

SCHEDULE

**SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS**

ITEM	DESCRIPTION	QTY	UNIT	NTE UNIT PRICE	NTE TOTAL
0001	Full Rate Production of RLGN (Ring Laser Gyro Navigator)		Shipsets		(See Note A)
0001AA	RLGN (CVN 68) Configuration "AN/WSN-7(V)3"		Shipset		
0001AB	RLGN (NSSN-1) Configuration "AN/WSN-7A(V)2"		Shipset		
0001AC	RLGN (LHD-7) Configuration "AN/WSN-7(V)3"		Shipset		
0001AD	RLGN (Surface) Configuration "AN/WSN-7(V)1"		Shipsets		
0001AE	RLGN (Carrier) Configuration "AN/WSN-7(V)3"		Shipsets		
0001AF	RLGN (DDG 85/86/87/88) Configuration "AN/WSN-7(V)1"		Shipsets		
0001AG	RLGN (SSN 23) Configuration "AN/WSN-7A(V)1"		Shipset		
0001AH	RLGN (Submarine) Configuration "AN/WSN-7A(V)1"		Shipsets		
0001AJ	RLGN (Surface) Configuration "AN/WSN-7(V)2"		Shipsets		

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ITEM	DESCRIPTION	QTY	UNIT	NTE UNIT PRICE	NTE TOTAL
0002	RLGN (FMS Case SP-P-LFG) Configuration "AN/WSN-7(V)1F"		Shipsets		
0003	Data for Items 0001,0002,0005 and 0006 (if Options is/are exercised) Items 0007, 0008, 0009, 0010, 0011, 0012, 0013, 0014, 0015, 0016 and 0017. See DD Form 1423, Exhibit "A" attached hereto			NSP	(See Note E) NSP
0004	Provisioned Item Order (PIO) for Items 0001, 0002 and (if Options is/are exercised) Items 0007, 0008, 0009, 0010, 0011, 0013, 0014, 0015 and 0016				(See Section C)
0005	Technical/Test Program Support		Man- hours		
0006	Production Progress Report Not separately priced (NSP). Price to be included in price of Items 0001, 0002 and (if Option is/are exercised) Items 0007, 0008, 0009, 0010, 0011, 0013, 0014, 0015 and 0016			NSP	NSP
	<b>TOTAL NTE BASIC ITEMS</b>				

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ITEM	DESCRIPTION	QTY	UNIT	NTE UNIT PRICE	NTE TOTAL
	<u>OPTION I (FY 99)</u>				(See Notes A , B & C)
0007	Full Rate Production of RLGN Configuration AN/WSN-7(V)1		Shipsets		
0008	Full Rate Production of RLGN Configuration AN/WSN-7A(V)1		Shipsets		
0009	Full Rate Production of RLGN Configuration AN/WSN-7A(V)2		Shipset		
0010	Full Rate Production of RLGN Configuration AN/WSN-7(V)3		Shipsets		
0011	Full Rate Production of RLGN Configuration AN/WSN-7(V)2		Shipsets		
0012	Technical/Test Program Support	Man-hours			
	<b>TOTAL NTE OPTION I</b>				

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**SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS**

ITEM	DESCRIPTION	QTY	UNIT	NTE UNIT PRICE	NTE TOTAL
	<u>OPTION II (FY 00)</u>				(See Notes A, B & C)
0013	Full Rate Production of RLGN Configuration AN/WSN-7(V)1		Shipsets		
0014	Full Rate Production of RLGN Configuration AN/WSN-7A(V)1		Shipsets		
0015	Full Rate Production of RLGN Configuration AN/WSN-7(V)3		Shipsets		
0016	Full Rate Production of RLGN Configuration AN/WSN-7(V)2		Shipsets		
0017	Technical/Test Program Support		Man-hours		
	<b>TOTAL NTE OPTION II GRAND TOTAL NTE (BASIC PLUS OPTIONS)</b>				

\* Although the maximum quantities in the CLIN ranges, when totalled, equal 60, since the applicable acquisition plan authorizes a maximum quantity of only [redacted] shipsets for the FY 00 option, the total NTE dollar amount for option II was calculated by subtracting [redacted] shipsets, as follows:

