

### Exhibit P-40, Budget Item Justification Sheet

Date:

February 2004

Appropriation / Budget Activity/Serial No:

Procurement, Marine Corps (1109) / Weapons and Tracked Combat Vehicles (2)

P-1 Item Nomenclature:

MODIFICATION KITS (INFANTRY WEAPONS)

Program Element:

0206211M Divisions (Marine)

Code:

A

Other Related Program Elements:

	Prior Years		FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	To Complete	Total Prog
Proc Qty											
Gross Cost	17.8		4.1	3.3	3.2	3.5	3.0	2.9	3.0	Cont.	Cont.
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc (P-1)	17.8		4.1	3.3	3.2	3.5	3.0	2.9	3.0	Cont.	Cont.
Initial Spares	0.1										
Total Proc Cost	17.9		4.1	3.3	3.2	3.5	3.0	2.9	3.0	Cont.	Cont.
Flyaway U/C											
Wpn Sys Proc U/C											

The Infantry Weapons Modification line item is a roll-up program for supporting the enhancement of artillery and small arms equipment/systems, consisting of the following:

**M249 SAW UPGRADE:** Improved enhancements for operational functioning of M249 Squad Automatic Weapon (SAW) by selective replacement of major subcomponents i.e. butt stock, feed tray cover, etc.

**THEODOLITE UPGRADE:** The Theodolite upgrade provides a manual backup to the current electronic system. The capability provided ensures that loss of power will not result in mission failure.

**M203 UPGRADE:** This program allows a laser aiming device to be mounted on the M203 Grenade Launcher.



Weapon System Cost Elements		ID CD	Appropriation/ Budget Activity/Serial No:			P-1 Line Item Nomenclature:			Weapon System Type:			Date:					
			Procurement, Marine Corps (1109) / Weapons and Tracked Combat Vehicles (2)			MODIFICATION KITS (INFANTRY WEAPONS)						February 2004					
			FY03			FY04			FY05								
			TotalCost	Qty	UnitCost	TotalCost	Qty	UnitCost	TotalCost	Qty	UnitCost						
			\$000	Each	\$	\$000	Each	\$	\$000	Each	\$						
INFANTRY WEAPONS MOD LINE																	
(In FY04, all components fall under one program.)																	
Iron Sights for M16A4 and M4 CQBW												640	VAR	VAR	370	VAR	VAR
M203 Upgrade												600			600	VAR	VAR
M249 SAW Replacement												636	VAR	VAR	250	VAR	VAR
M249 SAW Upgrade												150	VAR	VAR			
M40A3 Sniper Rifle Suppressors												200	VAR	VAR	150	VAR	VAR
M82A3 SASR												100	VAR	VAR			
Match M16A2 Upgrade															200	VAR	VAR
Flashless Suppressed Weapons												300	VAR	VAR	300	VAR	VAR
M9 Upgrade												108	VAR	VAR			
Optics (MG, MWS)															150	VAR	VAR
Sniper Rifle Scopes												500	VAR	VAR	100	VAR	VAR
Mortar System Improvements																	
MEU (SOC) .45 cal Pistol												100	VAR	VAR	100	VAR	VAR
Emerging Safety and Modification Programs												237	VAR	VAR	129	VAR	VAR
Program/Acquisition Support												310	VAR	VAR	299	VAR	VAR
Hydraulic Buffer															600	VAR	VAR
<b>Sub-Totals</b>												<b>3281</b>			<b>3248</b>		
M249 SAW UPGRADE/REPLACEMENT												2104	663	3173			
Eng/ILS Support Costs												47					
<b>Sub-Totals</b>												<b>2151</b>					
THEODOLITES																	
E/MMT Procurement												753					
DDACS												199					
<b>Sub-Totals</b>												<b>952</b>					
M203 UPGRADE												70	VAR	VAR			
<b>Sub-Total</b>												<b>70</b>					
FIRE SUPPORT MOD LINE																	
(Moved to BLI 206300 in FY04)																	
Program Acquisition Support												254					
Procurement of Leg Brace												7					
Procurement of 20 Hard Drives												18	20	900			
RTL-21 Replacement Legs												207	63	3286			
Replace Hydraulic Power Assist Kit												63	8	7875			
Gauges/Adapters												1	88	11			
BUCS-R Hardware												379	VAR	VAR			
<b>Sub-Total</b>												<b>929</b>					
<b>Total</b>												<b>4102</b>			<b>3281</b>		<b>3248</b>