



DEFENSE LOGISTICS AGENCY
TROOP SUPPORT
700 ROBBINS AVENUE
PHILADELPHIA, PENNSYLVANIA 19111-5092

January 5, 2022

Hartwell Corporation
Attention: Dain Miller
900 S. Richfield
Placentia, CA 92870

SUBJECT: Request for Voluntary Refund

Dear Mr. Miller:

In response to several letters from Members of Congress, the DoD Office of Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries on 153 contracts between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Troop Support paid excess profit to Hartwell Corporation on the following contract:

(FOUO) Contract Number	Cage No.	NSN and Description	TransDigm s Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part**	Quantity	Total Excess Profit Per Part
SPE5EK-17-P-1291	83014	5340-01-078-8824 Mortise Latch		\$1,499.0 0				\$64,110

Accordingly, DLA Troop Support requests Hartwell Corporation voluntarily refund a total of \$64,110, as reflected in the chart above, to the Government. This represents the total excess profit on the above listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "Finance and Accounting Officer, DFAS-CO" at the address in the letterhead to the attention of DLA Troop Support and forward the payment, along with a copy of this letter to:

DLA Troop Support
ATTN: [REDACTED]
Bldg. 6D033
700 Robbins Avenue
Philadelphia, PA 19111

January 5, 2022

Page 2

In accordance with DFARS 242.7100, paying the refund is voluntary. It is not an admission of any impropriety on the part of Hartwell Corporation; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If Hartwell Corporation has questions regarding the refund amount, please submit information that may have affected the pricing of Hartwell Corporation at that time. Additionally, if there are any questions concerning this letter, please contact [REDACTED] with the Class IX Support Function (formerly Industrial Hardware), at [REDACTED] or by email: [REDACTED]@dla.mil. DLA Troop Support greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

WILLIAM J. KENNY
Acquisition Executive

cc: Mr. Kevin Stein, CEO, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, President and COO, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
TROOP SUPPORT
700 ROBBINS AVENUE
PHILADELPHIA, PENNSYLVANIA 19111-5092

January 5, 2022

Eletromech Technologies, LLC
Attention: Patrick O'Brien
2600 South Custer
Wichita, Kansas 67217-1324

SUBJECT: Request for Voluntary Refund

Dear Mr. Patrick O'Brien:

In response to several letters from Members of Congress, the Department of Defense Office of Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries on 153 contracts between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Troop Support paid excess profit to Eletromech Technologies, LLC on the following contract:

(FOUO) Contract Number	Cage No.	NSN and Description	TransDigm s Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part**	Quantity	Total Excess Profit Per Part
SPE8E7-18-P-1002	54395	4140-01-191-4765 Vaneaxial Fan		\$16,874.00				\$99,102.80
								\$99,102.80

Accordingly, DLA Troop Support requests Electromech Technologies, LLC voluntarily refund a total of \$99,102.80, as reflected in the chart above, to the Government. This represents the total excess profit calculated on the above listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "Finance and Accounting Officer, DFAS-CO" at the address in the letterhead to the attention of DLA Troop Support and forward the payment, along with a copy of this letter to:

DLA Troop Support
ATTN: [REDACTED]
Bldg. 6D032
700 Robbins Avenue
Philadelphia, PA 19111

January 5, 2022

Page 2

In accordance with DFARS 242.7100, paying the refund is voluntary. It is not an admission of any impropriety on the part of Electromech Technologies, LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If Electromech Technologies, LLC has questions regarding the refund amount, please submit information that may have affected the pricing of Electromech Technology, LLC at that time. Additionally, if there are any questions concerning this letter, please contact the Director of Suppliers Operations for the Construction & Equipment (C&E) Supply Chain, [REDACTED] at [REDACTED] or by e-mail: [REDACTED]@dla.mil. DLA Troop Support greatly appreciates the support provided by Electromech Technology, LLC of our military and we hope this pricing issue can be resolved to the satisfaction of Electromech Technology, LLC and the taxpayers that support the Department of Defense.

Sincerely,

WILLIAM J. KENNY
Executive Director,
Troop Support Contracting and Acquisition
Management

cc: Mr. Kevin Stein, CEO, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, President and COO, TransDigm Group, Inc.

