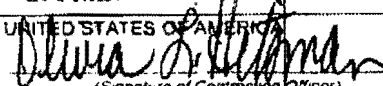


AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE		PAGE OF PAGES 1 2	
2. AMENDMENT/MODIFICATION NO. P00001		3. EFFECTIVE DATE 01/Jan/2011		4. REQUISITION/PURCHASE REQ. NO. See Schedule		5. PROJECT NO. (If applicable)	
6. ISSUED BY USTRANSCOM/TCAQ-CP 508 Scott Drive Scott AFB, IL 62225-5357		CODE BTC711		7. ADMINISTERED BY (If other than Item 6) USTRANSCOM/TCAQ-CM 508 Scott Drive Scott AFB, IL 62225-5357		CODE BTC711	
John R. Carlson (618) 220-7033							
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) EVERGREEN INTERNATIONAL AIRLINES, INC. DBA ALLIANCE CONTRACTOR TEAM 213 LOUDOUN STREET, SW LEESBURG, VA 20175-2718				(X) 9A. AMENDMENT OF SOLICITATION NO.			
				9B. DATED (SEE ITEM 11)			
				10A. MODIFICATION OF CONTRACT/ORDER NO. BTC711-11-D-C001			
				10B. DATED (SEE ITEM 13) 01/Dec/2010			
CODE 3Q2B3		FACILITY CODE					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended Offer 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) PB7700							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
(X) 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.							
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(a).							
X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52-243-1, Changes-Fixed Price (Aug 1987) Alt IV (Apr 1984), para H17b & atch 1, section 4, para 4.1 of the contract							
D. OTHER (Specify type of modification and authority)							
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>1</u> copies to the issuing office							
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) SEE CONTINUATION ON PAGE 2							

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.

16A. NAME AND TITLE OF SIGNER (Type or print) OLIVIA L. HITSMAN LUCY.HITSMAN@USTRANSCOM.MIL (618) 220-7074	
16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED 12/15/10

a. The purpose of this modification is as stipulated below. Changes are identified by a vertical line in the right hand margin:

- (1) change the effective date on the SF26
- (2) incorporate the 2nd quarter entitlement changes reflecting removal of Continental Micronesia's aircraft and the addition of Sky Lease I's aircraft
- (3) Add Attachment 8, Award Fee Plan thereby also updating Section J

b. As a result of 14a above,

- (1) Change block 3 of the SF26 to read 01/Jan/2011.
- (2) Delete page B-1 and add revised page B-1, modification P00001.
- (3) Delete page J-1 and add revised page J-1, modification P00001.
- (4) Delete Attachment 1, page 6 of 6 from the Table of Contents and add revised page 6 of 6, modification P00001.

- (b) Add Attachment 8, modification P00001.

c. As a result of this modification, there is no change in the estimated contract price.

PART I – THE SCHEDULE

SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS

Unless otherwise noted, CLIN pricing and entitlement category information utilizes the Fiscal Year 2011 Negotiated Uniform Rates and Rules, hereafter referred to as the “Rates and Rules”, incorporated by reference and available on the web at www.fedbizopps.gov once finalized.

B-1. EXPANSION PEACETIME AIRLIFT SERVICES ENTITLEMENT BY CATEGORY

	<u>Medium</u>	<u>Large I (90 Ton)</u>	<u>Large II (< 90 Ton)</u>
CAT B CARGO	42.777%	42.777%	42.777%
CAT B COMBI	0	0	
	<u>Medium</u>	<u>Large</u>	
CAT B PASSENGER	42.777%	53.159%	
	<u>Passenger</u>	<u>Cargo</u>	
SMALL	56.714%	0	

B-2. MINIMUM GUARANTEE

a. The Minimum guarantee is \$269,112,404.49 (equal to total fixed buy clins (CLINs 0066 – 0108) without reimbursable and/or MOB Rep) which can be satisfied by fixed or expansion (CLINS 0036 – 0065).

b. For those contracts awarded for expansion only, the minimum guarantee is estimated at \$3000 and is based on actual costs incurred IAW the Joint Travel Regulations (JTR) for Mobilization Representative's (MOBREP) attendance at the MOBREP Conference. This minimum will be satisfied as a reimbursable under CLIN 0001AC.

