

| | | | |
|---|--|---------------------|------------------------|
| AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT | | 1. CONTRACT ID CODE | PAGE OF PAGES 1 2 |
|---|--|---------------------|------------------------|

| | | | |
|---|----------------------------|---|--------------------------------|
| 2. AMENDMENT/MODIFICATION NO. P00006 | 3. EFF. DATE 04/22/2011 | 4. REQUISITION/PURCHASE REQ. NO. 20031770/20060530 | 5. PROJECT NO. (If applicable) |
|---|----------------------------|---|--------------------------------|

| | | | |
|---|------------------|--|------|
| 6. ISSUED BY DHS - Customs & Border Protection Department of Homeland Security 1300 Pennsylvania Ave, NW NP 1310 Washington DC 20229 | CODE 70050800 | 7. ADMINISTERED BY (If other than Item 6) DHS - Customs & Border Protection Department of Homeland Security 1300 Pennsylvania Ave, NW NP 1310 Washington DC 20229 | CODE |
|---|------------------|--|------|

| | |
|--|--|
| 8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code) LOCKHEED MARTIN AERONAUTICAL 86 S COBB DR. MARIETTA GA 30063-0001 CODE 149769754 FACILITY CODE | 9A. AMENDMENT OF SOLICITATION NO. 9B. DATED (SEE ITEM 11) 10A. MODIFICATION OF CONTRACT/ORDER NO. HSBP1009C02278 / 10B. DATED (SEE ITEM 13) 04/22/2011 |
|--|--|

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

NA

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

| | |
|-------------------------------------|--|
| <input type="checkbox"/> | A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A. |
| <input checked="" type="checkbox"/> | B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (Such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103 (b). |
| <input type="checkbox"/> | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: |
| <input type="checkbox"/> | D. OTHER (Specify type of modification and authority) |

E. IMPORTANT: Contractor is not is required to sign this document and return 1 copies to issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

1. The purposes of modification P00006 under contract HSBP1009C02278 are as follows:
- Authorize the purchase of Horizontal Stabilizer kits
 - Acknowledge the certification of invoicing, Letter dated March 9, 2010
 - Incorporate Technical Direction Letter #01252011-001 dated January 25, 2011
 - Transfer funds for the DFQS purchase
 - Transfer funds between contract line items
 - Incorporate and Acknowledge Technical Direction Letters #003312011-001 and #03302011-01, #03012011-001A, and #02142011-001
 - Transfer funds from CLIN 0070 to CLIN 0050 for Base Year Drop-ins

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

| | |
|--|---|
| 15A. NAME AND TITLE OF SIGNER (Type or print) (b) (6) <i>Lockheed Martin, P3 Contracts Negotiator, Inc.</i> | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) SUSAN A. BAPTIST Contracting Officer |
| 15B. CONTRACTOR/OFFEROR (b) (6) | 16B. UNITED STATES OF AMERICA (b) (6) |
| 15C. DATE SIGNED 21 April 2011 | 16C. DATE SIGNED 4-21-11 |

| | | | | |
|--|----------------------------|---|---------------------|----------------|
| AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT - Continuation HSBP1009C02278 P00006 | | | 1. CONTRACT ID CODE | |
| 2. AMENDMENT/MODIFICATION NO. P00006 | 3. EFF. DATE 04/22/2011 | 4. REQUISITION/PURCHASE REQ. NO. 20051770/20060580 | PAGE OF | PAGES 2 2 |

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

a. The Government hereby authorizes Lockheed Martin to purchase four (4) Horizontal Stabilizer kits in the amount of (b) (4) for the subject contract. The contractor is authorized to make this purchase under CLIN 00050 "Depot Aircraft Maintenance Support". The funds authorized for this purchase is already obligated within the existing funds of (b) (4) and CLIN ceiling (b) (4) of CLIN 00050 (based year). See Attachment #4.

b. The Government hereby acknowledges Lockheed Martin's letter dated March 9, 2010 certifying all invoicing processes are "true and accurate". As stated within Lockheed Martin's letter, the individuals responsible for all processes and certifying of invoices from Lockheed Martin pertaining to this contract to be true and accurate are (b) (6). See Attachment #1.