Procurement Sensitive Information – See FAR 2.101 & 3.104

Controlled Unclassified Information (CUI)



DEFENSE LOGISTICS AGENCY
TROOP SUPPORT
700 ROBBINS AVENUE
PHILADELPHIA, PENNSYLVANIA 19111-5092

January 5, 2022

Skurka Aerospace
Attention: Michael Barnaba
4600 Calle Bolero
Camarillo, CA 93012

SUBJECT: Request for Voluntary Refund

Dear Mr. Barnaba:

In response to several letters from Members of Congress, the DoD Office of Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries on 153 contracts between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Troop Support paid excess profit to Skurka Aerospace on the following contract:

(FOUO) Contract Number	Cage No.	NSN and Description	TransDigm s Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part**	Quantity	Total Excess Profit Per Part
SPE5EM-19-P-0558	95270	5330-01-542-0168 Plain Encased Seal		\$1,612.00				\$205,555

Accordingly, DLA Troop Support requests Skurka Aerospace voluntarily refund a total of \$205,555, as reflected in the chart above, to the Government. This represents the total excess profit on the above listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "Finance and Accounting Officer, DFAS-CO" at the address in the letterhead to the attention of DLA Troop Support and forward the payment, along with a copy of this letter to:

DLA Troop Support
ATTN: [REDACTED]
Bldg. 6D033
700 Robbins Avenue
Philadelphia, PA 19111

January 5, 2022

Page 2

In accordance with DFARS 242.7100, paying the refund is voluntary. It is not an admission of any impropriety on the part of Skurka Aerospace; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If Skurka Aerospace has questions regarding the refund amount, please submit information that may have affected the pricing of Skurka Aerospace at that time. Additionally, if there are any questions concerning this letter please contact [REDACTED] with the Class IX Support Function (formerly Industrial Hardware), at [REDACTED] or by email: [REDACTED]@dla.mil. DLA Troop Support greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

WILLIAM J. KENNY
Acquisition Executive

cc: Mr. Kevin Stein, CEO, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, President and COO, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990

Mr. Mike Carney
President
Electromech Technologies
2600 South Custer
Wichita, KS 67217

JAN 12 2022

Dear Mr. Carney:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Electromech Technologies on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M1-18-P-5520	6105-01-446-8553 Tachometer Generator Motor	54395		\$6,093.00				\$543,756
SPE7M1-18-V-2786	6105-01-446-8553 Tachometer Generator Motor	54395		\$5,642.00				\$103,071
SPE7M1-18-V-4529	6105-01-446-8553 Tachometer Generator Motor	54395		\$5,642.00				\$101,231
SPE7M5-18-P-F350	5905-01-203-8072 Variable Resistor	54395		\$10,292.00				\$521,024
SPE7M1-18-P-4742	5905-01-203-8072 Variable Resistor	54395		\$10,292.00				\$497,536
SPE7M9-18-V-0168	6105-01-230-1495 Direct Current Motor	54395		\$9,257.00				\$106,060
SPE7M9-18-V-0333	6105-01-166-4896 Torque Motor	54395		\$5,591.00				\$104,269
							Total	\$1,976,947

Accordingly, DLA Land and Maritime requests Electromech Technologies voluntarily refund \$1,976,947, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a

check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Electromech Technologies; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,



MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990

Mr. Pat O'Brien
President
Aero Fluid Products
313 Gillett St.
Painesville, OH 44077

JAN 12 2022

Dear Mr. O'Brien:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Aero Fluid Products on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M4-17-C-0021	4810-01-607-7882 Valve, Linear, Direct	96124		\$4,229.00				\$494,496
SPE7M4-19-P-1394	4810-01-607-7882 Valve, Linear, Direct	96124		\$2,299.00				\$301,575
SPE7MC-17-P-5868	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,136.00				\$94,188
SPE7MC-17-P-5364	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,136.00				\$91,888
SPE7MC-17-P-2307	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,011.00				\$88,303
SPE7M0-17-V-6367	4810-01-607-7882 Valve, Linear, Direct	96124		\$5,011.00				\$87,181
SPE7M1-18-P-1626	5945-00-933-8654 Electrical Solenoid	96124		\$2,799.00				\$112,408
SPE7M3-18-P-5459	4820-00-629-7758 Parts Kit, Pressure	96124		\$1,901.00				\$108,389
SPE7MC-18-V-1069	4820-01-068-3370 Fuel Pressure Valve	96124		\$12,637.00				\$105,510
SPE7MC-18-P-2122	4820-01-068-3370 Fuel Pressure Valve	96124		\$13,173.00				\$98,426
SPE7MC-18-P-0010	4820-01-068-3370 Fuel Pressure Valve	96124		\$12,706.82				\$96,202
SPE7MC-18-P-1098	4810-01-246-1382 Solenoid Valve	96124		\$7,138.00				\$94,498


