



FIXED PRICE INDEFINITE DELIVERY CONTRACT

Contract No. TBD

BETWEEN

CALIFORNIA INSTITUTE OF TECHNOLOGY
JET PROPULSION LABORATORY
(The "Institute" or "JPL")
4800 OAK GROVE DRIVE
PASADENA, CALIFORNIA 91109-8099

AND

VENDOR NAME

THIS CONTRACT FOR

Cryogenics and Compressed Gas Management Program Utilizing JPL's Electronic Data Interchange (EDI) and Just-In-Time (JIT) Acquisition System

IS A

SUBCONTRACT UNDER JPL's NASA PRIME CONTRACT

TASK ORDER NO. Various

A DO - C9 Rating is assigned to this Contract under DMS Regulation 1

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The following documents are incorporated into and made a material part of this Contract:

GENERAL PROVISIONS (GPs)(*See Website listed below)
Commercial Items or Services Contract R 8/03

ADDITIONAL GENERAL PROVISIONS (AGPs)
Ceiling Price: Limitation of Institute's Obligation
Safety and Health

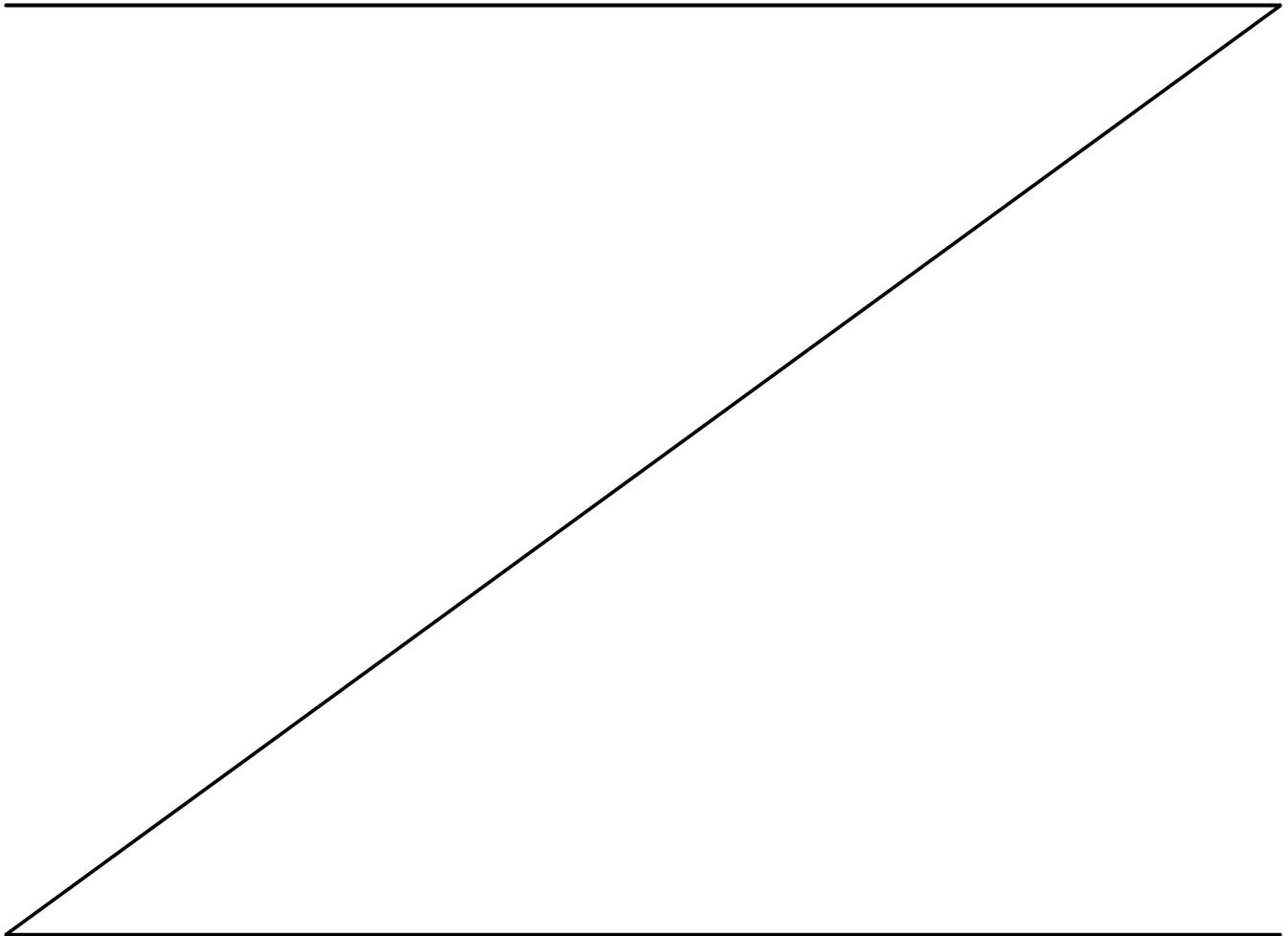
*The following website (<http://acquisition.jpl.nasa.gov/e2000.htm>) will provide the JPL General Provisions (GPs) and Additional General Provisions (AGPs) for the Specimen Contract. These documents will be applicable to the extent called out in the Contract.