Total NTE amount for maximum quantity of [redacted] shipsets:  
 Less NTE amount for [redacted] shipsets at lowest unit price [redacted]:  
 Equals total NTE for [redacted] shipsets for option II:



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**SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS (CONTINUED)**

Cost Plus Fixed Fee (CPFF) Level of Effort (LOE) Items

	CLIN	NTE EST. COST	NTE FIXED FEE	NTE TOTAL AMOUNT	MAN-HOURS
BASIC	0005				6,000
OPTION I	0012				6,000
OPTION II	0017				6,000

**NOTE A** - Regardless of the maximum quantities of RLGN Systems provided for under the Items (basic and options) of this contract, in no event will more than one- hundred and thirty (130) shipsets (Basic - 32 shipsets, Option I - 50 shipsets and Option II - 48 shipsets) of RLGN Systems be procured under this contract in accordance with the applicable Acquisition Plan.

**NOTE B** - Option item to which the option clause in SECTION I-2 applies and which is to be supplied only if and to the extent said option is exercised. In addition, the Government will procure only one of the range of quantities under CLINs 0007, 0008, 0011, 0013, 0014, 0015 and 0016. The quantity to be procured under CLINs 0007, 0008, 0011, 0013, 0014, 0015 and 0016 will be determined at the time of exercise of the option item.

**NOTE C** - In the event option I is exercised by the Government, a minimum total quantity of twenty-five (25) shipsets will be procured.

**NOTE D** - In the event option II is exercised by the Government, a minimum total quantity of twenty-five (25) shipsets will be procured.

**NOTE E** - Offeror shall complete the "Price Group" and "Estimated Total Price" blocks of each data item on the Contract Data Requirements List(s), attached hereto.

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**CONTRACT TYPE SUMMARY FOR PAYMENT OFFICE (COST/FIXED PRICE) (NAVSEA)  
(FEB 1997)**

This contract includes the following mixture of cost reimbursement and fixed price line items:

<u>Item</u>	<u>Type</u>
0001	FP*
0002	FP*
0005	CR**
0007	FP*
0008	FP*
0009	FP*
0010	FP*
0011	FP*
0012	CR**
0013	FP*
0014	FP*
0015	FP*
0016	FP*
0017	CR**

\*FP - Fixed Price

\*\*CR - Cost Reimbursement

**LETTER CONTRACT (FIXED-PRICE) (NAVSEA) (MAY 1993)**

This contract is a Letter Contract as defined in FAR 16.603-1. It is agreed that the definitive contract resulting from this Letter Contract will include a negotiated Firm Fixed Price (FFP) in no event to exceed

**LETTER CONTRACT (COST) (NAVSEA) (MAY 1993) (Applicable only to Item 0005)**

This contract is a Letter Contract as defined in FAR 16.603-1. It is agreed that the definitive contract resulting from this Letter Contract will include a negotiated fixed fee in no event to exceed [REDACTED] and the total amount (including fee) shall not exceed [REDACTED]

\* It is agreed that the definitive contract resulting from this Letter Contract will include a negotiated total amount (firm fixed price and total amount (including fee)) in no event to exceed [REDACTED]

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**(Applicable only to Item(s) 0005 (and if option(s) is/are exercised) Item(s) 0012 and 0017)**

The clause entitled "LIMITATION OF COST" (FAR 52.232-20) or "LIMITATION OF FUNDS" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified estimated cost.

**PAYMENTS OF FEE(S) (LEVEL OF EFFORT) (NAVSEA) (MAY 1993)**

**(Applicable only to Item(s) 0005 (and if option(s) is/are exercised) Item(s) 0012 and 0017)**

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, or "fixed fee" in cost-plus-fixed-fee type contracts for level of effort type contracts.

