause, proceed with the completion of the vessels and supplies at such plant or plants, including that of the Contractor, as may be designated by the Contracting Officer. If the vessels are to be completed at the Contractor's plant, the Government may use all tools, machinery, facilities and equipment of the Contractor determined by the Contracting Officer to be necessary for that purpose. If the cost to the Government of the vessels and supplies therefor so procured or completed (after adjusting such cost to exclude the effect of changes in the plans and specifications made subsequent to the date of termination) exceeds the price fixed for such vessels and supplies under this contract (after adjusting such price on account of changes in the plans and specifications made prior to the date of termination) the Contractor, or its surety, if any, shall be liable for such excess.'

(c) In the first sentence of paragraph (c), after the word 'costs', insert the phrase 'or other damages'.

(d) In the first sentence of paragraph (d), after the word 'title', insert the phrase '(insofar as not previously transferred)'."

FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (JUN 1988)

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.

FAR 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or contract of any Defense FAR Supplement (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

DFARS 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (NOV 1995)

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

(1) "Components" means articles, materials, and supplies incorporated directly into end products at any level of manufacture, fabrication or assembly by the Contractor or any subcontractor.

(2) "Department of Defense" (DoD) means the Army, Navy, Air Force, Marine Corps, and defense agencies.

(3) "Foreign flag vessel" means any vessel that is not a U.S.-flag vessel.

(4) "Ocean transportation" means any transportation aboard a ship, vessel, boat barge, or ferry through international waters.

(5) "Subcontractor" means a supplier, materialman, distributor, or vendor at any level below the prime contractor whose contractual obligation to perform results from, or is conditioned upon, award of the price contract and who is performing any part of the work or other requirement of the prime contract. However, effective May 1, 1996, the term does not include a supplier, materialman, distributor, or vendor of commercial items or commercial components.

(6) "Supplies" means all property, except land and interests in land, that is clearly identifiable for eventual use by or owned by the DoD at the time of transportation by sea.

(i) An item is clearly identifiable for eventual use by the DoD if, for example, the contract documentation contains a reference to a DoD contract number or a military destination.

(ii) "Supplies" include (but is not limited to) public works, buildings and facilities; ships; floating equipment and vessels of every character, type, and description, with parts, subassemblies, accessories, and equipment; machine tools, material; equipment; stores of all kinds; end items; construction materials; and the components of the foregoing.

(7) "U.S.-flag vessel" means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(b) The Contractor shall employ U.S.-flag vessels in the transportation by sea of any supplies to be furnished in the performance of this contract. The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, if the Contractor or a subcontractor believes that--

- (1) U.S.-flag vessels are not available for timely shipment;
- (2) The freight charges are excessive or unreasonable; or
- (3) Freight charges are higher than charges to private persons for transportation of like goods.

(c) The Contractor must submit any request for use of other than U.S.-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedule. The Contracting Officer will process requests submitted after such date(s) as expeditiously as possible, but the Contracting Officer's failure to grant approvals to meet the shipper's sailing date will not of itself constitute a compensable delay under this or any other clause of this contract. Requests shall contain a minimum--

- (1) Type, weight, and cube of cargo;
- (2) Required shipping date;
- (3) Special handling and discharge requirements;
- (4) Loading and discharge points;
- (5) Name of shipper and consignee;
- (6) Prime contract number; and

(7) A documented description of efforts made to secure U.S.-flag vessels, including points of contact (with names and telephone numbers) with at least two (2) U.S.-flag carriers contacted. Copies of telephone notes, telegraphic and facsimile messages or letters will be sufficient for this purpose.

(d) The Contractor shall, within thirty (30) days after shipment covered by this clause, provide the Contracting Officer and the Division of National Cargo, Office of Market Development, Maritime Administration, U.S. Department of Transportation, Washington, DC 20590, one copy of the rated on board vessel operating carrier's ocean bill of lading, which shall contain the following information--

- (1) Prime contract number;
- (2) Name of vessel;
- (3) Vessel flag of registry;
- (4) Date of loading;
- (5) Port of loading;
- (6) Port of final discharge;
- (7) Description of commodity;
- (8) Gross weight in pounds and cubic feet if available;
- (9) Total ocean freight in U.S. dollars; and
- (10) Name of the steamship company.