PREAMBLE

This Fixed Price Indefinite Delivery Contract, entered into on TBD by and between the CALIFORNIA INSTITUTE OF TECHNOLOGY (hereinafter called the "Institute" or "JPL"), a corporation organized and existing under the laws of the State of California, and TBD (hereinafter called the "Contractor"), a corporation organized and existing under the laws of the State of TBD and constituting a subcontract under Prime Contract TBD between the Institute and the Government;

WITNESSETH THAT:

The Subcontractor agrees to furnish and deliver the supplies and perform the services set forth in this Contract for the consideration stated herein.



SCHEDULE**ARTICLE 1. STATEMENT OF WORK**

1.0 The Subcontractor shall provide the necessary staff, equipment, supplies and services to provide and deliver cryogenics and compressed gases as ordered by authorized JPL representatives utilizing an Electronic Data Interchange (EDI) and Just-In-Time (JIT) Acquisition System.

JPL will communicate its purchase requirements by transmitting Material Releases (MRs) via Electronic Data Interchange (EDI) technology to a Value Added Network (VAN). The MRs shall be transmitted by EDI in accordance with Exhibit V, Electronic Data Interchange Trading Partner Agreement. The Subcontractor shall receive the MR via a VAN of their choice or equally agreed upon electronic commerce. In the event that the electronic system is temporarily unavailable, the Subcontractor shall notify JPL within thirty (30) minutes whenever the EDI capability is not operational.

The Subcontractor's EDI and Bar Code generation capability, as required by Exhibit IV, JPL JIT Operational Concept Document, Exhibit V, Electronic Data Interchange Trading Partner Agreement, Exhibit VI, JPL Bar Code Specification, and Exhibit VII, JPL JIT Product Packaging and Delivery Instructions, shall become operational no later than thirty (30) calendar days after award of the Contract execution. The Subcontractor shall read electronic files (EDI) and generate bar code labels automatically without manual input. Subcontractor performance shall be evaluated in accordance with the requirements outlined in paragraph 1.8, with the performance level calculation beginning on the first day of Contract operation utilizing the EDI and bar-coding capabilities. The Subcontractor shall receive and process MRs up to and including the last day of this Contract.

In the performance of this effort the Subcontractor shall adhere to the following requirements:

1.1 ELECTRONIC DATA INTERCHANGE (EDI) REQUIREMENTS

The Subcontractor shall acquire or have available, maintain and operate data automation equipment necessary to receive and process electronic MRs. The hardware shown in Exhibit VIII, Vendor System Certification, has been determined to be compatible with JPL's hardware and software and is recommended for use under this Contract.

1.2 VENDOR SYSTEM CERTIFICATION

Certification of the EDI system (end to end) will be accomplished within thirty (30) business days after award of Contract in accordance with Exhibit VIII, Vendor System Certification. If the equipment cannot be demonstrated as compatible and capable of printing the bar code labels, the Subcontractor shall acquire the necessary equipment at no additional cost to JPL.

1.3 ELECTRONIC BUSINESS CORRESPONDENCE

Establish an Internet-connected Electronic Mail system (e.g. Netcom, CompuServe, Prodigy, MCI Mail, AT&T Mail, etc.) for transmission of all electronic business correspondence, except MRs.

1.4 ELECTRONIC CATALOG

The On-Line Electronic JIT Catalog will be created using Microsoft Excel. Each Excel file represents a separate on-line JIT catalog. These files will reside in the JIT database and be the On-Line Electronic JIT Catalog from which all Cryogenics and Gas products will be ordered. The Subcontractor shall be prepared to deliver 100% of the items listed in the On-Line Electronic JIT Catalog in accordance with the terms and conditions set forth in the Contract.