SPE7MC-17-P-6020	4810-01-349-7231 Solenoid Valve	96124		\$18,701.00			\$93,525
SPE7MC-18-P-0255	4810-01-349-7231 Solenoid Valve	96124		\$18,701.00			\$91,704
SPE7MC-17-P-6080	4810-01-349-7231 Solenoid Valve	96124		\$18,701.00			\$90,383
SPE7MC-18-P-1206	4810-01-349-7231 Solenoid Valve	96124		\$18,701.00			\$89,957
SPE7MC-18-P-1207	4810-01-349-7231 Solenoid Valve	96124		\$18,701.00			\$87,759
SPE7MI-18-P-0039	5945-00-929-7535 Electrical Solenoid	96124		\$5,733.00			\$86,836
SPE7MC-18-P-4093	4820-00-516-2463 Valve, Linear	96124		\$7,881.00			\$72,718
						Total	\$2,385,943

Accordingly, DLA Land and Maritime requests Aero Fluid Products voluntarily refund \$2,385,943, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Aero Fluid Products; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

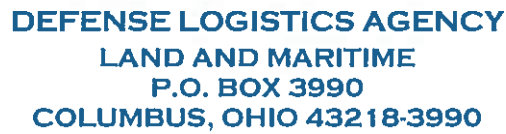
If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED], Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,


MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



JAN 12 2022

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Arkwin Industries, Inc. on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M1-18-P-6917	4320-01-276-6097 Rotor, Pump	98391		\$9,654.01				\$179,394
SPE7M1-18-V-5144	4320-01-276-6097 Rotor, Pump	98391		\$8,938.90				\$85,680
SPE7L2-18-P-0476	3040-01-326-8635 Piston, Linear Actuating Cylinder	98391		\$3,227.22				\$114,484
SPE7M0-17-V-A757	4820-00-991-0785 Regulating Valve	98391		\$5,775.00				\$113,889
SPE7MC-17-P-5637	4820-00-991-0785 Regulating Valve	98391		\$5,775.00				\$113,296
SPE7MC-17-P-5974	4820-00-991-0785 Regulating Valve	98391		\$5,775.00				\$111,198
SPE7MC-18-V-4798	4820-01-007-5367 Bleed Valve	98391		\$2,092.92				\$100,450
SPE7M4-18-P-0383	4810-00-013-7091 Solenoid Valve	98391		\$3,798.00				\$84,026
SPE7MC-18-P-5711	4810-00-013-7091 Soleniod Valve	98391		\$4,215.78				\$83,790
SPE7MC-17-P-2738	4810-00-013-7091 Solenoid Valve	98391		\$3,798.00				\$73,104
							Total	\$1,059,311

Accordingly, DLA Land and Maritime requests Arkwin Industries, Inc. voluntarily refund \$1,059,311, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Arkwin Industries, Inc.; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,


MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990

JAN 12 2022

Mr. Sanjeev Musalimadugu
President
Whippany Actuation Systems
110 Algonquin Parkway
Whippany, NJ 07981-1602

Dear Mr. Musalimadugu:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Whippany Actuation Systems on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M2-18-P-1700	6105-00-794-0008 Direct Current Motor	81039		\$4,590.75				\$39,501
							Total	\$39,501

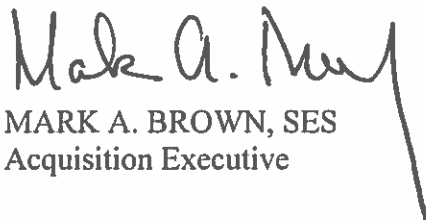
Accordingly, DLA Land and Maritime requests Whippany Actuation Systems voluntarily refund \$39,501, as reflected in the contract identified in the chart above, to the Government. This amount represents the total excess profit on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Whippany Actuation Systems; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates

your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Brown". The signature is fluid and cursive, with a long, sweeping vertical line extending downwards from the end of the name.

MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.

Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990**

Mr. Steve Gross
President
Avionic Instruments, LLC.
1414 Randolph Ave., Box 498
Avenel, NJ 07001

JAN 12 2022

Dear Mr. Gross:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Avionic Instruments LLC on the following contract(s):

Contract Number	NSN and Description	CAGE	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7L7-17-P-4475	6130-01-455-4497 Battery Charger	6HAR8		\$23,522.49				\$392,883
SPE7L7-18-P-1278	6140-01-400-2901 Storage Battery	6HAR8		\$1,610.21				\$84,865
SPE7L7-18-P-1526	6140-01-400-2901 Storage Battery	6HAR8		\$1,610.21				\$84,865
SPE7L7-18-P-2163	6130-01-536-9332 Power Supply	10933		\$10,989.00				\$45,701
SPE7M1-18-P-0204	5905-01-548-2316 Variable Resistor	10933		\$3,263.00				\$3,488
							Total	\$611,801

Accordingly, DLA Land and Maritime requests Avionic Instruments LLC voluntarily refund \$611,801 as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Avionic Instruments LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,



MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.

Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990**

Mr. Joe Glover
President
AdelWiggins Group
5000 Triggs St.
Los Angeles, CA 90022

JAN 12 2022

Dear Mr. Glover:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to AdelWiggins Group on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M3-19-P-1619	4730-01-015-7518 Coupling Half, Quick Disconnect	79326		\$17,901.00				\$218,570
SPE7M3-17-P-3398	4730-01-050-9882 Coupling Assembly	79326		\$17,213.00				\$126,931
SPE7M3-17-V-0912	4730-00-856-0288 Coupling Assembly, Quick Disconnect	79326		\$6,035.00				\$123,333
SPE7MC-17-P-5946	4820-01-030-7160 Valve, Disconnect	79326		\$7,033.00				\$119,599
SPE7M4-17-P-2842	4820-01-035-2339 Disconnect, Pylon AI	79326		\$9,897.00				\$116,910
							Total	\$705,344

Accordingly, DLA Land and Maritime requests AdelWiggins Group voluntarily refund \$705,344, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of AdelWiggins Group; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,



MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.

Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990

Mr. Michael Hargas
President
AeroControlex Group
4223 Monticello Blvd.
South Euclid, OH 44121

JAN 12 2022

Dear Mr. Hargas:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to AeroControlex Group on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M3-17-P-2945	4730-00-802-5123 Coupling Half, Quick Disconnect	81833		\$16,641.00				\$140,433
SPE7M3-18-P-2314	4730-00-802-5123 Coupling Half, Quick Disconnect	81833		\$16,641.00				\$140,268
SPE7MC-18-P-0943	4820-01-130-5538 Valve, Check	81833		\$14,999.00				\$137,536
SPE7MC-18-P-3053	4820-01-197-4744 Check Valve	81833		\$3,923.00				\$132,812
SPE7M3-18-P-0828	4730-00-720-2000 Coupling Half, Quick Disconnect	81833		\$8,811.00				\$89,678
SPE7M3-18-P-0820	4730-00-720-2000 Coupling Half, Quick Disconnect	81833		\$8,811.00				\$84,710
SPE7L3-18-P-6535	3010-00-812-8162 Disk, Clutch, Nonvehicular	98889		\$1,769.00				\$137,141
SPE7L5-18-C-0003	3020-01-055-8604 Gear, Spur	98889		\$2,097.00				\$122,318
SPE7M1-18-V-2228	6105-01-164-2120 Electric Motor Parts Kit	98889		\$3,154.00				\$118,315
SPE7M8-18-P-0677	6105-01-164-2120 Electric Motor Parts Kit	98889		\$3,154.00				\$112,617

SPE7M3-18-P-5739	4820-01-227-7574 Fluid Regulating Valve	98939		\$29,927.00				\$121,937
SPE7MC-18-P-3909	4820-00-489-5829 Cock, Drain	98939		\$6,398.00				\$116,463
							Total	\$1,454,227

Accordingly, DLA Land and Maritime requests AeroControlex Group voluntarily refund \$1,454,227, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of AeroControlex Group; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,


 MARK A. BROWN, SES
 Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.

Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



JAN 12 2022

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Champion Aerospace, LLC on the following contract(s):

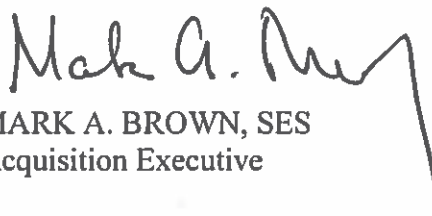
[illegible]

Accordingly, DLA Land and Maritime requests Champion Aerospace, LLC voluntarily refund \$1,688,586, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Champion Aerospace, LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED] Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,



MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.

Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990

JAN 12 2022

Mr. Robert Mikita
Business Unit Manager
CEF Industries, LLC
320 S. Church Street
Addison, IL 60101

Dear Mr. Mikita:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to CEF Industries, LLC on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPRDL1-19-P-0154	3040-01-652-9227 Linear Actuator, Ram	00268		\$9,033.00				\$47,096
							Total	\$47,096

Accordingly, DLA Land and Maritime requests CEF Industries, LLC voluntarily refund \$47,096, as reflected in the contract identified in the chart above, to the Government. This amount represents the total excess profit on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of CEF Industries, LLC; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED], Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates

your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Brown", with a long, sweeping underline that extends to the right.

MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.

Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.

Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



DEFENSE LOGISTICS AGENCY
LAND AND MARITIME
P.O. BOX 3990
COLUMBUS, OHIO 43218-3990

Mr. Brian Babin
President
Tactair Fluid Controls, Inc.
4806 West Taft Road
Liverpool, NY 13088

JAN 12 2022

Dear Mr. Babin:

In response to a congressional letter received from the House Committee on Oversight and Reform, the Department of Defense Inspector General (DoD IG) reviewed a sample of 107 parts purchased by DoD from TransDigm and its various subsidiaries between January 2017 and June 2019 with a total value of \$38.3 million. DoD IG performed a cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. DoD IG found that Defense Logistics Agency (DLA) Land and Maritime paid excess profit to Tactair Fluid Controls, Inc. on the following contract(s):

Contract Number	NSN and Description	CAGE Code	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE7M1-18-C-0023	4810-00-484-3760 Solenoid Valve	70236		\$2,485.00				\$177,058
SPE7MC-18-P-1941	4810-00-484-3760 Solenoid Valve	70236		\$2,424.00				\$29,796
SPE7MC-17-P-5415	4810-00-484-3760 Solenoid Valve	70236		\$2,424.00				\$24,470
SPE7M1-19-P-1537	4320-01-147-9015 Pump Assembly	70236		\$3,196.00				\$100,195
SPE7M1-18-P-2733	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$74,800
SPE7M1-18-P-1474	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$64,907
SPE7M1-17-P-7761	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$66,865
SPE7M1-17-V-9446	4320-01-147-9015 Pump Assembly	70236		\$2,968.00				\$31,963
SPE7M4-17-C-0008	4810-01-459-3368 Hydraulic Actuator	70236		\$29,248.00				\$81,536
SPE7M1-18-V-9768	2030-01-191-7265 Valve Serv. Actuator	70236		\$28,131.00				\$67,297
SPE7MC-18-P-5784	2030-01-191-7265 Valve Serv. Actuator	70236		\$28,131.00				\$67,153
SPE7MC-18-P-3630	2030-01-191-7265 Valve Serv. Actuator	70236		\$28,131.00				\$64,209

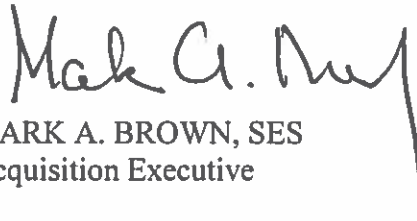
SPE7MC-18-P-2728	1710-01-301-3367 Accumulator, Seal Replacement Kit	70236		\$782.00			\$52,440
SPE7MC-18-P-1421	4810-01-129-4546 Solenoid Valve	70236		\$2,197.00			\$14,345
						Total	\$917,033

