

## DEPARTMENT OF THE AIR FORCE HEADQUARTERS AIR FORCE MATERIEL COMMAND

20 October 2025

MEMORANDUM FOR Chairman, Senate Armed Services Committee

FROM: AFMC/CC

Air Force Materiel Command

4375 Chidlaw Road

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SUBJECT: URGENT - Contractor Accountability Crisis Requiring Immediate Congressional

Oversight

1. **PURPOSE:** This memorandum requests immediate Congressional intervention regarding unprecedented contractor compliance issues with Stark Industries that threaten both acquisition accountability and national security.

2. **CRITICAL SITUATION:** Stark Industries holds \$47.3 billion across 17 active DoD contracts, including advanced propulsion, precision munitions, and next-generation power systems. While contractor performance is exceptional (ahead of schedule, under budget, technically superior), the Chief Executive Officer's conduct has created an ungovernable situation.

## 3. REPRESENTATIVE INCIDENTS (Last 90 Days):

- 4. Unauthorized flight operations in restricted airspace using personal powered armor, violating 14 FAA regulations and 7 DoD security protocols.
- 5. Improper handling of classified information during Congressional testimony, followed by unauthorized demonstration of classified technology.
- 6. International incident involving unsanctioned flight through allied airspace during munitions delivery, requiring 72 hours of State Department damage control.
- 7. Unilateral contract modifications and systematic bypass of security protocols.
- 8. **THE FUNDAMENTAL PROBLEM:** Traditional contractor oversight mechanisms are ineffective when the contractor possesses unique mission-critical capabilities and can physically bypass security measures. We have attempted 6 formal warnings, 11 security violation reports, and 3 contract cure notices. All administrative remedies have proven inadequate.
- 9. **CRITICAL NATIONAL SECURITY RISK:** Multiple weapons systems are now dependent on Stark-proprietary technology that only one individual fully understands. This represents an unacceptable single-point-of-failure in national defense architecture.

- 10. **REQUESTED ACTION:** The Air Force Materiel Command requests the Senate Armed Services Committee conduct immediate oversight hearings and consider legislation establishing a special compliance framework for strategic individual contractors who are simultaneously indispensable and ungovernable.
- 11. **BOTTOM LINE:** In 77 years of managing defense contractors, we have never encountered this situation. **We need Congressional help.**

MICHAEL T. HARRIS, General, USAF Commander

- 2 Attachments:
- 1. Detailed Incident Timeline
- 2. Technical Dependency Analysis