c. A total of (b) (4) is hereby transferred from CLIN 00090A (Relocation) to CLIN 00090B (Information Technology (IT)) to complete IT purchases in accordance with Technical Direction Letter #01252011-001 dated January 25, 2011 for future buy of additional computers and associate equipment in order to support the following contract clauses:

- C.3 Government Furnished Property/Information Equipment
 - C.4 Contractor Furnished Property Information Equipment
 - H.28 Contractor Furnished Computers and Software
- See Attachment #2 and #3.

d. A total of (b) (4) is hereby transferred from CLIN 00060C (Based Year) to CLIN 10060C (Option Year 1) for the purchase of sixteen (16) Digital Fuel Quantity System (DFQS) kits in accordance with Lockheed Martin price proposal update dated March 29, 2011. Also, additional funding of (b) (4) will be added to CLIN 10060C for a total (b) (4) when funding becomes available to complete this action.
See Attachment #3, #4 and #5.

e. Also, (b) (4) is hereby transferred from CLIN 10070 to the following CLINs as follows:

- CLIN 10050 (option year 1) (b) (4)
(Additional funds are for future drop-in repairs, non aircraft-specific bulk material purchases and GFE/GFP management support)
- CLIN 10060B (option year 1) (b) (4)
See Attachment #3.

f. Re-allocate funds and transfer Drop-in Funding for the Base Year, (b) (4) of cost only is hereby transferred from CLIN 0070 into CLIN 0050 as follows: (b) (4)

2. As a result of the changes above, it is necessary to provide a revised version of the Section B - Schedule of Supplies and Prices/Costs contained on Pages 1-2 through 1-5 of the contract (Contract Attachment J.1). Therefore, delete the current version of the Schedule of Supplies and Price/Costs and replace it with the revised version contained as an attachment to this modification. See Attachment #3.

3. All other terms and conditions as well as the value of the contract remain unchanged.

Attachments:

1. Invoicing Letter
2. Technical Direction Letter #01252011-001
3. Updated Schedule B
4. Technical Direction Letters #003312011-001, #03302011-01, #03012011-001A, and #02142011-001
5. DFQS Proposal Price Update & Certification



9 March 2010

TO: Department of Homeland Security
ATTN: Ronald B. Rosenberg, Contracting Officer
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1310
Washington, DC 20229

FROM: LOCKHEED MARTIN
ATTN: (b) (6)
1040 south Parkway Frontage Road
Lakeland, FL 33813

Reference: Contract HSBP1009C02278

Mr. Rosenberg;

In reference to your inquiry for the subject contract, should you have any questions concerning the invoices submitted to your office for payment, please contact either of the individuals below:

(b) (6)
Billing Team Lead
(b) (6)

(b) (6)
Billing Manager
(b) (6)

Should you have a need to contact us via mail, our address is:

LOCKHEED MARTIN
1040 South Parkway Frontage Road
Lakeland, FL 33813

Lockheed Martin uses SAP for its cost accounting/billing system and we utilize a standard invoice format that does not contain a Certification Statement stating the invoice "...is true and accurate". However, both individuals listed above are responsible that all invoices issued are from a government audited system and are "true and accurate" when issued. Therefore, we respectfully request you maintain this letter on file in lieu of an individual certification statement on each invoice.

Should you require any additional information concerning invoices, please contact the undersigned.

(b) (6)

Billing Team Lead

CC: (b) (6) Lockheed Martin, Marietta, GA.

U.S. Customs and Border Protection
Office of Air and Marine
Program Office, P-3 Programs
Washington, D.C.