The Subcontractor shall provide the following on-line catalog information, twenty (20) business days after the date of contract execution in Microsoft Excel Format:

- (A) Manufacturer's and Subcontractor's part number;
- (B) Product Name (i.e. chemical/trade name);
- (C) Manufacturer;
- (D) Category Specifications;
- (E) Description of item, including size, features, capabilities, grade, purity, CAS #, compound, storage spec., DOT safety codes, etc.;
- (F) Unit of Issue;
- (G) Delivery date;
- (H) MSRP Price;
- (I) JPL Price;
- (J) MSDS Applicability (yes/no); and
- (K) Hazardous Material (yes/no)

1.5 PERSONNEL REQUIREMENTS

Provide qualified personnel to perform the following technical and administrative roles described below:

1.5.1 Contract Coordinator

The Coordinator shall be designated within ten (10) business days after date of contract and be responsible, as a minimum for the following tasks:

- 1.5.1.1 Provide the primary interface to the JPL Subcontract Manager (SM) for all contractual issues;
- 1.5.1.2 Provide administrative support service, reports and documentation as required;
- 1.5.1.3 Provide the On-Line Electronic JIT Catalog to JPL in Excel Format;
- 1.5.1.4 Communicate all recommendations for catalog additions, changes and deletions, and price changes. All change requests shall be submitted in writing via email to the JPL SM; and,
- 1.5.1.5 Notify the JPL SM in writing of any changes in the primary personnel listed below.

The Contract Coordinator and/or Alternate shall review JPL usage and product availability and recommend additions, deletions, and revisions to the On-Line Electronic JIT Catalog. The Coordinator shall monitor and make recommendations regarding new products, discontinued products, etc. Any price changes shall be in accordance with Article 3. Price and Payment.

1.5.2 Technical Coordinator and Alternate

A Technical Coordinator and Alternate shall be designated within ten (10) business days after date of contract and be responsible for providing detailed technical information regarding the Subcontractor's portion of the JIT system as necessary to implement the system. The Technical Coordinator shall assist JPL in successfully completing the end to end certification of the system in accordance with the schedule provided in 1.2 above. In addition, there shall be a Technical Representative who shall be responsible for providing all JPL personnel/users with adequate information to ensure that each order is correct and complete.

1.6 REPORTING REQUIREMENTS

The Subcontractor shall provide the following reports and documentation:

1.6.1 Status Report

Notify the JPL end user via email or phone with status of product within one (1) business day of the original required delivery date.

Provide a status report via email to the JPL SM or designate for each late MR delivery found on the "JIT Overdue Orders by Contract Report" within one (1) business day of the original required delivery date. As a minimum, the report will include:

- 1.6.1.1 Reason the item is late;
- 1.6.1.2 Expected delivery date; and,
- 1.6.1.3 Actions that have been taken to expedite delivery;
- 1.6.1.4 JPL customer name, date contacted, means of communication (phone, email, etc.) and summary of information communicated;
- 1.6.1.5 Point of Contact at Subcontractor's facility for questions.

1.6.2 Quarterly Review

On a quarterly basis, the JPL SM will identify MRs to be reviewed. The Subcontractor shall be responsible for providing documentation to support the MSRP or published price list in accordance with Article 3 Price and Payment. The Subcontractor shall return the identified MRs the supporting pricing documentation to the JPL SM within twenty (20) business days after receipt of identified MRs.

1.6.3 Quarterly Management Review

On a quarterly basis, the JPL SM and the Subcontractor shall conduct management reviews either at the Subcontractor's facility or at JPL. The primary purpose of these meetings is to have the appropriate Subcontractor personnel available to provide information relevant to the performance of the contract. Of particular interest will be the information submitted on the reports described in paragraphs 1.6.1 and 1.6.2. The agenda shall include, as a minimum, the following:

- (A) Issues regarding JPL performance;
- (B) Any problems in Subcontractor's internal channels;
- (C) Any proposed system improvements; and,
- (D) General concerns/issues.

1.6.4 On a quarterly basis, provide all Material Safety Data Sheets (MSDS) of the applicable catalog items in Adobe .PDF format to the JPL SM or designee.

