

Exhibit P-40, BUDGET ITEM JUSTIFICATION							DATE: February 2010						
APPROPRIATION/BUDGET ACTIVITY							P-1 ITEM NOMENCLATURE						
Aircraft Procurement, Navy/APN-5 Aircraft Modifications							053200, H-1 SERIES						
Program Element for Code B Items:							Other Related Program Elements						
	Prior Years	ID Code	FY2009	FY2010	Base FY2011	OCO FY2011	Total FY2011	FY2012	FY2013	FY2014	FY2015	To Complete	Total
QTY		A											
COST (In Millions)	227.2	A	8.8	31.2	3.1	0.0	3.1	11.4	6.7	25.9	11.5	138.2	464.1
<p>DESCRIPTION: There are 59 H-1N's, 53 H-1Y's in the UH configuration, 3 H-1N's in the HH configuration, and 22 H-1Z's in the AH configuration for a total of 137. The total procurement goal for the UH-1Y is 123 and for the AH-1Z is 226, for a total of 349 H-1's. The UH-1 provides command and control and combat assault support under day/night and adverse weather conditions. Additional UH-1 missions include special operations support, controls/coordination/guidance of supporting fire and aeromedical evacuation. The HH configured aircraft provide local civilian and military search and rescue support, as well as augmenting Department of Homeland Security resources. The AH-1Z is a tandem seat, two place attack helicopter. The armament of the AH-1Z includes the SIDEWINDER, HELLFIRE missile systems, a chin-mounted 20mm turret gun, and wide variety of forward firing and gravity released external stores. The overall goal of the modifications budgeted in FY2011 is to eliminate safety hazards, improve survivability, fulfill operational requirements, remedy obsolescence and maintain significant mission capability. Additionally, the H-1 will continue to upgrade the applicable Aircraft sensor and avionics systems and subsystems as well as the rocket delivery system which includes the Advance Precision Kill Weapon System (APKWS). These platforms will continue to fulfill the operational requirements to detect, identify and destroy tactical sized armored targets with precision guided munitions during the day, at night, and during adverse weather, as well as providing enhanced conventional weapons delivery by utilizing the system's laser ranging and designating system.</p>													
(TOA, \$ in Millions)													
OSIP No.	Description	Prior Years	FY2009	FY2010	Base FY2011	OCO FY2011	Total FY2011	FY2012	FY2013	FY2014	FY2015	To Complete	Total
031-92	UH-1 NTIS	188.6	6.3	19.5	2.8	0.0	2.8	11.1	6.4	16.3	3.7	58.9	313.8
018-98	H-1N SAFETY UPGRADES	30.7	0.2	0.3	0.3	0.0	0.3	0.3	0.3	0.3	0.3	0.3	32.7
021-07	CRITICAL SYSTEMS IMPROVEMENT	0.8	2.3	11.5	0.0	0.0	0.0	0.0	0.0	9.3	7.5	79.3	110.5
	INACTIVE OSIPs	7.1											7.1
<b>Total</b>		<b>227.2</b>	<b>8.8</b>	<b>31.2</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>	<b>11.4</b>	<b>6.7</b>	<b>25.9</b>	<b>11.5</b>	<b>138.2</b>	<b>464.1</b>
Note: Totals may not add due to rounding.													

Exhibit P-3a

Individual Modification

MODIFICATION TITLE: UH-1 NTIS (OSIP 031-92)

