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SAPC. 19279

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NEGOTIATED CONTRACT

CONTRACT No. HF-2249

General Precision Laboratory, Incorporated
63 Bedford Road
Pleasantville, New York

Contract for: RADAR NAVIGATION SYSTEMS Amount: TARGET PRICE: See
CEILING PRICE : Schedule

Mail Invoices to: Performance Period/Delivery
See APPENDIX I

Administrative Data:

This contract is entered into, by and between the United States of America, hereinafter called the Government, represented by the Contracting Officer executing this contract, and the above-named Contractor which is a Corporation, incorporated in the State of New York, hereinafter called the Contractor.

The Parties hereto agree that the Contractor shall furnish the necessary facilities and deliver all supplies and shall perform all the services set forth in the attached schedule issued hereunder for the consideration stated therein.

The rights and obligations of the parties to this contract shall be subject to and governed by the attached Schedule, APPENDIX I and General Provisions, which together with this signature page and the accompanying certificate comprise this Contract No. HF-2249. In the event of any inconsistency between the Schedule and the General Provisions, the Schedule shall control.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of
October 8, 1957.

Signatures:

STATINTL

General Precision Laboratory, Incorporated

THE UNITED STATES OF AMERICA

By

By

25X1

Title President & General Manager

Contracting Officer

25X1

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Contract No. MF-2849

C E R T I F I C A T E

25X1

I, , certify that
I am the Assistant Secretary of the Corporation named
as Contractor herein; that who
signed this contract on behalf of the Contractor was then President
and General Manager of said Corporation; that said con-
tract was duly signed for and in behalf of said Corporation by
authority of its governing body, and is within the scope of its Cor-
porate powers.

STATINTL

 (Corporate Seal)

25X1

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SCHEDULE**PART I - SUPPLIES AND SERVICES TO BE FURNISHED**

The Contractor shall perform all work and services incident to the production of, and shall furnish and deliver the items of equipment set forth in the attached APPENDIX I, such APPENDIX being a part of this Schedule under the contract.

PART II - CONSIDERATION AND PAYMENT

As changed by Amend 2 Ee
 A. In accordance with the clause of this contract entitled "PAYMENTS," and subject to redetermination of the price in accordance with the part of this Schedule entitled "PRICE REDETERMINATION," the Government shall pay the Contractor upon satisfactory performance of this contract, as full payment for Items 1 and 2 to be supplied by the Contractor hereunder, the amount of \$179,799.56. ^{10/28/57} ~~The budgetary price of \$50,000.00 for Items 3 and 4 will be subject on or about 26 October 1957 to negotiation by the parties hereto to establish a firm target price subject to Price Redetermination. A total of \$238,789.54 has been allotted for this contract, which amount consists of the budgetary figure of \$50,000.00 and the ceiling price of \$188,789.54 as set forth in PART IV hereto.~~

B. As of the date of execution of this contract, there has been allotted for this contract the amount set forth above. This amount is subject to the part of this Schedule entitled, "PRICE REDETERMINATION." In addition, the Government may increase this amount from time to time solely at its discretion, such increased amount to be subject at the proper time to the redetermination provisions of the part of this Schedule entitled "PRICE REDETERMINATION." If at any time the Contractor has reason to believe that by reason of performance by it, of this contract, the amount due it will exceed the sum allotted to this contract, it shall notify the Contracting Officer to that effect. Notwithstanding any other provision of this contract, the Contractor shall not be obligated to furnish any services pursuant to this contract, if in the best judgment of the Contractor, the cost of such services will exceed the amount allotted to this contract. The Government shall not be obligated to pay the Contractor under this contract any amount in excess of the sum allotted.

PART III - DELIVERY SCHEDULES AND ANTICIPATORY COSTS

A. Delivery schedules shall be in accordance with the delivery schedules set forth in APPENDIX I, hereto.

B. All costs which have been incurred by the Contractor and not charged to Contract No. HF-2249, in anticipation of this contract and prior to its signing, and which if incurred after signing would have been considered as allowable items of cost for this contract, shall be considered as allowable items of cost hereunder.

PART IV - PRICE REDETERMINATION

A. Because of the nature of the work called for by this contract and the great uncertainty as to the cost of performance hereunder, the parties agree that the contract price set forth in APPENDIX I hereof may be increased or decreased in accordance with the provisions of this clause.