(b) The Government shall make payments to the Contractor, subject to and in accordance with the clause in this contract entitled "FIXED FEE" (FAR 52.216-8) or "INCENTIVE FEE", (FAR 52.216-10), as applicable. Such payments shall be equal to

   \* percent (   \* %) of the allowable cost of each invoice submitted by and payable to the Contractor pursuant to the clause of this contract entitled "ALLOWABLE COST AND PAYMENT" (FAR 52.216-7), subject to the withholding terms and conditions of the "FIXED FEE" or "INCENTIVE FEE" clause, as applicable (percentage of fee is based on fee dollars divided by estimated cost dollars, including facilities capital cost of money). Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract.

(c) The fee(s) specified in SECTION B, and payment thereof, is subject to adjustment pursuant to paragraph (g) of the special contract requirement entitled "LEVEL OF EFFORT." If the fee(s) is reduced and the reduced fee(s) is less than the sum of all fee payments made to the Contractor under this contract, the Contractor shall repay the excess amount to the Government. If the final adjusted fee exceeds all fee payments made to the contractor under this contract, the Contractor shall be paid the additional amount, subject to the availability of funds. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract at the time of the discontinuance of work.

(d) Fee(s) withheld pursuant to the terms and conditions of this contract shall not be paid until the contract has been modified to reduce the fee(s) in accordance with the "LEVEL OF EFFORT" special contract requirement, or until the Procuring Contracting Officer has advised the paying office in writing that no fee adjustment is required.

\* To be completed by Government at Letter Contract Definitization not to exceed 10%

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**EXPEDITING CONTRACT CLOSEOUT (NAVSEA) (DEC 1995)**

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

**REFUNDS (SPARES AND SUPPORT EQUIPMENT) (NAVSEA) (SEP 1990)**

(a) In the event that the price of a spare part or item of support equipment delivered under this contract significantly exceeds its intrinsic value, the Contractor agrees to refund the difference. Refunds will only be made for the difference between the intrinsic value of the item at the time an agreement on price was reached and the contract price. Refunds will not be made to recoup the amount of cost decreases that occur over time due to productivity gains (beyond economic purchase quantity considerations) or changes in market conditions.

(b) For purposes of this requirement, the intrinsic value of an item is defined as follows:

(1) If the item is one which is sold or is substantially similar or functionally equivalent to one that is sold in substantial quantities to the general public, intrinsic value is the established catalog or market price, plus the value of any unique requirements, including delivery terms, inspection, packaging, or labeling.

(2) If there is no comparable item sold in substantial quantities to the general public, intrinsic value is defined as the price an individual would expect to pay for the item based upon an economic purchase quantity as defined in FAR 52.207-4, plus the value of any unique requirements, including delivery terms, inspection, packaging or labeling.

(c) At any time up to two years after delivery of a spare part or item of support equipment, the Contracting Officer may notify the Contractor that based on all information available at the time of the notice, the price of the part or item apparently exceeds its intrinsic value.

(d) If notified in accordance with paragraph (c) above, the Contractor agrees to enter into good faith negotiations with the Government to determine if, and in what amount, the Government is entitled to a refund.

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(e) If agreement pursuant to paragraph (d) above cannot be reached, and the Navy's return of the new or unused item to the Contractor is practical, the Navy, subject to the Contractor's agreement, may elect to return the item to the Contractor. Upon return of the item to its original point of Government acceptance, the Contractor shall refund in full the price paid. If no agreement pursuant to paragraph (d) above is reached, and return of the item by the Navy is impractical, the Contracting Officer may, with the approval of the Head of the Contracting Activity, issue a Contracting Officer's final decision on the matter, subject to Contractor appeal as provided in the "DISPUTES" clause (FAR 52.233-1).

(f) The Contractor will make refunds, as required under this requirement, in accordance with instructions from the Contracting Officer.

(g) The Contractor shall not be liable for a refund if the Contractor advised the Contracting Officer in a timely manner that the price it would propose for a spare part or item of support equipment exceeded its intrinsic value, and with such advice, specified the estimated proposed price, the estimated intrinsic value and known alternative sources or item, if any, that can meet the requirement.

(h) This requirement does not apply to any spare parts or items of support equipment whose price is determined through adequate price competition. This requirement also does not apply to any spare part or item of support equipment with a unit price in excess of \$100,000; or in excess of \$25,000 if the Contractor submitted, and certified the currency, accuracy and completeness of, cost or pricing data applicable to the item.

