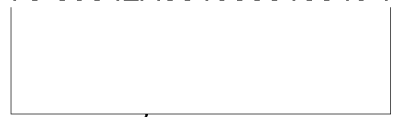


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Rec'd ED
6/19
1700



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Attention:

DOC	45	REV DATE	1/6/80	BY	JSD
ORIG COMP	035	ORI	50	TYPE	01
ORIG CLASS	S	PAGES	1	REV CLASS	C
JUST	12	NEXT REV	2/10	ACTION	NO 70-2

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Subject: Contract No. XG-1995

Gentlemen:

The subject contract was for the purchase of 500 lbs. of Sodium Borohydride (NaBH_4) 98% pure. It has recently been determined that the material delivered was only 94.6% pure. Delivery was made on 27 August 1957 in five packages or a total of 502.5 lbs. in all. If the material had been 98% pure a net amount of 490 lbs. would have been obtained. Since it was only 94.6% pure a net amount of only 475.365 lbs. (502.5 lbs. x 94.6%) was obtained.

As stated in your letter of 17 May 1957, should you deliver material that is less pure than 98% you would supply additional Sodium Borohydride to compensate for the less pure material in order to deliver to us reducing power equivalent to 500 lbs. of 98% NaBH_4 . Your example wherein you postulated a delivery of 95% NaBH_4 and an increase of 515 lbs. seems to fit this situation closely. Accordingly, since we only received 502.5 lbs. we believe we are due the difference between 490 lbs. (500 lbs. of 98% NaBH_4) and 475.365 lbs. (502.5 lbs. of 94.6% NaBH_4).

In this instance, it is elected that repayment be made rather than replacement. Therefore it is considered that a refund for the 14.635 lbs. of NaBH_4 not delivered, at the contract price of \$26.90 per lb., or a total of \$393.68, is due and payable to the Government both by your own submission and the governing provisions of the Guaranty clause of the contract.

Your early remittance for this amount will be appreciated.

Distribution:

- Orig. - Addressee
- 1 - XG-1995 (Official)
- 1 - PSB
- 1 - TSS/ED
- 1 - Fiscal
- 1 - Follow up (30) days
- 1 - Chrono
- 1 - Admin

Very truly yours,

Contracting Officer

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