B. Within 60 days after the completion or termination of this contract, the Contractor will file with the Contracting Officer a statement showing, in such form and detail as the Contracting Officer may prescribe,

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the Contractor's cost of producing the supplies or furnishing the services called for hereunder, together with such other information as may be pertinent in the negotiations for a redetermined price pursuant to this clause. Such statement of cost shall fairly reflect the normal operation of the Contractor's cost system. The Contracting Officer shall have the right at all reasonable times to make or cause to be made such examinations and audits of the Contractor's books, records and accounts as he may request. The Contractor further agrees to include in each of his subcontracts which is on a cost or cost-plus-a-fixed-fee or a price redetermination basis a provision to the effect that the subcontractor agrees (i) to submit to the Contracting Officer such cost data as may be required for price redetermination, (ii) to permit the Contracting Officer to make or cause to be made such examination and audits of books, records and accounts as the Contracting Officer may deem necessary, and (iii) to include a like provision in each of his subcontracts which is on a cost or cost-plus-a-fixed-fee or a price redetermination basis.

C. Upon the filing of the statement and other pertinent information required by paragraph (B) of this clause, the Contractor and the Contracting Officer will promptly negotiate in good faith to agree upon a reasonable redetermined price for the entire contract which, upon the basis of such statement and other pertinent information, will constitute fair and just compensation to the Contractor for the performance of this contract. In determining the extent of any estimated allowance for profit to be taken into account in fixing such redetermined price, consideration will be given to the extent to which the Contractor has performed the contract with efficiency, economy, and ingenuity. *As changed by Amendment 2. EL* In no event shall the redetermined price for Items 1 and 2 exceed the sum of \$188,789.54. ~~Upon establishment of a firm target price for Items 3 and 4 the sum of \$188,789.54 stipulated above shall be amended to include the maximum price for Items 3 and 4.~~ The redetermined price shall be evidenced by a supplemental agreement to this contract.

D. If within 60 days after the completion or termination of this contract, the parties shall fail to agree upon a redetermined price (which term, for the purpose of this clause, shall include direct costs, indirect costs and profit) in accordance with the provisions of this clause, the failure to agree shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

E. In the event of a price increase the Government will pay or credit to the Contractor the amount by which the redetermined price shall exceed the contract price aforesaid. In the event of a decrease in price the Contractor will repay or credit the amount of such decrease to the Government in such manner as the Contracting Officer may direct.

F. For any of the purposes of the clause of this contract entitled "Termination for Convenience of the Government" (including without limitation, computation of "the total contract price" and "the contract price of work not terminated"), the contract price shall be the redetermined contract price agreed upon under paragraph (C) of this clause or determined under paragraph (D) of this clause, as the case may be.

PART V - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whenever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call

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the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

PART VI - SPECIAL SECURITY RESTRICTIONS

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

PART VII - INSPECTION AND AUDIT

A. The Contractor agrees that its books and records and its plants, or such part thereof as may be engaged in the performance of this contract shall at all reasonable times be subject to inspection and audit when and to the extent authorized by the Contracting Officer.

B. The Contractor agrees to include in each of his subcontracts hereunder which is on a cost or cost-plus-a-fixed-fee or a price redetermination basis, or on a time-and-material or labor-hour basis, provision for audit of such subcontract by the Contractor. The Contractor shall conduct an audit of any such subcontract when requested to do so by the Contracting Officer.

PART VIII - SUBCONTRACTS FOR WORK OR SERVICES

(1) No contract shall be made by the Contractor with any other party for furnishing any of the completed or substantially completed articles, spare parts or work, herein contracted for, without the written approval of the Contracting Officer as to sources.

(2) The Contractor shall give specific advance notification to the Contracting Officer of any proposed subcontract hereunder which (i) is on a cost or cost-plus-a-fixed-fee basis, or (ii) is on a fixed-price basis exceeding in dollar amount either \$25,000 or five percent (5%) of the total amount of this contract.