(e) The Contractor agrees to provide with its final invoice under this contract a representation that to the best of its knowledge and belief--

- (1) No ocean transportation was used in the performance of this contract;
- (2) Ocean transportation was used and only U.S.-flag vessels were used for all ocean shipments under this contract;
- (3) Ocean transportation was used, and the Contractor had the written consent of the Contracting Officer for all non-U.S.-flag ocean transportation; or
- (4) Ocean transportation was used and some or all of the shipments were made on non-U.S.-flag vessels without the written consent of the Contracting Officer. The Contractor shall describe these shipments in the following form:

ITEM DESCRIPTION	CONTRACT LINE ITEMS	QUANTITY
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Total

(f) If the final invoice does not include the required representation, the Government will reject and return it to the Contractor as an improper invoice for the purposes of the Prompt Payment clause of this contract. In the event there has been unauthorized use of non-U.S.-flag vessels in the performance of this contract, the Contracting Officer is entitled to equitably adjust the contract, based on the unauthorized use.

(g) The Contractor shall include this clause, including this paragraph (g), in all subcontracts under this contract, which exceed the small purchase limitation of section 13.000 of the Federal Acquisition Regulation.

DFARS 252.247-7024 NOTIFICATION OF TRANSPORTATION OF SUPPLIES BY SEA (NOV 1995)

(a) The Contractor has indicated by the response to the solicitation provision, Representation of Extent of Transportation by Sea, that it did not anticipate transporting by sea any supplies. If, however, after the award of this contract, the Contractor learns that supplies, as defined in the Transportation of Supplies by Sea clause of this contract, will be transported by sea, the Contractor--

(1) Shall notify the Contracting Officer of that fact; and

(2) Hereby agrees to comply with all the terms and conditions of the Transportation of Supplies by Sea clause of this contract.

(b) The Contractor shall include this clause, including this paragraph (b), revised as necessary to reflect the relationship of the contracting parties, in all subcontracts hereunder, except (effective May 1, 1996) subcontracts for the acquisition of commercial items or components.

NAPS 5252.243-9001 REQUIREMENTS FOR ADEQUATE SUPPORTING DATA AND CERTIFICATION OF ANY CLAIM, REQUEST FOR EQUITABLE ADJUSTMENT, OR DEMAND FOR PAYMENT (JUN 1996)

(a) This contract is subject to 10 U.S.C. 2405; therefore, no price adjustment will be made under this contract for an amount set forth in a claim, request for equitable adjustment, or demand for payment (or incurred due to the preparation, submission, or adjudication of any such claim, request, or demand) arising out of events occurring more than six years before the submission of the claim, request, or demand.

(b) A claim, request for equitable adjustment, or demand for payment is considered to be submitted on the date the contractor's submission is received by the contracting officer accompanied by adequate supporting data for the claim, request or demand, and the certification required by Section 6(c) (1) of the Contract Disputes Act, if the claim, request or demand is over \$50,000.

(c) Adequate supporting data includes data which is adequate to apprise the contracting officer of the underlying facts and the theory upon which the contractor relies in support of its entitlement to a price adjustment. Adequate supporting data is that data which fulfills these purposes in accordance with the requirements of the Contract Disputes Act. A submission containing the following information will be deemed to have been submitted with adequate supporting data:

(1) A narrative statement of the nature of the event(s), the time when the event(s) occurred (including the factual basis supporting the contractor's designation of the time the event(s) occurred), and the causal relationship between the event(s) and the impact on the cost of performance of the contract, including a description of how the event(s) affected scheduled performance;

(2) A description of the relevant effort the contractor was required to perform in the absence of the event(s);

(3) A description of the relevant effort the contractor was actually required or will be required to perform;

(4) A description of components, equipment, and other property involved;

(5) A cost breakdown of the additional effort by element in accordance with the contractor's normal procedures for pricing of changes;

(6) A description of all property which will no longer be needed by the contractor;

(7) A description of any delay caused by the event(s);

(8) A description of any disruption caused by the event(s).

(d) Certification of the claim, request for equitable adjustment, or demand for payment is required if the requested price adjustment is over \$50,000. The certification requirements are those set forth in the CDA and implementing regulations.

(e) For the purpose of this clause, the following terms have the meanings set forth below.

(1) "Claim" means a written demand or written assertion by the contractor seeking, as a matter of right, a price adjustment under the contract. The theory upon which the contractor seeks the price adjustment does not determine whether a particular matter is a claim. The term includes a submission asserting any theory supporting a price adjustment, including but not limited to constructive change, breach of contract or mistake, which, if valid, would result in contractor entitlement to a price adjustment. A voucher, invoice or other routine request for payment that is not in dispute when submitted is not a claim. A claim does not include a request for equitable adjustment or demand for payment, as defined below.

(2) "Demand for payment" means a written demand for payment, the granting of which results in a price adjustment under the contract. A demand for payment does not include a routine request for payment in accordance with the payment terms of the contract.

(3) "Events" means the Government action(s), Government inaction(s), Government conduct, or occurrence(s) which give rise to the contractor's claim, request for equitable adjustment, or demand for payment. The term events does not require the incurrence of costs and/or performance of additional work resulting from the action(s), inaction(s), conduct or occurrence(s) except where a contractor's commencement of the correction of defective GFI/GFP constitutes the final occurrence. For the purpose of this subpart, the date of the final Government action, Government inaction, Government conduct or occurrence is the date on which the six year period commences.