1.7 NEW PRODUCT INFORMATION

The Subcontractor shall communicate any new/improved products available and/or any products that can provide a cost savings to JPL, any available training opportunities, or other relevant information to the JPL SM as appropriate.

1.7.1 Catalog/New Product Information/Additions

The Subcontractor shall provide their URL address and assign a JPL account with the negotiated discounts for the JPL Catalog Administrator (CA) and the JPL Subcontract Manager (SM) to access the Subcontractor's web-based catalog for the purpose of adding new products to the JIT On-line Data Table.

- (A) URL Website will provide MSDS link; the JPL agreed upon pricing; complete description of the product including price, part number and a picture of item if applicable.

1.7.2 Discontinued/Banned Products

The Subcontractor shall inform the JPL SM and JPL CA of any products to be banned by AQMD, Cal/OSHA or any other Government regulatory agency, phased out or otherwise made unavailable for whatever reason.

1.7.3 Substitute Products

The Subcontractor shall assist JPL in identifying substitute items for any item listed in the on-line data table that becomes discontinued, banned, restricted by AQMD, Cal/OSHA or by any other cognizant Government regulatory agency for environmental or safety reasons, or for whatever reason.

For each item offered as a substitute, the Subcontractor shall certify and provide documentation as and when required to support:

- (A) Functionality of the substitute item shall be equal to or greater than the functionality of the item for which the substitute is offered, and;

- (B) When possible, the price for the substitute shall be no greater than the price of the item for which the substitute is offered.
- (C) JPL will, in its sole discretion, determine the acceptability of any item offered as a substitution.

1.8 PERFORMANCE REQUIREMENTS

1.8.1 Service Level Requirements

The Subcontractor shall meet an average monthly Service Level of 95 percent or better. The JPL Receiving Dock will receive JIT deliveries between 7:30 a.m. and 3:00 p.m. Pacific Time (PT) Monday through Friday, JPL holidays excepted.

For items ordered and delivered from the On-Line Electronic JIT Catalog, the Monthly Service Level is defined as the percentage of products (Example: line items on a 3 day delivery schedule ordered on MRs), which were received at JPL’s JIT Receiving Dock by 3:00 p.m. the third working day following receipt of MR by the Subcontractor. MRs sent by JPL after 11:00 a.m. Pacific Time shall be delivered by 3:00 p.m. Pacific Time on the fourth working day.

Failure to meet the required ninety five (95) percent or better average monthly Service Level over three (3) consecutive months, or four (4) months in any six (6) month period constitutes grounds for termination of this Contract in accordance with the General Provision entitled Termination for Cause.

Average Monthly Service Level will be calculated utilizing the following formula:

$$\frac{(\text{Total \# of MR line items received}) - (\text{\# of MR line items received that were late/discrepant})}{\text{Total \# of MR line items received}} = \text{Average Monthly Service Level Percent}$$

To determine Average Monthly Service Level, JPL will subtract the number of MR line items that were late/discrepant from the total number of MR line items received. This number will then be divided by the total number of MR line items received.

Discrepant line items are defined as follows:

- 1.8.1.1 The number of line items ordered which were not supplied within the proposed delivery schedule. The Subcontractor will not be penalized for Service Level failures caused by JPL's delayed delivery request (including JPL and Subcontractor holidays or other circumstance where JPL is unable to accept delivery) or when either JPL or an appropriate Public Safety agency (Police, Sheriff, Fire, Highway Patrol, etc.) have indicated that a situation exists which creates an unsafe condition - disasters (natural or other), strike, or other peril or for any other reason JPL requests (either in advance or upon arrival) that no JIT delivery be made. The Subcontractor may also be relieved on items identified by the Subcontractor as constrained on a case by case basis as deemed appropriate by JPL. In circumstances described above, daily extensions will be granted as JPL deems appropriate;
- 1.8.1.2 The number of partial and/or canceled deliveries (# of line items decreased) not agreed to by the JPL Requester; and
- 1.8.1.3 The number of shipping errors (incorrect product, unauthorized substitutions, damaged items, over shipments, short shipments, incorrect/inaccurate shipping labels).