(3) The Contractor shall not, without the prior written consent of the Contracting Officer, place any subcontract which (i) is on a cost or cost-plus-a-fixed-fee basis, or (ii) is on a fixed-price basis exceeding in dollar amount either \$25,000 or five percent (5%) of the total amount of this contract, or (iii) provides for the fabrication, purchase, rental, installation or other acquisition, of any item of industrial facilities, or of special tooling having a value in excess of \$1,000, or (iv) is on

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a time-and-material or labor-hour basis. The Contracting Officer may, in his discretion, ratify in writing any such subcontract; such action shall constitute the consent of the Contracting Officer as required by this paragraph (3).

(4) The Contractor agrees that no subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis.

(5) The Contracting Officer may, in his discretion, specifically approve in writing any of the provisions of a subcontract. However, such approval or the consent of the Contracting Officer obtained as required by this clause shall not be construed to constitute a determination of the acceptability of the subcontract price, unless such approval specifically provides that it constitutes a determination of the acceptability of the subcontract price.

(6) The Contracting Officer may approve all or any part of the Contractor's purchasing system and from time to time rescind or reinstate such approval. Such approval shall be deemed to fulfill the requirements for obtaining the Contracting Officer's consent to subcontracts as prescribed in paragraph (3) above.

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APPENDIX I

Item No.	Description	Quantity	Unit Price	Total
1.	Radan Navigation System Model PC-211	4	\$43,654.93	\$174,619.72
2.	Model PC-211 Special Test Equipment each set consisting of one each of the following:	2	2,589.92	5,179.84
	(a) Test Extension Cable: ART and Stabilizer p/n 6494-2 @ \$137.52			
	(b) Test Extension Cable: Air check Oscillator p/n 6494-3 @ \$467.34			
	(c) Test Stand, ART and Stabilizer p/n 6491-1 @ \$343.30			
	(d) Test Fixture, ART Assembly and Container p/n 6495-1 @ \$343.30			
	(e) Bench Test Harness and Junction Box, p/n 6496-1 @ \$951.73			
	(f) Frequency Tracker Test Adapter p/n 6498-1 @ \$346.73			
3.	Model PC-211 Flyaway Spare Parts Kits in accordance with the following document: "Radan Navigation System, Model PC-211 FAK Spares, Exhibit "A", dated Sept. 13, 1957, Contract No. HF-2249".	2 sets	Budgetary Price	30,000.00
4.	Maintenance Spare Parts to support four (4) each Item 1 when used in conjunction with maintenance spare parts provisioned for RADAN Systems Model PC-210 and Model PC-204A, in accordance with the following document: "Radan Navigation System, Model PC-211, Maintenance Spares, Exhibit "B", dated Oct. 1, 1957, Contract No. HF-2249".	1 set	Budgetary Price	20,000.00
TOTAL -----				\$229,799.56*

*See Appendix I, Revision I
dated 19 Nov. 1957.
Ee*

*Of this amount, \$50,000.00 is a budgetary price for Items 3 and 4 which will be subject to negotiation on or about Oct. 26, 1957 to establish a fixed price, subject to price redetermination. The balance of \$179,799.56 is the target price subject to price redetermination for Items 1 and 2. Prices are f.o.b. Pleasantville, New York, and do not include any local taxes or special levy of Federal taxes.

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DELIVERY SCHEDULE

<u>Item No.</u>	<u>Item</u>	<u>Quantity</u>	<u>Date</u>
1.	Model PC-211 System	4	November 1957
2.	PC-211 Special Test Equipment	2	4 months from receipt of contract
3.	PC-211 Flyaway Spare Parts	2	To be established later
4.	Maintenance Spares for Item 1	1	To be established later

PERFORMANCE SPECIFICATIONS

Contractor guarantees equipment will comply with the General Performance Specifications, copies of which will be provided by the Contractor to the Government.

See App. I, Revision I dated 19 Nov 1957. EC

WARRANTY

1. All equipment supplied by the Contractor hereunder, except vacuum tubes, are guaranteed to be free from defects of material and workmanship for a period of ninety days. For vacuum tubes, with the exception of the magnetron, the terms and conditions of the warranty published by the manufacturer of such tubes as in effect on the date of delivery of such equipment furnished hereunder shall apply.

2. The magnetron presently available for this equipment is guaranteed for thirty (30) hours of use. A magnetron having a guaranteed life of two hundred (200) hours is under development. When this magnetron becomes available, a related assembly required for conversion to use the improved magnetron will be supplied on a retrofit basis by the Contractor hereunder to the Government at no additional cost to the Government.

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