**NAPS 5252.232-9000 SUBMISSION OF INVOICES (FIXED PRICE)  
(JUL 1992)**

(a) "Invoice" as used in this clause does not include contractor's requests for progress payments.

(b) The contractor shall submit original invoices with 4 copies to the address identified in the solicitation/contract award form (SF 26-Block 10; SF 33-Block 23; SF 1447-Block 14), unless delivery orders are applicable, in which case invoices will be segregated by individual order and submitted to the address specified in the order (DD 1155-Block 13 or SF 26-Block 10).

(c) The use of copies of the Material Inspection and Receiving Report (MIRR), DD Form 250, as an invoice is encouraged. DFARS Appendix F-306 provides instructions for such use. Copies of the MIRR used as an invoice are in addition to the standard distribution stated in DFARS F-401.

(d) In addition to the requirements of the Prompt Payment clause of this contract, the contractor shall cite on each invoice the contract line item number (CLIN); the contract subline item number (SLIN), if applicable; the accounting classification reference number (ACRN) as identified on the financial accounting data sheets, and the payment terms.

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(e) The contractor shall prepare:

- a separate invoice for each activity designated to receive the supplies or services.
- a consolidated invoice covering all shipments delivered under an individual order.
- either of the above.

(f) If acceptance is at origin, the contractor shall submit the MIRR or other acceptance verification directly to the designated payment office. If acceptance is at destination, the consignee will forward acceptance verification to the designated payment office.

**NAPS 5252.232-9001 SUBMISSION OF INVOICES (COST-REIMBURSEMENT, TIME-AND-MATERIALS, LABOR-HOUR, OR FIXED PRICE INCENTIVE) (JUL 1992)**

(a) "Invoice" as used in this clause includes contractor requests for interim payments using public vouchers (SF 1034) but does not include contractor requests for progress payments under fixed price incentive contracts.

(b) The Contractor shall submit invoices and any necessary supporting documentation, in an original and 4 copies, to the contract auditor at the following address: DCAA Hampton Roads Branch Office, 1919 Commerce Drive, Suite 180, Hampton, VA 23666-4246 unless delivery orders are applicable, in which case invoices will be segregated by individual order and submitted to the address specified in the order. In addition, an information copy shall be submitted to the Contracting Officer Representative (COR) identified in Section G. Following verification, the contract auditor will forward the invoice to the designated payment office for payment in the amount determined to be owing, in accordance with the applicable payment (and fee) clause(s) of this contract.

(c) Invoices requesting interim payments shall be submitted no more than once every two weeks, unless another time period is specified in the Payments clause of this contract. For indefinite delivery type contracts, interim payment invoices shall be submitted no more than once every two weeks for each delivery order. There shall be a lapse of no more than 60 calendar days between performance and submission of an interim payment invoice.

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(d) In addition to the information identified in the Prompt Payment clause herein, each invoice shall contain the following information, as applicable:

- (1) Contract line item number (CLIN)
- (2) Subline item number (SLIN)
- (3) Accounting Classification Reference Number (ACRN)
- (4) Payment terms
- (5) Procuring activity
- (6) Date supplies provided or services performed
- (7) Costs incurred and allowable under the contract
- (8) Vessel (e.g., ship, submarine or other craft) or system which supply/service is provided.

(e) A DD Form 250, "Material Inspection and Receiving Report",  
 is required with each invoice submittal.  
 is required only with final invoice.  
 is not required.

(f) A Certificate of Performance  
 shall be provided with each invoice submittal.  
 is not required.

(g) The Contractor's final invoice shall be identified as such, and shall list all other invoices (if any) previously tendered under this contract.

(h) Costs of performance shall be segregated, accumulated and invoiced to the appropriate ACRN categories to the extent possible. When such segregation of costs by ACRN is not possible for invoices submitted with CLINS/SLINS with more than one ACRN, an allocation ratio shall be established in the same ratio as the obligations cited in the accounting data so that costs are allocated on a proportional basis.