1.8.2 Other Areas of Performance

The following areas of contract performance will be monitored but will not be considered as factors in determining the Monthly Service Level:

- 1.8.2.1 Price Discrepancies (i.e. review findings);
- 1.8.2.2 JPL customer feedback (i.e. complaints, recommendations, etc.) including how well the Subcontractor kept the JPL end user informed of status; and,
- 1.8.2.3 Exceptions to performance (i.e. average days to delivery, reasons affecting late delivery, number of cancellations or MR returns, etc.); and
- 1.8.2.4 Actions taken as a result of Quarterly Management Review Meetings (i.e. continuous improvement).
- 1.8.2.5 Cost savings to JPL (i.e. price reductions and rebates, process improvements, any value-added Services, etc.)

1.8.3 Discrepancy Handling Process

JPL reserves the right to return any shipment that arrives not packaged according to the individual MRs to the Subcontractor at the Subcontractor's expense.

The process for handling discrepant MRs shall be as follows:

- 1.8.3.1 Incorrect, Damaged or Defective Item(s)

If an incorrect, damaged, or defective item is received, JPL will not accept the item, and the item will be returned with an associated Return Material Authorization (RMA) number and in accordance with the Hazard Communication Requirements, described in paragraph 1.9 below. The price for that item will then be reflected as an itemized adjustment on the next JPL-issued payment to the Subcontractor. The Subcontractor shall pay all shipping charges and/or applicable cleanup charges for any such returns.

1.8.3.2 Short Shipments

In the event that an MR is "short shipped" (fewer items are received than indicated on the bar code label), JPL will issue a return notification via EDI for the quantity of items not received. The price for that item will be reflected as an itemized adjustment on the next JPL issued payment to the Subcontractor.

1.8.3.3 Cancellations/Returns

JPL reserves the unilateral right to cancel any MR that has not been scanned received and to return any unopened and resaleable item MR within thirty (30) business days *after an order is received*. The associated Return Material Authorization (RMA) number shall be transmitted with the EDI and the price adjustment reflected on the next JPL-issued payment to the Subcontractor. JPL will pay transportation charges for all such returns.

Returns for customized or specialty products will be handled on a individual basis.

1.9 HAZARD COMMUNICATION REQUIREMENTS

- 1.9.2 All shipments shall be delivered in accordance with all applicable federal and state regulations, including but not limited to: labeling, placarding, packaging, providing MSDSs etc.
- 1.9.3 All drivers making deliveries to JPL shall be licensed in accordance with all applicable regulations and shall have required endorsements for all materials including all freight not being delivered to JPL but present on the vehicle.
- 1.9.4 The Subcontractor shall assume any and all associated costs for damages and any other liabilities involved in all shipping and handling prior to receipt at JPL.
- 1.9.5 Any chemical or hazardous material spills, leaking or broken cylinders, or abnormal conditions noted at delivery, shall be reported immediately to JPL personnel for evaluation and possible response by the JPL Fire Department/HAZMAT Unit.

1.10 ILLNESS AND INJURY PREVENTION PROGRAM

Submit to the SM a copy of the Subcontractor's illness and Injury Prevention Plan (IIPP), thirty (30) business days after date of contract. The IIPP shall meet the Cal/OSHA requirements as set forth in the California Code of Regulations, Section 3203, et seq.

1.11 DISCREPANCY HANDLING PROCESS

JPL reserves the right to return any shipment that arrives not packaged and properly labeled according to the individual MRs to the Subcontractor at the Subcontractor's expense. The process for handling discrepant MRs shall be as follows:

1.11.1 Incorrect, Damaged or Defective Item(s)

If an incorrect, damaged or defective item is received, JPL will issue a return notification via EDI for the item. The price for that item will be reflected as an itemized adjustment on the next JPL issued payment to the Subcontractor.

1.11.2 Short Shipments

In the event that an MR is "short shipped" (fewer items are received than indicated on the bar code label and order), JPL will issue a return notification via EDI for the item. The price for that item will be reflected as an itemized adjustment on the next JPL issued payment to the Subcontractor. JPL does not accept Short Shipments.

1.11.3 Cancellations>Returns

JPL reserves the unilateral right to cancel any MR before it is received at JPL and to return any unopened and resalable MR item within twenty-one (21) business days of receipt of an order. The associated Return Material Authorization (RMA) number shall be transmitted with the EDI and the price adjustment reflected on the next JPL-issued payment to the Subcontractor.

1.12 PACKAGING, LABELING, SHIPPING, and DELIVERY REQUIREMENTS

The Subcontractor shall ship, package, label, and deliver all items ordered in accordance with Exhibit VI, JPL JIT Bar Code Specification, Exhibit VII, JPL JIT Product Packaging and Delivery Instructions, and any/all applicable D.O.T. or other regulatory agency shipping requirements.