Technical Direction Letter
01252011-001

January 25, 2011

Technical Direction
Lockheed Martin

Contract Number: HSBP 1009C02278

1. Purpose.

This Technical Direction Letter (TDL) is for the movement of (b) (4) dollars with-in base year CLIN 90 from CLIN 90A to CLIN 90B. this action is required in order to support the future buy of additional computers and associated equipment in order to support contract clauses below:

The Phase-in portion of this contract is complete as specified in:

B.1.2 Phase-in

During the Phase-in Period of this Contract, the Contractor shall conduct an analysis of the Government's historical operational performance data, inventory of spares and consumables (range, depth, and serviceability), support equipment, facilities, infrastructure, and condition of the available aircraft. Based on that analysis, the Contractor shall determine whether the existing GFE, including condition of available aircraft, is capable of supporting an OPM of 75% or higher at an annual average flying rate of 720 hours per aircraft per year

H.28 Contractor Furnished Computers and Software:

Government funded information technology software (software) purchased by and licensed to Lockheed Martin (LM or Contractor) under this contract is for the exclusive use of Lockheed Martin employees for the performance of this contract. In accordance with the software licenses, the software must be protected and controlled by Lockheed Martin and remain in an area with access controlled by Lockheed Martin employees. The parties agree to Contractor's control of the Contractor

Purchased (CFE) Government-owned computing equipment (computer hardware) for the period of use in support of this contract:

When the computer hardware reaches the end of its useful life, or at the end of the contract period, whichever is later, the software and data contained therein will be removed from the computer hardware and the computer hardware will be delivered to the Contracting Officer for disposition.

C.3 GOVERNMENT FURNISHED PROPERTY INFORMATION EQUIPMENT:

All Ground Support Equipment (GSE), utilities, initial furniture at contract start, test equipment, and special tools required for use on this contract at the P-3 Operations Centers will be Government furnished, to include access to CARMAC and its associated applications or alternative system via GFE computer hardware. All Depot Level facilities, equipment, tooling, and furnishings will be Contractor furnished to include space for an Authorized Government

C.4 CONTRACTOR FURNISHED PROPERTY INFORMATION EQUIPMENT:

Contractor shall provide all personnel, common hand tools, management, office supplies, and all other supplies necessary to perform this contract. Contractor shall identify furniture requirements and notify the Government of the need to replace or augment the initial inventory.

2. Applicability.

This TDL applies to movement of dollars with-in CLIN 90 only to support future IT equipment in support of The P-3 Maintenance contract HSBP 1009C02278 only. No IT equipment will be purchsed on this TDL at this time, the COTR authorization will be required on all future IT purchase.

3. Background.

As directed by the Contracting Officer's Technical Representative (COTR), the Contractor entered into an exhaustive IT upgrade sulation in order that CBP IT security requirements may be meet.

4. Action to be Taken.

(b) (4) with-in CLIN 90 from CLIN 90A to CLIN 90B

5. Implementation.

Lockheed Martin shall upon reciveing this TDL (b) (4) from CLIN 90A to Clin 90B.

(b) (6)

1-25-2011
Date

Contracting Officer's Technical Representative Aprovel

(b) (6)

2/2/2011
Date

CBP Contracting Officer Concurrence

(b) (6)

25 Jan 2011
Date

CBP P-3 Program Manager Concurrence

| CLIN | DESCRIPTION | Total As of MOD 5 | | MOD 6 | Total After MOD 6 | |
|--------------------------------|------------------------------|----------------------|---------------|----------------|----------------------|---------------|
| | | Cost & Fee Breakdown | Total CLIN | | Cost & Fee Breakdown | Total CLIN |
| 00010 | Phase In FFP | (b) | (4) | | | |
| 00020 | Phase In CPFF | | | | | |
| 00030 | Program Management (FF P) | | | | | |
| 00040 | SITE OPERATIONS | | | | | |
| | Target Cost | | | | | |
| | Fee Pool | | | | | |
| 00050 | DEPOT | | | | | |
| | Depot Cost | | | | | |
| | Depot Fee | | | | | |
| | LEK & HS Cost | | | | | |
| | Depot Sustainment Fees | | | | | |
| | Depot Sustainment (LEK & HS) | | | | | |
| | DEPOT Drop-In Cost | | | | | |
| | Drop-In Fees | | | | | |
| | Drop-Ins | | | | | |
| 00060 | ILS | | | | | |
| 00060A | OC 22 Transportation | | | | | |
| | Cost | | | | | |
| | Fees | | | | | |
| 00060B | OC 25 Repairs & Service | | | | | |
| | Cost | | | | | |
| | Fees | | | | | |
| 00060C | OC 26 Parts & Supplies | | | | | |
| | Cost | | | | | |
| | Fees | | | | | |
| | DFQS Cost | | | | | |
| | DFQS Fees | | | | | |
| 00060D | OC 31 Equipment | | | | | |
| | Cost | | | | | |
| | Fees | | | | | |
| 00070-00090 | | | | | | |
| 00070 | TRAVEL | | | | | |
| | Cost | | | | | |
| | Fee | | | | | |
| 00080 | TRAINING | | | | | |
| | Cost | | | | | |
| | Fee | | | | | |
| 00090 | Relocation & IT | | | | | |
| | Fee | | | | | |
| 00090A | Relocation Cost | | | | | |
| 00090B | IT Cost | | | | | |
| BASE YEAR TOTAL COST ALL CLINs | | \$ 86,418,881 | \$ 86,418,881 | \$ (3,000,000) | \$ 83,418,881 | \$ 83,418,881 |