B-3. PRICING

a. SLIN 0001AA – REIMBURSABLES. See paragraph H-25.

b. SLIN 0001AB – FUEL REIMBURSEMENT. See paragraph H-25.

c. SLIN 0001AC – MOBREP Conference. The government will reimburse the contractor for food, travel, conference fee(s), and lodging expenses incurred as a result of MOBREP representatives attending the MOBREP Conference IAW PWS Para 4.2.3.1. Reimbursement for food, lodging, conference fee(s), and travel will be consistent with the Joint Travel Regulation (JTR). Other costs may be allowed as reimbursable, if determined appropriate and authorized in advance by the Contracting Officer prior to the contractor incurring the costs.

d. CLIN 0002. Aeromedical Evacuation Testing and Training. The government will negotiate price and services prior to performance in accordance with the Section C, PWS, Section 1, paragraph 1.5.1.

e. CLINs 0003-0035. CRAF Activation, shall be priced as follows:

(1) Prices for airlift services during Civil Reserve Air Fleet (CRAF) activation, Stage I, II and III and during United States Transportation Command (USTRANSCOM) Commander-determined periods (where volunteered airlift is used in lieu of CRAF activated airlift) shall be determined in the same manner as for the fixed award CLINs, except that one-way cargo and passenger missions will be priced as a percentage of the round trip rate (identified as CRAF Contingency rate). The price for Aeromedical evacuation airlift shall be determined IAW the Rates and Rules and Section C, PWS, Appendix 5, paragraph 6.0.

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS AND EXHIBITS

ATTACHMENTS

<u>NO.</u>	<u>NAME</u>	<u>NUMBER OF PAGES</u>
1	Performance Work Statement For International Airlift Services In Support Of The Department Of Defense And The Civil Reserve Air Fleet, dated 1 Jan 11	95
2	DD Form 254, Department of Defense Contract Security Classification Specification, dated December 1999	16
3	Wide Area Workflow – Receipt and Acceptance (WAWF-RA) Electronic Receiving Report And Invoicing Instructions, dated 1 Jun 10 and Ferry Declaration sample	2
4	USTRANSCOM Contracted Ground Operations For Carrier Use, dated 1 Jan 11	3
5	Wage Determinations	
5a	Wage determination for Seattle, dated 20 Nov 09	6
5b	Wage Determination for Companies with Collective Bargaining Agreements, dated 5 May 10	4
5c	Wage Determination for Companies not covered under WD 2009-0027, dated 26 May 09	5
6	List of Aircraft Assigned to CRAF, dated 26 Oct 10	14
7	Listing of Government Furnished Equipment, dated 26 Oct 10	8
8	Award Fee Plan, dated 1 Jan 11	3