Accordingly, DLA Land and Maritime requests Tactair Fluid Controls, Inc. voluntarily refund \$917,033, as reflected in the contracts identified in the chart above, to the Government. This amount represents the total excess profit on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3)(i)-(ii). If you agree with refund amount requested, please remit a check payable to "Defense Finance & Accounting Service – Columbus Center" at the address in the letterhead to the attention of DLA Land and Maritime – BP. Paying the refund is voluntary. It is not an admission of any impropriety on the part of Tactair Fluid Controls, Inc.; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

If you question the refund amount, please submit information that may have affected your pricing at that time. Notification of this request and your reply will be provided to the DoD IG's office for inclusion in their final report on this audit. Should you have questions regarding this request, please contact [REDACTED], Director of Procurement Process Support, at [REDACTED] or e-mail [REDACTED]@dla.mil. DLA Land and Maritime greatly appreciates your support of our military and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,


MARK A. BROWN, SES
Acquisition Executive

cc:

Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

AeroControlex Group, Inc.
DBA Talley Actuators
Attention: Ms. Jennifer Clark
313 Gillett Street
Painesville, OH 44077-2918

SUBJECT: Request for Voluntary Refund

Dear Ms. Clark:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to AeroControlex Group, Inc., DBA Talley Actuators, (AeroControlex) (Cage 98889) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests AeroControlex voluntarily refund to the Government a total of \$777,283, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 07:54:07 -0500

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Aerosonic, Inc.
Attention: Mr. Lorenzo Belluccia
1212 N. Hercules Avenue
Clearwater, FL 33765-1920

SUBJECT: Request for Voluntary Refund

Dear Mr. Belluccia:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Aerosonic, Inc. (Aerosonic) (Cage 98810) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Aerosonic voluntarily refund to the Government a total of \$92,056, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 07:54:39 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Arkwin Industries, Inc.
Attention: Ms. Amanda Kelly
686 Main Street
Westbury, NY 11590-5093

SUBJECT: Request for Voluntary Refund

Dear Ms. Kelly:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Arkwin Industries, Inc. (Arkwin) (Cage 98391) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Arkwin voluntarily refund to the Government a total of \$1,419,774, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 07:55:07 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Avionic Instruments, LLC
Attention: Mr. Jordan Zipper
1414 Randolph Avenue
Avenel, NJ 07001

SUBJECT: Request for Voluntary Refund

Dear Mr. Zipper:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Avionic Instruments, LLC (Avionic) (Cage 10933) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Avionic voluntarily refund to the Government a total of \$773,236, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:01:23 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

CEF Industries, LLC
Attention: Ms. Hannah Cosgrove
320 S. Church Street
Addison, IL 60101

SUBJECT: Request for Voluntary Refund

Dear Ms. Cosgrove:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to CEF Industries, LLC (CEF) (Cage 00268) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests CEF voluntarily refund to the Government a total of \$457,890, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:02:12 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Champion Aerospace, LLC
Attention: Ms. Sharon Williams
1230 Old Norris Road
Liberty, SC 29657-3508

SUBJECT: Request for Voluntary Refund

Dear Ms. Williams:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Champion Aerospace, LLC (Champion) (Cage 0AFL4) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Champion voluntarily refund to the Government a total of \$192,836, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:02:36 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Harcosemco LLC
Attention: Ms. Eileen Viglione
186 Cedar Street
Branford, CT 06405-6011

SUBJECT: Request for Voluntary Refund

Dear Ms. Viglione:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Harcosemco, LLC (Harcosemco) (Cage 00060) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Harcosemco voluntarily refund to the Government a total of \$180,015, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:03:03 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Hartwell Corporation
Attention: Mr. Paul Valdiviez
900 S Richfield RD
Placentia, CA 92870-6788

SUBJECT: Request for Voluntary Refund

Dear Mr. Valdiviez:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Hartwell Corporation (Hartwell) (Cage 83014) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Hartwell voluntarily refund to the Government a total of \$88,592, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:03:35 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

Contract Number	Buying Command	NSN and Description	CAGE Code	TransDigim's Operating Unit	TransDigim's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE4A6-17-P-A082	DLA Aviation Richmond, VA	5342-00-718-0680 Latch, Assembly, Cowl	83014	Hartwell Corporation		3,525.86				\$48,436
SPE4A6-17-P-B183	DLA Aviation Richmond, VA	5342-00-718-0680 Latch, Assembly, Cowl	83014	Hartwell Corporation		3,525.86				\$40,156
										\$88,592