| CLIN DESCRIPTION | Total As of MOD 5 | | MOD 6 | Total After MOD 6 | |
|-----------------------------------|--|------------|-------|----------------------|------------|
| | Cost & Fee Breakdown | Total CLIN | | Cost & Fee Breakdown | Total CLIN |
| 10030 Program Management (FFP) | <div style="display: flex; justify-content: space-around; font-size: 48px; color: red; font-weight: bold;"> (b) (4) </div> | | | | |
| 10040 SITE OPERATIONS | | | | | |
| Target Cost | | | | | |
| Fee Pool | | | | | |
| 10050 DEPOT | | | | | |
| Depot Cost | | | | | |
| Depot Fee | | | | | |
| LEK & HS Cost | | | | | |
| Depot Sustainment Fees | | | | | |
| Depot Sustainment (LEK & HS) | | | | | |
| DEPOT Drop-In Cost | | | | | |
| Drop-In Fees | | | | | |
| Drop-Ins | | | | | |
| 10060 ILS | | | | | |
| 10060A OC 22 Transportation | | | | | |
| Cost | | | | | |
| Fees | | | | | |
| 10060B OC 25 Repairs & Service | | | | | |
| Cost | | | | | |
| Fees | | | | | |
| 10060C OC 26 Parts & Supplies | | | | | |
| Cost | | | | | |
| Fees | | | | | |
| DFQS Cost | | | | | |
| DFQS Fees | | | | | |
| 10060D OC 31 Equipment | | | | | |
| Cost | | | | | |
| Fees | | | | | |
| 10070-10090 | | | | | |
| 10070 TRAVEL | | | | | |
| Cost | | | | | |
| Fee | | | | | |
| 10080 TRAINING | | | | | |
| Cost | | | | | |
| Fee | | | | | |
| 10090 Relocation & IT | | | | | |
| Fee | | | | | |
| 10090A Relocation Cost | | | | | |
| 10090B IT Cost | | | | | |
| OPTION YEAR 1 TOTAL COST ALL CLIN | | | | | |

U.S. Customs and Border Protection
Office of Air and Marine
Program Management Office, P-3 Programs
Washington, D.C.

Technical Direction Letter
003312011-001

March 31, 2011, 2011

P-3 Maintenance Program
Technical Direction

Contract Number: HSBP 1009C02278
Reference: CDRL A016

1. Purpose:

This letter provides guidance and technical direction to be followed to support the CBP P-3 Program Management Office for how the SeaVue radar system is displayed and the components tracked in CARMAC

2. Applicability:

This letter applies to Lockheed Martin supporting the CBP P-3 Program Management Office participating in developing, publishing and executing the CBP P-3 Maintenance Performance Based Statement of Work contract.

3. Background:

CBP has determined that current methods for tracking SeaVue radar are not effective in that confusion can result when systems move among aircraft.

4. Action to be Taken:

(a) CBP request that LM change the way that SeaVue is currently being tracked in CARMAC to the following way.