1.13 MATERIAL DATA SAFETY SHEET (MSDS) REQUIREMENTS

The Subcontractor shall meet the following requirements:

1.13.1 Supply electronic Material Safety Data Sheets (MSDS) on the Subcontractor's website in Adobe .PDF format for all catalog products requiring an MSDS and maintain the MSDSs on their website and update the MSDSs as updates become available from the manufacturers.

1.13.2 Provide four (4) complete hard copy sets of Material Safety Data Sheets (MSDSs) to be filed and indexed, for all catalog items that require MSDSs to JPL within fifteen (15) business days after Contract award.

- (A) Submit two (2) complete sets to: JPL Occupational Safety Program Office, M/S 200-122, Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, CA 91109-8099;
- (B) Submit one (1) set to: JPL Environmental Affairs Office, M/S 171-225, Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, CA 91109-8099;
- (D) Submit one (1) set to: JPL Shipping and Receiving, M/S 241-104, Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, CA 91109-8099.

2.0 JPL will:

- (A) Participate in the end to end certification test as required in paragraph 1.2;
- (B) Provide electronic means for transmittal of information as described in paragraph 1.3;
- (C) Conduct Quarterly Reviews in accordance with paragraph 1.6.2
- (D) Conduct Quarterly Management Reviews in accordance with paragraph 1.6.3;
- (E) Scan in all deliveries as described in paragraph 1.8.1;
- (F) Provide Monthly Service Level Report in accordance with 1.8.1;
- (G) Provide evaluation and possible emergency response for any chemical or hazardous material spill at the JPL facility as described in paragraph 1.9.4.

ARTICLE 2. DELIVERY OR PERFORMANCE SCHEDULE

- 1.0 All items shall be delivered to JPL, as requested by authorized JPL representatives for a three (3) year period, with an option to extend the Contract for up to twenty-four (24) additional months in increments determined by JPL.
- 2.0 Except as otherwise provided in this Contract, the point of delivery of all supplies deliverable under this Contract shall be the Jet Propulsion Laboratory, 4800 Oak Grove Drive, Pasadena, California 91109. All such supplies shall be packaged, packed, boxed or crated in such a manner as to ensure safe delivery and shall be shipped prepaid and at the Subcontractor’s expense to the point of delivery.
- 3.0 Time is of the essence in the performance of this Contract.
- 4.0 The Subcontractor shall adhere to the following instructions for packaging products for JPL receipt:

All items requested on each material release (MR) shall be packaged together with the Bar Code and Delivery Label as required by Exhibit VI, JPL JIT Bar Code Specifications, and Exhibit VII, JPL JIT Product Packaging and Delivery Instructions.

5.0 Schedule

The Subcontractor shall furnish and deliver all products and perform the services required by Article 1. Statement of Work, in accordance with the following schedule:

(Unless otherwise specified all days are calendar days)

	ITEM	NOT LATER THAN
1	Certification of EDI Capabilities as required by paragraph 1.2	Thirty (30) Business Days After Date of Contract (ADOC)
2	Delivery of all items listed in the on-line electronic catalog, as required by paragraph 1.0	The proposed Business Days after receipt of MR
3	Identify the Contract Coordinator as required by paragraph 1.5.1	Ten (10) Business Days ADOC
4	Identify the Technical Coordinator as required by paragraph 1.5.2	Ten (10) Business Days ADOC
5	Completed Status Report as required by paragraph 1.6.1	One (1) Business Days after scheduled delivery date
6	Completed Quarterly Review Report as required by paragraph 1.6.2	Twenty (20) Business Days after receipt of identified MRs
7	Participate in a Quarterly Management Review as required by paragraph 1.6.3	Ten (10) Business Days after completion of quarter
8	Provide On-line catalog information as required by paragraph 1.4.	Twenty (20) Business Days ADOC

ARTICLE 3. PRICE AND PAYMENT

Manufacturer Suggested Retail Price (MSRP)

- 1.0 The total estimated expenditure is \$3,500,000.00 for the entire term of the Contract (base plus option periods).

The column entitled "JPL Price" in the On-Line Electronic JIT Catalog described in Exhibit I, II & III shall be the most current price. Prices for all items shall include MSRP (manufacturer's suggested retail price) or published price list.