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Marathonnorco Aerospace, Inc.
Attention: Ms. Jill Recio
8301 Imperial DR
Waco, TX 76712

SUBJECT: Request for Voluntary Refund

Dear Ms. Recio:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Marathonnorco Aerospace, Inc. (Marathonnorco) (Cage 08844) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Marathonnorco voluntarily refund to the Government a total of \$67,720, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:04:08 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Semco Instruments, Inc.
Attention: Ms. Eileen Viglione
186 Cedar Street
Branford, CT 06405-6011

SUBJECT: Request for Voluntary Refund

Dear Ms. Viglione:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Semco Instruments, Inc. (Semco) (Cage 09526) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Semco voluntarily refund to the Government a total of \$69,318, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:04:50 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Semco Instruments, Inc.
Attention: Ms. Eileen Viglione
186 Cedar Street
Branford, CT 06405-6011

SUBJECT: Request for Voluntary Refund

Dear Ms. Viglione:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Semco Instruments, Inc. (Semco) (Cage 24735) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Semco voluntarily refund to the Government a total of \$353,589, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:06:05 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Skurka Aerospace, Inc.
Attention: Ms. Jacqueline Frederic
4600 Calle Bolero
Camarillo, CA 93012

SUBJECT: Request for Voluntary Refund

Dear Ms. Frederic:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Skurka Aerospace, Inc. (Skurka) (Cage 95270) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Skurka voluntarily refund to the Government a total of \$759,519, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:06:40 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Tactair Fluid Controls, Inc.
Attention: Ms. Patricia Tierney
4806 W. Taft Road
Liverpool, NY 13088-5552

SUBJECT: Request for Voluntary Refund

Dear Ms. Tierney:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Tactair Fluid Controls, Inc. (Tactair) (Cage 70236) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests Tactair voluntarily refund to the Government a total of \$1,812,281, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:07:08 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

(CUI) Contract Number	Buying Command	NSN and Description	CAGE Code	TransDigim's Operating Unit	TransDigim's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SPE4A7-19-C-0215	DLA Aviation Richmond, VA	1630-01-098-2057 Dual Parking Valve	70236	Tactair Fluid Controls, Inc.		6,227.49				\$471,314
SPE4A7-18-C-0486	DLA Aviation Richmond, VA	1620-00-918-6392 Lock, Assy, Steering	70236	Tactair Fluid Controls, Inc.		13,202.00				\$437,138
SPE4A7-18-C-0473	DLA Aviation Richmond, VA	1630-01-098-2057 Dual Parking Valve	70236	Tactair Fluid Controls, Inc.		5,988.00				\$420,091
SPE4A7-19-P-B565	DLA Aviation Richmond, VA	1620-01-089-2484 Compensator Assembly	70236	Tactair Fluid Controls, Inc.		3,688.00				\$179,292
SPE4A7-18-P-0928	DLA Aviation Richmond, VA	1650-01-174-9137 Cap, Linear Actuating	70236	Tactair Fluid Controls, Inc.		7,495.00				\$145,553
SPE4A7-17-P-D488	DLA Aviation Richmond, VA	1650-01-101-4365 Rod, Head Assembly	70236	Tactair Fluid Controls, Inc.		21,553.00				\$68,964
SPRTA1-18-P-0065	DLA Aviation Oklahoma City, OK	1650-01-132-3641 Servo Mechanism, Hydr	70236	Tactair Fluid Controls, Inc.		74,058.00				\$56,197



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

TransDigm, Inc.
DBA AeroControlex
Attention: Ms. Chrisi Trivison
4223 Monticello BLVD
South Euclid, OH 44121

SUBJECT: Request for Voluntary Refund

Dear Ms. Trivison:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to TransDigm, Inc., DBA AeroControlex (TransDigm) (Cage 04638) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$664,919, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:07:34 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

TransDigm, Inc.
DBA AeroControlex
Attention: Ms. Chrisi Trivison
4223 Monticello BLVD
South Euclid, OH 44121