Procedures for inputting and tracking SeaVue

- 1) Make a copy (screen print) of the current SeaVue installed inventory screen.
- 2) The current SeaVue model ID numbers in CARMAC, (RS514, RS170, RD741 and RS431) shall be deleted and replaced with the new model ID numbers, SR001, SR002 and SR003. The Corpus Christi site shall use the 001 and 002 numbers and Jacksonville will use the 003.
- 3) Once the new model ID numbers are set up, use the same control numbers, (minus one), that were used with the old model ID and install. Control number 192620 will be deleted and added under the aircraft it is currently installed on. The MQ screen should appear as follows:

| | | |
|--------|------------|------------|
| 050028 | INSPECTION | DESICCANT |
| 050112 | INSPECTION | 112 DAY |
| 050180 | INSPECTION | ANTENNA |
| 050224 | INSPECTION | BEP 224 DA |
| 050365 | INSPECTION | BEP HOIST |

| | | |
|---------|-------------|------------|
| 120001 | SERVICING | FANS & CLN |
| 120001A | SERVICING | FANS & CLN |
| 196010 | ANTENNA | 4974850-1 |
| 196020 | RECIEVER | 4981653-1 |
| 196030 | TRANSMITTER | 3205000-1 |
| 196040 | RCU | 3176926-1 |

- 4) When setting up the control numbers, the following numbers shall have hourly tracking linked to the MX screen so that when hours are added to the system, they automatically update on the MQ screen. Control numbers 196010, 196020, 196030 and 196040 are the ones that need to be linked. (NOTE: this should work just like the engines, props etc.)
- 5) When the components that go with these control numbers are installed, they shall be installed with the current time that is on the unit's hour meter.

SeaVue Pallet

The SeaVue pallet shall be installed into CARMAC under the aircraft that it is currently installed on, by the serial number off the pallet. The pallet fire extinguisher/CAD that was being tracked under the old RSXXX number shall now be installed and tracked under the pallet that it is currently assigned to. Lockheed Martin will create new numbers for this tracking effort that will be common among the aircraft.

5. Implementation of TDL shall be in accordance with CDRL A016 fifteen calendar days after receipt of TDL.

(b) (6)

Date 3/31/2011

Contracting Officer's Technical Representative

(b) (6)

Date

31 March 11

(b) (6)

Date

31 March 2011

Concurrence

U.S. Customs and Border Protection
Office of Air and Marine
Program Management Office, P-3 Programs
Washington, D.C.

Technical Direction Letter
03302011-01

March 28, 2011

Technical Direction
P-3 Maintenance Acquisition

1. Purpose:

This letter provides guidance and technical direction to be followed in support of the CBP P-3 Program Management Office for inspection, acceptance, transportation and storage of 25 excess Multi Programmable Display Processors (MPDP) NSN: 1270-01-384-1108 IAW Appendix 9, sequence number A016, PBSOW C 5 3 4 8

2. Applicability:

This letter applies to Lockheed Martin supporting the CBP P-3 Program Office participating in developing, publishing, and executing the CBP P-3 Maintenance Performance Based Statement of Work contract.

3. Background:

In support of CBP'S APG-63 V0 radar systems, Warner Robins Air Logistic Center (WR-ALC) has provided 25 excess MPDP's as "free-issue. The Defense Reutilization Management Office, WR-ALC will hold these assets NLT May 2011 or until shipped to CBP

4. Action to be Taken:

(a) Documentation of, and physical "hands-on" inspection of each component shall be identified by part number and serial number. Document each unit and its observed location, means of storage, packaging, condition and status (repairable, non repairable, serviceable, Non-RFI and RFI) in a format selected by the Contractor to enable the ICP to input this equipment into CARMAC.

(b) Accept all components, provide transportation, and store in an acceptable facility.

5. Implementation

This TDL action shall be complied with no later than 30 April 2011. A complete MPDP component inventory shall be forwarded to CBP PMO within 15 days after completing item 4. (a) and (b).

(b) (6)

FOR PG 3/30/11

(b) (6)

Date

Contracting Officer's Technical Representative

(b) (6)

2/22/11

Date

(b) (6)

3/31/2011

Date

U.S. Customs and Border Protection
Office of Air and Marine
Program Office, P-3 Programs
Washington, D.C.

