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PIIN/SIIN W52H09-04-R-0146

MOD/AMD 0002

Name of Offeror or Contractor:

SECTION A - SUPPLEMENTAL INFORMATION
THE PURPOSE OF THIS AMENDMENT IS AS FOLLOWS:

1. TO ADD AN ECONOMIC PRICE ADJUSTMENT (EPA) CLAUSE AS FOLLOWS:

ECONOMIC PRICE ADJUSTMENT - STEEL

DUE TO THE CURRENT PRICE FLUCTUATIONS IN THE STEEL MARKET, UNIT PRICES WILL BE NEGOTIATED PRIOR TO THE ISSUANCE OF EACH DELIVERY ORDER IN ACCORDANCE WITH THE SECTION I CLAUSE, ECONOMIC PRICE ADJUSTMENT - MATERIAL. THE CLAUSE APPLIES TO THE STEEL PRICES FOR THE RAW MATERIAL PURCHASED FOR THE NOZZLE, SPRAY, FLUID, APPROXIMATELY 1 POUND EACH. THE ADJUSTMENT WILL BE CALCULATED BASED ON THE ACTUAL DIFFERENCE IN THE STEEL PURCHASE PRICE AT 1 POUND PER NOZZLE TIMES THE QUANTITY PLACED ON ORDER. THE BASE PRICE FOR STEEL FOR COMPARISON IS TO BE DETERMINED AT TIME OF AWARD. IF AND WHEN STEEL PRICES STABILIZE AND RETURN BACK TO NORMAL, WE WILL REVERT TO THE PROPOSED PRICES AS SHOWN IN ATTACHMENT 001.

2. TO EXTEND THE DATE FOR RECEIPT OF PROPOSALS FROM 10 OCT 2004 TO 15 OCT 2004.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

*** END OF NARRATIVE A 003 ***

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Name of Offeror or Contractor:

SECTION I - CONTRACT CLAUSES

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
I-1 ADDED	52.216-4	ECONOMIC PRICE ADJUSTMENT - LABOR AND MATERIAL	JAN/1997
<u>ECONOMIC PRICE ADJUSTMENT - MATERIAL</u>			

(a) Prior to issuing a delivery order the Contracting Officer will contact the Contractor to obtain steel pricing information. The adjustment will be calculated based on the actual difference in the steel purchase price of 1 pound per nozzle, spray, fluid times the qty placed on order. The base price for steel for comparison will be determined at time of award.

(b) Any price adjustment under this clause is subject to the following limitations:

(1) Any adjustment shall be limited to the effect on unit prices of the increases or decreases in the unit prices for steel. There shall be no adjustment for --

(i) Supplies or services for which the production cost is not affected by such changes;

(ii) Changes in rates or unit prices other than steel;

(iii) Changes in the quantities of material used.

(2) No upward adjustment shall apply to supplies or services that are required to be delivered or performed before the effective date of the adjustment, unless the Contractor's failure to deliver or perform according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence, within the meaning of the Default clause.

(3) The aggregate of the increases in any contract unit price made under this clause shall not exceed 10 percent of the original unit price. There is no percentage limitation on the amount of decreases that may be made under this clause.

(c) The Contracting Officer may examine the Contractor's books, records, and other supporting data relevant to the cost of material during all reasonable times until the end of 3 years after the date of final payment under the contract or the time periods specified in Subpart 4.7 of the Federal Acquisition Regulation (FAR), whichever is earlier.

*** END OF NARRATIVE I 001 ***

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Name of Offeror or Contractor: _____

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
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L-1 CHANGED	16.203-4(c)	ECONOMIC PRICE ADJUSTMENT BASE	
	FAR		

The offeror is required to submit with his proposal sufficient information to support the entries on page 3.

Required information includes:

Material - Specific materials and/or purchased parts covered, the prices, quantities per unit, basis of base price and quantities; e.g., quotations or invoices (copies should be included with offer) and usage estimates and/or experience including scrap rates.

Refer to FAR 16.203-4 for further information.

(LF6015)