MODELS OF SYSTEMS AFFECTED: UH-1N/UH-1Y, ASSOCIATED TRAINERS AND LABS TYPE MODIFICATION: SAFETY

DESCRIPTION/JUSTIFICATION: Solution Planning Directive (serial number C14, dated 26 June 2007) and Capabilities Production Document (CPD) (approved 11 June 2007, JROCM 138-07) states that the UH-1 requires a Navigational Thermal Imaging System (NTIS) to provide the U.S. Marine Corps with a day/night warfighting capability in all weather conditions. This capability reduces the safety risk by allowing the aircrew to see and avoid flight obstructions and locate targets that might not be visible with the naked eye or night vision goggles. The AN/AAQ-22 is a low cost, stabilized system which provides the required capability in the form of high quality real time imagery displayed into the UH-1 aircraft cockpit. The NTIS System is comprised of 5 components: Turret FLIR Unit (TFU), Central Electronics Units (CEU), Hand Control Unit (HCU), Thermal Image Recorder (TIR), and the Video Display Unit (VDU). The NTIS is installed on the UH-1N aircraft by AFC-278. The system also includes a Laser Range Finder (LRF) to determine the range to landmarks, targets, and tactical points of interest. Beginning in FY97, the NTIS was upgraded from 1st generation to 3rd generation Forward Looking Infrared (FLIR) technology. The commercial-off-the-shelf (COTS) Star SAFIR modification consisted of a 3-5 micron focal plane array detector, an eye safe LRF and improved optics. Additionally, the NTIS is upgraded with a new Thermal Imaging Recorder (TIR) with mount and a Flat Panel Display replacement for the VDU due to a fire hazard. In FY03 the additional modifications to the NTIS were incorporated in order to add a Laser Designator/Laser Pointer capability (BRITE Star I/II), closed captioned device (CCD) (camera), and a new Universal Hand Control Unit (UHCU). The BRITE Star Block II incorporated a new laser pointer, color CCD camera, laser pump diode laser designator (LDR)/LRF, auto focus, and optics (large focal plane array). The LDS capability was a threshold requirement. Additional reliability and maintenance upgrades, including replacement of the existing TIR with a Digital Thermal Imaging Recorder, to the NTIS components and VDU (UH-1N only) will also be incorporated. BRITE Star Block II integration into the UH-1Y started in FY08.

DEVELOPMENT STATUS/MAJOR DEVELOPMENT MILESTONES: The completion of COTS post Milestone II testing of the Laser Designator (BRITE Star) completed in FY03. Initial fielding of BRITE Star I completed in FY06. BRITE Star II development and test completed in FY08. The BRITE Star Block II received a Full Rate Production (FRP) decision Aug 08. The UH-1Y FOT&E is scheduled for the 4th QTR in FY09.

FINANCIAL PLAN: (TOA, \$ in Millions)

	Prior Years		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015		To Complete		Total		
	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	
RDT&E																					
PROCUREMENT																					
Installation Kits																					
AFC-278 A KIT (CONTRACTOR)	105	2.6																	105	2.6	
AFC-334 TIR	105	0.1																		105	0.1
AFC-364 (BRITE Star)	99	0.4																		99	0.4
AFC-396 (UH-1Y)	16	0.3	18	0.4	14	0.3	16	0.3	16	0.3	16	0.3	16	0.3			17	0.5	129	2.8	
Installation Kits N/R		5.6					0.3	0.3	0.4	0.4	0.4	0.4					0.7				8.0
Installation Equipment																					
BRITE Star I	38	24.1																		38	24.1
BRITE Star II (UH-1Y)	75	72.2	5	4.4	15	13.2			10	8.8	6	5.3	10	8.8			8	7.0	129	119.7	
Laser Spot Trackers													10	1.6			119	19.1	129	20.7	
Flat Panel Display	91	0.9																		91	0.9
NTIS System (GFE)	84	29.7																		84	29.7
NTIS Upgrade	90	29.3																		90	29.3
TIR (GFE)	107	1.0																		107	1.0
Installation Equipment N/R		0.6				0.6			0.6												3.0
Laser Spot Trackers													0.5		0.5		3.0				4.0
Engineering Change Orders												1.3		0.9							2.2
Data		0.5				0.2											0.8				1.4
Training Equipment	8	1.7			2	2.2							1	1.2			6	8.0	17	13.1	
Support Equipment	3	1.1																		3	1.1
ILS		1.1				0.2		0.3					0.3		0.3				1.7		3.9
Other Support		13.9		1.3		2.2		1.6		0.7		0.1		1.5		2.0		16.4			39.7
Interim Contractor Support																					
Installation Cost	207	3.8	18	0.3	14	0.3	16	0.3	16	0.3	16	0.3	16	0.3			17	0.4	320	6.0	
<b>Total Procurement</b>		<b>188.6</b>		<b>6.3</b>		<b>19.5</b>		<b>2.8</b>		<b>11.1</b>		<b>6.4</b>		<b>16.3</b>		<b>3.7</b>		<b>58.9</b>		<b>313.8</b>	

Notes:

1. Totals may not add due to rounding.
2. AFC-396 UH-1Y will be configured to fly with any of the three existing sensors; STAR Safire, BRITE Star Block I or BRITE Star Block II.