February 14, 2011

Technical Direction Letter 02142011-001
Lockheed Martin
Contract Number: HSBP 1009C02278

1. Purpose. This Technical Direction Letter (TDL) is to authorize Lockheed Martin (LM) to purchase newly manufactured horizontal stabilizers as part of the Depot Level Life Extension Kit (LEK) effort in accordance with the Statement of Work paragraph C.5.3.3.3 of subject contract that states:

C.5.3.3.3 AIRCRAFT AND EQUIPMENT SUPPORT

C.5.3.3.3.1 The Contractor shall purchase repair services and properly documented and traceable aircraft parts from commercial aircraft parts vendors, Federal Aviation Administration (FAA) certified Repair Stations, or Original Equipment Manufacturers (OEM). In addition to commercial aircraft support, the Contractor shall provide support to commercial equipment installed in Government-operated DoD aircraft.

C.5.3.3.3.2 The budgeted amount and spending authority to provide commercial aircraft parts and services will be provided to the Contractor by object class and line item.

2. Applicability. LM shall use undistributed LEK funds in the Not to Exceed amount of (b) (4) from the Cost Plus Fixed Fee CLIN 00050.

Funding and actual cost shall be separately identified and tracked under this CLIN.

3. Background. The technical details for this action are contained in CBP Statement of Objectives 10-22-2010. LM responded to CBP with pricing via LM letter dated December 21, 2010. This action will result in relieving CBP of the three hundred knot indicated airspeed restriction levied as the result of a full scale fatigue test. As directed by the Contracting Officer's Technical Representative, Lockheed Martin shall enter into a procurement action for a "Stand Alone for Four Shipsets to be delivered in 2012" of horizontal stabilizer kits in support of the CBP LEK program (reference from page one and two of the LM response).

4. Action to be Taken. Purchase four horizontal stabilizer kits for CBP as soon as practical.

(b) (6)
Contracting Officer's Technical Representative
(b) (6)
(b) (6)

14 Feb 2011
Date
14 Feb 2011
Date
2/14/2011
Date

U.S. Customs and Border Protection
Office of Air and Marine
Program Office, P-3 Programs
Washington, D.C.

Technical Direction Letter 03012011-001A

March 11, 2011

Lockheed Martin Contract Number: HSBP 1009C02278
Purchase of Digital Fuel Quantity Systems

1. Purpose: This Technical Direction Letter (TDL) is to authorize Lockheed Martin (LM) to purchase newly manufactured Digital Fuel Quantity Systems (DFQS) in support of the Depot Level Life Extension Kit (LEK) effort citing:

HSBP 1009C02278, C.5.3.3.3 AIRCRAFT AND EQUIPMENT SUPPORT
C.5.3.3.3.1 The Contractor shall purchase repair services and properly documented and traceable aircraft parts from commercial aircraft parts vendors, Federal Aviation Administration (FAA) certified Repair Stations, or Original Equipment Manufacturers (OEM). In addition to commercial aircraft support, the Contractor shall provide support to commercial equipment installed in Government-operated DoD aircraft.
C.5.3.3.3.2 The budgeted amount and spending authority to provide commercial aircraft parts and services will be provided to the Contractor by object class and line item.

2. Applicability: Initial funding of (b) (4) will be transferred from CLIN 00060C to CLIN 10060C. Initial funding of (b) (4) is currently available on CLIN 00060C. A contract modification is forthcoming to move the funding to CLIN 10060C. The negotiated price for the (16) DFQS kits is (b) (4). The balance of funding in the amount of (b) (4) will be added to this CLIN once the Continuing Resolution is resolved. A separate work order shall be open to track DFQS expenditures.

3. Background: The technical details for this action are contained in CBP Statement of Work 10-18-2010. LM responded to CBP with pricing via LM document No 20-LTM-2011-000044-0 dated February 8, 2010. This action will result in CBP receiving an updated supportable aircraft fuel management system. As directed by the Contracting Officer's Technical Representative, Lockheed Martin shall enter into a procurement action for a "Stand Alone for (16) sixteen (DFQS) digital fuel quantity systems to be delivered in 2012" of DFQS kits in support of the CBP LEK program reference from page fourteen of LM document serial number LM-10-1003 dated October 12, 2010.

