



**DEPARTMENT OF THE ARMY**  
**UNITED STATES ARMY TANK - AUTOMOTIVE AND ARMAMENTS COMMAND**  
**1 ROCK ISLAND ARSENAL**  
**ROCK ISLAND, ILLINOIS 61299-7630**

**December 6, 2002**

Crew Served Weapons Contracting Team –

Mr. Joseph Fastuca  
General Mfg. Company  
3249 Industrial Blvd  
Bethel Park, PA 15102

Dear Mr. Fastuca:

Reference your letter dated August 29, 2002 wherein you request financial relief due to a unilateral mistake on your proposal under solicitation DAAE20-01-R-0025 resulting in contract DAAE20-01-C-0039.

The Government has reviewed your letter and the facts and circumstances involving this matter. While it is clear to the government that your company made a unilateral mistake in your pricing proposal and that the contracting officer was not on actual or constructive notice of this mistake, the Government recognizes that this is an outstanding issue and potential claim and dispute. The Government would like to put this issue entirely to rest and dispose of it in an amicable fashion. Thus, in consideration of obtaining a full release and complete accord and satisfaction and settlement of your mistake in proposal assertion or claim, the Government is willing to increase the contract price by a total of \$7,062.87. The Government proposes a lump sum payment in this amount, which shall be paid upon the presentation of a proper invoice to the proper paying office. Consequently, this proposed settlement offer will result in a total contract price increase in the amount of \$7,062.87; however, the unit price shall remain the same. This is an offer of settlement and is not to be deemed an admission by the government and cannot be used as evidence against the Government in any legal or judicial proceeding. In accordance with the federal rules of evidence, this offer is made without prejudice to the government's right to revoke it.

If you agree with this offer of settlement, please have an authorized representative sign the acknowledgement below. Your authorized representative's signature signifies your company's acceptance of \$7,062.87 as the total and complete payment, accord and satisfaction of your company's asserted claim or issue involving or related to any mistake in proposal under this contract, no. DAAE20-01-C-0039. Accordingly, acceptance of the contract's price increase in the amount of \$7,062.87 shall bar General Manufacturing Company from asserting any claim, demand, cause of action, or defense arising out of or relating to any mistake in your company's price proposal.

ACKNOWLEDGMENT & ACCEPTANCE of SETTLEMENT OFFER

SIGNATURE  DATE 12/10/02  
Printed Name Joseph M. Fustuca Title 

Upon execution and return of this letter, the Government will incorporate this settlement and price increase with the issuance of a unilateral modification.

The point of contact is Sheri Gross, AMSTA-LC-CSCA, area code (309) 782-4857, datafax (309) 782-3813, electronic mail gross@ria.army.mil

Sincerely,

  
Suzanne K. McGregor  
Contracting Officer