Exhibit P-3a

MODELS OF SYSTEMS AFFECTED: UH-1N/UH-1Y, ASSOCIATED TRAINERS AND LABS      MODIFICATION TITLE: BRITE STAR II/UH-1Y (OSIP 031-92)

INSTALLATION INFORMATION:

METHOD OF IMPLEMENTATION: CONTRACTOR FIELD MOD TEAM

ADMINISTRATIVE LEADTIME: 0 Months      PRODUCTION LEADTIME: 0 Months

CONTRACT DATES:      FY 2009: Oct-08      FY 2010: Oct-09      FY 2011: Oct-10

DELIVERY DATE:      FY 2009: Oct-08      FY 2010: Oct-09      FY 2011: Oct-10

(\$ in Millions)

Cost:	Prior Years		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015		To Complete		TOTAL		
	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	
FY 2008 & PY (16) kits	16	0.3																		16	0.3
FY 2009 (18) kits			18	0.3																18	0.3
FY 2010 (14) kits					14	0.3														14	0.3
FY 2011 (16) kits							16	0.3												16	0.3
FY 2012 (16) kits									16	0.3										16	0.3
FY 2013 (16) kits											16	0.3								16	0.3
FY 2014 (16) kits													16	0.3						16	0.3
FY 2015 ( ) kits																					
To Complete (17) kits																	17	0.4		17	0.4
<b>TOTAL</b>	<b>16</b>	<b>0.3</b>	<b>18</b>	<b>0.3</b>	<b>14</b>	<b>0.3</b>	<b>16</b>	<b>0.3</b>	<b>16</b>	<b>0.3</b>	<b>16</b>	<b>0.3</b>	<b>16</b>	<b>0.3</b>			<b>17</b>	<b>0.4</b>	<b>129</b>	<b>2.6</b>	

Installation Schedule

FY 2008 & Prior	FY 2009				FY 2010				FY 2011				FY 2012				FY 2013				
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
In	16	5	5	4	4	4	4	3	3	4	4	4	4	4	4	4	4	4	4	4	4
Out	16	5	5	4	4	4	4	3	3	4	4	4	4	4	4	4	4	4	4	4	4

	FY 2014				FY 2015				To Complete	Total
	1	2	3	4	1	2	3	4		
In	4	4	4	4					17	129
Out	4	4	4	4					17	129

Exhibit P-3a

Individual Modification

MODIFICATION TITLE: H-1 CRITICAL SYSTEMS IMPROVEMENT PROGRAM (OSIP 021-07)

MODELS OF SYSTEMS AFFECTED: UH-1Y/AH-1Z TYPE MODIFICATION: READINESS IMPROVEMENT/SAFETY OF FLIGHT COMBAT EFFECTIVENESS

DESCRIPTION/JUSTIFICATION: The purpose of this program is to incorporate a number of cost effective changes to the UH-1Y and AH-1Z helicopters, specifically targeting improvements to safety of flight, maintenance, obsolescence (Diminishing Manufacturing Sources/Material Shortages), and readiness degrader items. These improvements are a vital element of the H-1 Upgrades program, significantly enhancing the strategy of a more ready, more capable H-1 force to accomplish the successful fielding and maintaining of this new capability to the Warfighter in support of Overseas Contingency Operations (OCO). The increased readiness and capabilities that will be realized support the tenets of Sea Power 21, specifically operational availability, enhanced capabilities, and interoperability. Planned improvements under this OSIP cover airframe, propulsion, helmet, weapons systems, survivability, reliability & maintainability, weight & balance, and avionics related subsystems. The OSIP intends to utilize upgrades to existing technology to the maximum extent practicable to minimize development and procurement costs, and to reduce the time to field the improved systems. The system identified for improvement in the OSIP are the Digital Map, Crash Survivable Flight Incident Recorder, ARC-210 Radio, Blue Force Tracker, Software System Configuration Set 07, Command and Control Consoles, Correction of Deficiencies, SATCOM Antenna Placement and Rocket Envelope Expansion. Additionally, systems being evaluated for replacement include support equipment (blade fold rack), avionics subsystems, sensors, Data Link, armor, communication systems, Missile Warning and Radar Detection Systems, Digital Video Recorder, Mission Computer Upgrades and increased aircraft electrical power availability system. Other survivability efforts covered by this OSIP include: IR Signature Reduction (IR Suppressors, Turned Exhaust), upgrades to existing EW Suites equipment which includes AN/AAR-47, ALE-47, ALQ-144 and implementation of improved armor technologies including, but not limited to, transparent armor, armored panels and crew weapons mounts which enhances Aircraft/Aircrew survivability. Additional improvements planned under this OSIP includes future improvements in turned exhaust system, Directed Infrared Counter Measures (DIRCM), and Joint and Allied Threat Awareness System (JATAS). The addition of these systems requires a more robust electrical distribution system and upgrades to platform software.