4. Action to be taken: Purchase sixteen DFQS kits for CBP as soon as practical.

(b) (6)
Contracting Officer's Technical Representative

(b) (6)

(b) (6)

3/11/11
Date

11 March 11
Date

3/11/11
Date

Lockheed Martin Aeronautics Company
86 South Cobb Drive Marietta, GA 30063

LOCKHEED MARTIN



Document No.: 20-LTM-2011-000112-0
Date: March 29, 2011

TO: Department of Homeland Security
Customs & Border Protection (CBP)
1300 Pennsylvania Avenue NW, NP 1310
Washington, D.C. 20229

ATTENTION: Susan Baptist, CBP Contracting Officer

SUBJECT: Customs & Border Protection (CBP) Maintenance Contract No.
HSBP1009C02278, Confirmation of Negotiations Letter

ENCLOSURE: 1) Certificate of Current Cost and Pricing Data, dated 29 March 2011
2) Updated Proposal Pricing Sheet

Dear Ms. Baptist:

Lockheed Martin Aeronautics Company (LM Aero) has completed the Truth in Negotiations (TINA) Post-Negotiation Sweep for the Digital Fuel Quantity Systems (DFQS), Cost plus Fixed Fee (CPFF) Proposal that was submitted to CBP on 8 February 2011. Based on this sweep, the supplier has disclosed a reduction in the estimated cost for these DFQS items.

Enclosure #2 shows the reduction for the DFQS items and LM Aero is passing this savings on to the Government. The original price for the DFQS items was (b) (4); and the revised price is (b) (4) a decrease of (b) (4). Enclosure #2 also includes a breakdown of the new Target Estimated Cost and Fixed Fee amount.

A contract modification is required for LM Aero to purchase these under the subject contract.

If you have questions or need additional information, please contact the undersigned at (b) (6).

LOCKHEED MARTIN CORPORATION
Lockheed Martin Aeronautics Company

(b) (6)

(b) (6)

P-3 Contracts Negotiator Sr.

CERTIFICATE OF CURRENT COST AND PRICING DATA

This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in Section 2.101 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted either actually or by specific identification in writing, to the contracting officer or the contracts officer's representative in support of Customs Boarder Protection (CBP) Maintenance Contract for 16 each Digital Fuel Quantity Systems are accurate, complete, and current as of 23 March 2011, to include the reduction of price as disclosed in the enclosure to this certificate. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between to offeror and the Government that are part of the proposal.

Company: Lockheed Martin Aeronautics Company

Name: (b) (6)

Title: Senior Manager
P-3/S-3 Contracts

Date of Execution: March 29, 2011

Signed: _____

(b) (6)

Date: 3/29/2011

DFQS CUSTOMS KITS UPDATE MARCH 2011
REPORT-P1F
MF:MDFQSU - 0001
TOTAL PROGRAM

3/17/2011

MATERIAL MANAGEMENT
FACTORED HOURS DIRECT
DOLLARS DIRECT
FRINGE BENEFITS
OVERHEAD

TOTAL FACTORED HOURS

TOTAL: HOURS DIRECT
DOLLARS DIRECT
FRINGE BENEFITS
OVERHEAD

OTHER COSTS:
OVERTIME PREMIUM
FACTORED OTHER COSTS
FACT'D NON-MAJ MATL MGT ODC
TOTAL FACTORED MISC OTHER COSTS

SUBTOTAL

PROGRAM OFFICE
G & A

SUBTOTAL

MATERIAL
IWTA NON MAJOR (7KNM)
SUB-TOTAL NON-MAJOR MATERIAL
TOTAL MATERIAL

SERVICE IWTA NON-MAJOR

TOTAL COST
FEE/PROFIT
FACILITIES COST OF MONEY
TOTAL PRICE

| MDFQSU-0001 | TOTAL | MDFQS -0002 | | VARIANCE | |
|-------------|--------|-------------|--------|----------|--------|
| RATE | AMOUNT | RATE | AMOUNT | RATE | AMOUNT |