- 5.1 Enroute Command Communication Procedures
- 5.2 Route Support
 - 5.2.1 Route (Ground) Support Traffic
- 5.3 Deficiencies In Support
- 5.4 Material Handling Equipment (MHE) During Activation
 - 5.4.1 Contractor-Provided MHE
 - 5.4.2 Contractor-Positioning of MHE
 - 5.4.3 Government-Positioning of MHE
 - 5.4.4 Payment for MHE
- 5.5 Regroup Operations
 - 5.5.1 Preservation Of Airlift Resources
 - 5.5.2 Aircraft In Flight
 - 5.5.3 North American Aerospace Defense (NORAD)
 - 5.5.4 Dispersed Aircraft
- 5.6 Traffic And Terminal Services
- 5.7 Communications Networks
 - 5.7.1 Global High Frequency (HF) System
 - 5.7.2 Aircraft Communications
- 6.0. AEROMEDICAL EVACUATION (AE)
- 6.1 P-31/P-32 Power Panel Modifications
- 6.2 Required Performance
- 6.3 Installation and Removal of CRAF Aeromedical Evacuation Ship Set (AESS)
 - 6.3.1 Positioning And Depositioning
- 6.4 FAA Approved Training Program
- 6.5 Contractor-Provided Services
- 6.6 Hazardous Cargo
- 6.7 Certified Medical Equipment
- 6.8 Execution Of Flight
 - 6.8.1 Refueling And Liquid Oxygen (LOX)
 - 6.8.2 Information Execution
 - 6.8.3 Flight Attendant Duties
 - 6.8.4 Aeromedical Evacuation Crew Member (AECM) Requirements
 - 6.8.5 Medical Restrictions
 - 6.8.6 Medical Emergencies
 - 6.8.7 Medical Attention During Takeoff
- 6.9 Aircraft Identification
- 6.10 Configuration Control
 - 6.10.1 Drawing Submission
 - 6.10.2 Aircraft Configuration and Substitution
- 7.0 CONTRACTOR ENROUTE SUPPORT
- 7.1 Contract Provisions for Contractor Enroute Support
 - 7.1.1 Contractor Enroute Support Services
- 7.2 GCWDE Management
- 7.3 Limiting Factors
- 7.4 Billing Information
 - 7.4.1 Period of Obligation and Limits of Payments for Services
 - 7.4.2 Charges to the Contractor Enroute Support Station
 - 7.4.3 Charges to the Government

SOLICITATION NO.: HTC711-10-R-C001
CONTRACT NO.: HTC711-11-D-C001-P00001

AWARD FEE PLAN
FY11 International Airlift Services
in Support of the Civil Reserve Air Fleet (CRAF)

Approved:
Fee Determining Official:

Chief, International Charter Division

1. Purpose

The purpose of this award fee plan is to provide the CRAF firm-fixed price contracts with award fee incentive provisions. This Award Fee Plan documents the incentive provisions of the contract, as well as the procedures, metrics, roles, and responsibilities to administer an award fee for schedule reliability for International airlift passenger and cargo services in support of CRAF. The desired behavior of the Contractor(s) is to maintain high on-time schedule reliability, which will be measured in accordance with surveillance methods as detailed in this plan and the contract.

1.2 The contract requires minimum acceptable performance, and rewards the contractor for increased levels of performance through the Award Fee Plan. Contractor's performance will be assessed using the methodology outlined in the (Contract) Performance Work Statement (PWS) and the Quality Assurance Surveillance Plan (QASP)(Attachment 9). References to the applicable PWS sections and weighting for the individual performance measures are outlined in the QASP. The PWS contains the required services (thresholds) and levels of performance that will be evaluated by this Award Fee program. The specific process for determining Contractor's performance and corresponding Award Fee is set forth in the following paragraphs of this plan and the QASP.

2. Reason for Award Fee

The primary objective of this Award Fee program is to motivate Contractors to provide services that exceed customer requirements using predetermined benchmarks for the following critical performance objective:

- Schedule reliability greater than 95%

By employing the award fee, the Government expects to motivate the Contractor to maintain a schedule reliability rate of 96% or greater¹ based upon a rolling three-month schedule reliability rate. Award fee will be earned by the Contractor for exceeding the required reliability standards of the contract. The award fee is one-half percent (0.5%) for schedule reliability of 96-97% and one percent (1%) for schedule reliability of 98% or greater based upon the contractor's previous month's performance revenues (live miles cost only).

3. Award Fee Tasks

The award fees are designed to encourage higher on-time arrival performance reliability. Eligibility and the amount of the award fee shall depend on the Contractor's performance. The performance objective identified above will be incentivized as reflected in the Performance and Award Fee Matrices discussed below. There are measurable performance parameters, objectives, and outcomes which will be reported, validated, and rewarded if appropriate. The performance objectives are outlined in the QASP and within the PWS. Failure to meet those performance objectives will result in the remediation procedures outlined in paragraph 5 of the QASP.