(4) "Know or should have known" includes the totality of the combined actual and constructive knowledge of all agents or employees (including a subcontractor, its agents and employees, where and to the extent a subcontractor is involved).

(5) "Price adjustment" means an increase in the fixed price, target price, ceiling price, or final price of a fixed price type contract, or an increase in the fee structure of a cost reimbursement type contract, or monetary damages or other payment resulting from a contractor claim, request for equitable adjustment, or demand for payment. An adjustment to the sharing ratio or to any other pricing formula, procedure or provision, which has the effect of increasing the fixed price, target price, ceiling price, final price, or fee of the contract, is a price adjustment. A schedule adjustment, whether requested as part of a submission seeking a price adjustment or as the sole relief, or an adjustment for any matter which, pursuant to the terms of the contract is separate from or not included in the fixed price contract or the fee structure of a cost reimbursement contract, is not a price adjustment. The bilateral definitization of a maximum-price modification within the maximum price is not a price adjustment. A routine invoice or other request for payment or reimbursement in accordance with the terms of the contract, even if in dispute, which, if paid, would not result in an increase in the price of the contract is not a price adjustment. For the purpose of this subpart, relief granted pursuant to a request for extraordinary contractual relief under Public Law 85-804 does not constitute a price adjustment.

(6) "Request for equitable adjustment" means a written request for a price adjustment under the contract.

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SECTION J - LIST OF ATTACHMENTS

This document consists of the following parts and the attachments described below:

- J-0001: LPD 17 Ship Specifications, 9 October 1996 8 April 1996.
- J-0002: Amphibious Transport Dock General Description Of Operational Capability, 24 May 1996.
- J-0003: Government Concept Of Operations In An Integrated Product Data Environment (IPDE) For The LPD 17 Program, 8 April 1996.
- J-0004: Contract Data Requirements List, DD Form 1423, Exhibit A, 9 October 1996.
- J-0005: Schedule "A" Government Furnished Equipment for LPD 17, 9 October 1996.
- J-0006: Schedule "C" Government Furnished Information for LPD 17, 9 October 1996.
- J-0007: Not Used.
- J-0008: Not Used.
- J-0009: Book Plan for Integration Management Plan (IMP), 8 April 1996.
- J-0010: Preliminary Ship Manning Document (PSMD), 8 April 1996.
- J-0011: Draft Radio Communication System Management Plan, 8 April 1996.
- J-0012: Not Used.

- J-0013: Operational Security Plan, 8 April 1996.
- J-0014: Not Used.
- J-0015: Not Used.
- J-0016: Integrated Product Data Environment (IPDE)
Integration Matrix, 9 October 1996.
- J-0017: Not Used.
- J-0018: List of Mission Essential Equipment For Maintenance
Manhour Per Operating Hour (MMH/OH) Initiative, 8
April 1996.
- J-0019: Deleted.
- J-0020: Factors and Values for Developing Variable Loads, 8
April 1996.
- J-0021: Affordability Through Commonality (ATC)
Implementation Program, 8 April 1996.
- J-0022: Life Cycle Cost Estimate, 8 April 1996.
- J-0023: Test Documentation Booklet, 8 April 1996.
- J-0024: Not Used.
- J-0025: Current LPD 17 Program Office Automated Information
System Capability, 8 April 1996.
- J-0026: Contract Guidance Drawing List, 8 April 1996.
- J-0027: Computer Aided Engineering Data List, 8 April 1996
(Preliminary).
- J-0028: Affordability Through Commonality Sketches, 8 April
1996.
- J-0029: LPD 17 Type Advanced Degaussing System Controller
Interface Requirements, V 1.0, 8 April 1996.
- J-0030: Selected Medical and Dental Equipment, 8 April
1996.
- J-0031: Associate Contractor Agreement Vendor List, 8 April
1996.
- J-0032: Deleted.

- J-0033: Navy Shock Data Base (FOUO) (Provided separately)
- J-0034: Weights For Government Furnished Equipment, 9
October 1996.
- J-0035: Deleted
- J-0036: Deleted
- J-0037: "Contract Security Classification Specification"
DD254
- J-0038: Substitute Ship Specifications to be used for
Controllable Pitch Propeller (CPP) Propulsion
Train, 9 October 1996
- J-0039: Government Production and Research Property
Authorized for Use on a Rent Free Non-Interference
Basis
- J-0040: Small, Small Disadvantaged, and Women-Owned Small
Business Subcontracting Plan
- J-0041: Financial Accounting Data (FAD) Sheet