DEVELOPMENT STATUS/MAJOR DEVELOPMENT MILESTONES: This modification makes maximum use of existing technologies that have been installed on the AH-1W and HH/UH-1N platforms, and other fielded USN or USMC platforms.

FINANCIAL PLAN: (TOA, \$ in Millions)

	Prior Years		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015		To Complete		Total		
	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	
RDT&E																					
PROCUREMENT																					
Installation Kits																					
Antenna Relocation Wiring/Hardware			12	0.1																12	0.1
Antenna Relocation Wiring/Hardware-OCO						30	2.3													30	2.3
Digital Map												40	2.0	40	2.0	95	5.5			175	9.5
System Configuration Set 7.0												32	1.4	41	1.8	102	4.8			175	8.0
Correction of OT Deficiencies																153	9.0			153	9.0
ARC-210												40	0.1	33	0.1	80	2.0			153	2.2
Blue Force Tracker																153	8.6			153	8.6
Installation Kits N/R																					
Installation Equipment																					
SATCOM Antenna AV2091			12	0.1																12	0.1
SATCOM Antenna AV2091-OCO						30	5.3													30	5.3
Redesign Slipping and Standpipe			12	0.4																12	0.4
Command and Control Consoles			10	0.2																10	0.2
Command and Control Consoles-OCO						39	0.8													39	0.8
Correction of OT Deficiencies			30	1.3												153	8.9			183	10.2
ARC-210												40	3.0	33	2.1	80	6.1			153	11.2
Blue Force Tracker																153	8.9			153	8.9
Installation Equipment N/R																				9.2	9.2
Engineering Change Orders			0.1																	1.2	1.3
Data-OCO							0.1														0.1
Training Equipment	2	0.6											1.7						2.0	2	4.3
Support Equipment			10	0.2																10	0.2
ILS																0.2				4.6	4.8
ILS-OCO							0.5														0.5
Other Support				0.1			0.1						1.1		1.3				8.5		11.0
Other Support-OCO							0.6														0.6
Interim Contractor Support																					
Installation Cost	2	0.1				12	0.1													14	0.2
Installation Cost-OCO							1.6	30												30	1.6
<b>Total Procurement</b>		<b>0.8</b>		<b>2.3</b>		<b>11.5</b>							<b>9.3</b>		<b>7.5</b>			<b>79.3</b>			<b>110.5</b>

1. Totals may not add due to rounding.

Exhibit P-3a

MODELS OF SYSTEMS AFFECTED: UH-1Y MODIFICATION TITLE: H-1 SYSTEM IMPROVEMENT PROGRAM (OSIP 021-07) SATCOM ANTENNA RELOCATION

INSTALLATION INFORMATION:

METHOD OF IMPLEMENTATION: CONTRACTOR FIELD MOD TEAM

ADMINISTRATIVE LEADTIME: 3 Months PRODUCTION LEADTIME: 9 Months

CONTRACT DATES: FY 2009: Dec-08 FY 2010: Dec-09 FY 2011: N/A

DELIVERY DATE: FY 2009: Dec-09 FY 2010: Dec-10 FY 2011: N/A

(\$ in Millions)

Cost:	Prior Years		FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015		To Complete		TOTAL		
	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	
FY 2008 & PY (2) kits	2	0.1																		2	0.1
FY 2009 (12) kits					12	0.1														12	0.1
FY 2010 (30) kits - OCO						1.6	30													30	1.6
FY 2011 ( ) kits																					
FY 2012 ( ) kits																					
FY 2013 ( ) kits																					
FY 2014 ( ) kits																					
FY 2015 ( ) kits																					
To Complete ( ) kits																					
<b>TOTAL</b>	<b>2</b>	<b>0.1</b>			<b>12</b>	<b>1.8</b>	<b>30</b>													<b>44</b>	<b>1.9</b>

Installation Schedule

	FY 2008 & Prior	FY 2009				FY 2010				FY 2011				FY 2012				FY 2013				
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
In	2					2	3	3	4	7	7	8	8									
Out	2					2	3	3	4	7	7	8	8									

	FY 2014				FY 2015				To Complete	Total
	1	2	3	4	1	2	3	4		
In										44
Out										44