¹ Contractor's schedule reliability rate will be calculated to the nearest whole number. Less than .5 will round down and .5 or more will round up. For example, a carrier has 18 contractor-controllable delays for the three-month period. Total missions operated are 349. Reliability rate is calculated as 331 divided by 349 = .948 or 95%.

4. Performance and Award Fee Matrices

Table 1, Standards, describes the performance standard for the performance objective and the methods that will be used for monitoring. Table 2, Quality Levels and Award Fees, describes the Minimum and Target Quality Levels for each performance area.

Table 1. Standards

Performance Area	Indicator	Standard	Method of Surveillance
Provide on-time arrival for all whole plane charter missions	Section C, Attachment 1, Paragraphs 2.1 and 2.6.1	All aircraft arrive within one (1) hour after the scheduled arrival time	100% Inspection.

Table 2. Quality Levels and Award Fees

Performance Objective	Minimum Quality Level (Minimum Award Fee)	Target Quality Level (Target Award Fee)		Award Fee Pool
Provide on-time arrival for all whole plane charter missions	Initial three-month performance period reliability and rolling three-month schedule reliability of 96-97%. <i>Contractor will earn 0.5% award fee. Must have operated 60 or more missions (passenger), 40 or more missions (cargo).</i>	Initial three-month performance period reliability and rolling three-month schedule reliability that meets or exceeds 98%. <i>Contractor will earn 1% award fee. Must have operated 60 or more missions (passenger), 40 or more missions (cargo).</i>	-	Previous month's performance revenues (live miles cost only) for each individual contractor.

Acceptable performance is required. Failure to meet schedule reliability requirements will disqualify the Contractor from receiving an award fee.

5. Method for Determining Award Fee

Funding will be applied to the Reimbursable CLIN at time of contract award. Award fee may be earned starting with the completion of the first three-month period following contract award and upon three-month rolling periods thereafter. Typically, within 20-30 days of the end of each rolling three-month performance period, the ACO shall submit an Award Fee Notice to the Contractor. This Award Fee Notice shall state the Contractor's calculated award fee for the completed period based on the parameters outlined in Table 2 above. The notice shall include supporting documentation for the reported performance and award fee amount. The ACO will prepare the notice based on the objective measurement listed below:

- Schedule reliability of 96% or greater

The Contractor shall earn no Award Fee if the 96% or greater schedule reliability is not met, based on 60 or more missions for passenger carriers (40 or more missions, cargo carriers), during the 3 month rolling period.

Award Fee determinations and amounts rendered by the FDO are final and not subject to the Disputes Clause.

The award fee structure is effective for the entire period of performance of the contract

6. Award Fee Plan Administrative Changes and Fee Application Examples

The method for changing this Award Fee Plan is described below:

- a. The Contractor(s), or ACO may propose changes to the Award Fee Plan. The contractor may recommend changes to the ACO no later than 30 calendar days prior to the beginning of a new evaluation period.
- b. The Government may elect to make unilateral changes to the Award Fee Plan, provided the ACO has sent written notice to the Contractor(s) of any changes to be applied at least 15 calendar days before the start of the upcoming evaluation period. Award Fee Plan changes affecting the current evaluation period must be by mutual consent. On agreement between the parties, changes will become effective as of the date of the applicable contract modification.

Illustrative example of the Award Fee Earned for Exceeding Schedule Reliability Requirements—Passenger Carrier

TOTAL MSNs	TOTAL CONTRACTOR DELAYS	RELIABILITY PERCENTAGE	RELIABILITY PERCENTAGE ROUNDED	PREVIOUS MONTH'S REVENUES	AWARD FEE %	AWARD AMOUNT
54	2	96.3%	96.0%	\$4,575,000	0.0%	\$0
318	10	96.9%	97.0%	\$37,404,672	0.5%	\$1,870,234
90	2	97.8%	98.0%	\$3,000,000	1.0%	\$300,000