SUBJECT: Request for Voluntary Refund

Dear Ms. Trivison:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to TransDigm, Inc., DBA AeroControlex (TransDigm) (Cage 81833) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$392,389, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:08:12 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

TransDigm, Inc.
DBA Aero Fluid Products
Attention: Ms. Jennifer Clark
313 Gillett Street
Painesville, OH 44077-2918

SUBJECT: Request for Voluntary Refund

Dear Ms. Clark:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to TransDigm, Inc., DBA Aero Fluid Products (TransDigm) (Cage 96124) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$1,074,937, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT | Digitally signed by
HERINE.L.1229386 | CONTRERAS.CATHERINE.L.12
472 | 29386472
Date: 2022.01.13 08:08:41 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Transicoil, LLC
Attention: Mr. Erik Weber
9 Iron Bridge DR
Collegeville, PA 19426-2042

SUBJECT: Request for Voluntary Refund

Dear Mr. Weber:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Transicoil, LLC (Transicoil) (Cage 65907) on the contract identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$112,013, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contract.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L. 1229386
472



Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:09:06 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

(CUI) Contract Number	Buying Command	NSN and Description	CAGE Code	TransDigm's Operating Unit	TransDigm's Cost Per Part	Contract Price Per Part	Cost Per Part With 15% Profit	Excess Profit Per Part	Total Parts	Total Excess Profit
SP4A6-18-P-6730	DLA Aviation Richmond, VA	6645-01-586-5278 Panel Clock				13,546.15				\$112,013
										\$112,013



**DEFENSE LOGISTICS AGENCY
AVIATION
8000 JEFFERSON DAVIS HIGHWAY
RICHMOND, VIRGINIA 23297-5002**

January 13, 2022

Via U.S. Mail and Electronic Mail

Whippany Actuation Systems, LLC
Attention: Mr. William Flatley
110 Algonquin Parkway
Whippany, NJ 07981

SUBJECT: Request for Voluntary Refund

Dear Mr. Flatley:

The DoD Office of Inspector General (DoD IG) received a congressional letter requesting a comprehensive review of DoD contracts awarded from January 2017 through June 2019 to TransDigm's operating units to identify whether TransDigm earned excess profits. The DoD IG reviewed 107 spare parts on 153 contracts that the Defense Logistics Agency (DLA) awarded to 19 different TransDigm operating units. The DoD IG performed cost analysis on the parts using a 15% profit margin to determine whether DoD paid excess profit on the parts. The DoD IG found that Defense Logistics Agency (DLA) Aviation paid excess profit to Whippany Actuation Systems, LLC (Whippany) (Cage 81039) on the contracts identified in the table enclosed with this letter.

Accordingly, DLA Aviation requests TransDigm voluntarily refund to the Government a total of \$220,978, as reflected in the enclosed table. This represents the total excess profit the DoD IG found on the listed contracts.

The request for voluntary refund is made in accordance with DFARS 242.7100 and DFARS PGI 242.7100(3) (i) and (ii). If you agree with the refund amount requested, please remit a check payable to "DLA-Aviation" at the address in the letterhead to the attention of DLA Avn-BPA. Paying the refund is voluntary. It is not an admission of any impropriety on the part of your company; rather, it would demonstrate a good faith effort to correct misspent taxpayer dollars.

January 13, 2022

Page 2

If you question the refund amount, please submit information that may have affected your pricing at that time. Additionally, if you have any questions concerning this letter, please contact [REDACTED] at [REDACTED]@dla.mil. DLA Aviation greatly appreciates your support of our military, and we hope this pricing issue can be resolved to the satisfaction of your company and the taxpayers that support the Department of Defense.

Sincerely,

CONTRERAS.CAT
HERINE.L.1229386
472

Digitally signed by
CONTRERAS.CATHERINE.L.12
29386472
Date: 2022.01.13 08:09:42 -05'00'

CATHERINE L. CONTRERAS
Acquisition Executive

Enclosure

cc: Mr. Kevin Stein, Chief Executive Officer, TransDigm Group, Inc.
Mr. Jorge L. Valladares, III, Chief Operating Officer, TransDigm Group, Inc.
Mr. Patrick Murphy, Executive Vice President, TransDigm Group, Inc.

DoDIG COST ANALYSIS AND EXCESS PROFIT

[illegible]