JPL's liability for payment to the Subcontractor, under this Contract, shall be limited to payment for products received and itemized in the Remittance Advice as specified in paragraph 7.0 below, provided that a minimum dollar amount of \$1,000.00 shall be ordered during the contract term.

- 2.0 Payment terms shall be Net ten (10) days.
- 3.0 All items purchased under this Contract are tax exempt, under CA Resale No. SR AP 17-006226.

4.0 PRICE CHANGES FOR THE ON-LINE ELECTRONIC JIT CATALOG

The following paragraphs describe the methodology for implementing price changes in the On-line Electronic JIT Catalog. All supporting documents to request any price adjustments must be provided to JPL within ten (10) business days prior to the effective date.

4.1 Price Increases

No request for price revisions will be honored for the first six (6) months after the receipt of the catalog twenty (20) days from date of Contract execution. Price adjustments will be considered twice (2) annually, effective the first working day of the month after date of Contract for Exhibits I, II & III. Requests shall be submitted ten (10) business days prior with the supporting documentation, to the SM. In no event will the list price be higher than the Manufacturers Suggested Retail Price (MSRP) as specified in the most current Published Price List.

The Subcontractor shall furnish to JPL written documentation supporting any request for price adjustment. All documentation shall provide clear and convincing proof of actual increase in the catalog list price or MSRP.

When reviewing supporting documentation for a price increase, JPL will take into consideration any volume discount used in the original proposal preparation (price offered). The same applies to FOB points, etc. that could skew the comparative method being utilized to justify cost/price increases. If the requirement for a particular item drops substantially so that it is not economically advantageous for the Subcontractor to maintain the proposed delivery schedule, it is the Subcontractor's responsibility to notify the JPL Subcontract Manager (SM) in a timely manner, so that the On-Line Electronic JIT Catalog can be modified appropriately.

In no event will the JPL Price in the On-Line Catalog be higher than the Manufacturer's Suggested Retail Price (MSRP) as specified in the manufacturer's published price list.

4.2 Price Decreases

4.2.1 The Subcontractor shall be required to decrease the unit price of an item supplied to JPL weekly upon notification of the Subcontractor's supplier/manufacturer that the actual published price has been reduced. The Subcontractor shall notify the JPL SM and the JPL CA of any such price reductions, and shall immediately modify the On-Line Electronic JIT Catalog.

The revised JPL unit price shall consist of the new MSRP.

The Subcontractor shall be required to extend to JPL Special Pricing Offers immediately upon notification from supplier/manufacturer. The new price shall be established as above. Any such offers and their duration shall be communicated to the JPL SM in writing.

4.3 Fixed Price

The Subcontractor's fixed price in Exhibits I, II, & III shall be maintained for the term of the Contract. Price changes and adjustments will be allowed for spikes in pricing due to the effects of supply and demand with regard to unforeseen natural disasters every six (6) months beginning at the initiation of the Contract. JPL reserves the right to review on an annual basis the prices listed in Exhibits I, II, & III and request changes as appropriate. The term of the Contract is the 3-year base period after contract award as well as the option period(s), if exercised.

4.4 On-Line Electronic JIT Catalog Changes

It is the Subcontractor's responsibility to provide the information, as described in Article 1, Statement of Work 1.4, regarding the changes to the On-Line Electronic JIT Catalog to include all price reductions, increases and prices for new products. Prices will be effective on the date JPL incorporates the revised prices into the JIT system. However, any price not substantiated by the Subcontractor's submitted back-up data is subject to correction by JPL.

4.5 New Product Pricing

The Subcontractor shall demonstrate reasonableness of the pricing for new products as follows:

4.5.1 The JPL unit price for each new item added to the On-Line Electronic JIT Catalog shall be the MSRP, based on the current Published Price List as specified for each manufacturer.

The JPL unit price shall include transportation to JPL, packaging, handling charges, all profits, overhead and burden expenses, and all services required by Article 1, Statement of Work.

4.5.2 For new products supplied by manufacturers not currently listed in Exhibits I, II, & III unit price shall consist of the manufacturer's suggested retail price (MSRP) for the item(s). JPL will reserve the right to review the new manufacturer's fixed percentage discount every six months, and request changes as appropriate. This JPL price shall include transportation to JPL, packaging, handling charges, all profits, overhead and burden expenses, and all services required by Article 1, Statement of Work.

4.6 Price Protection

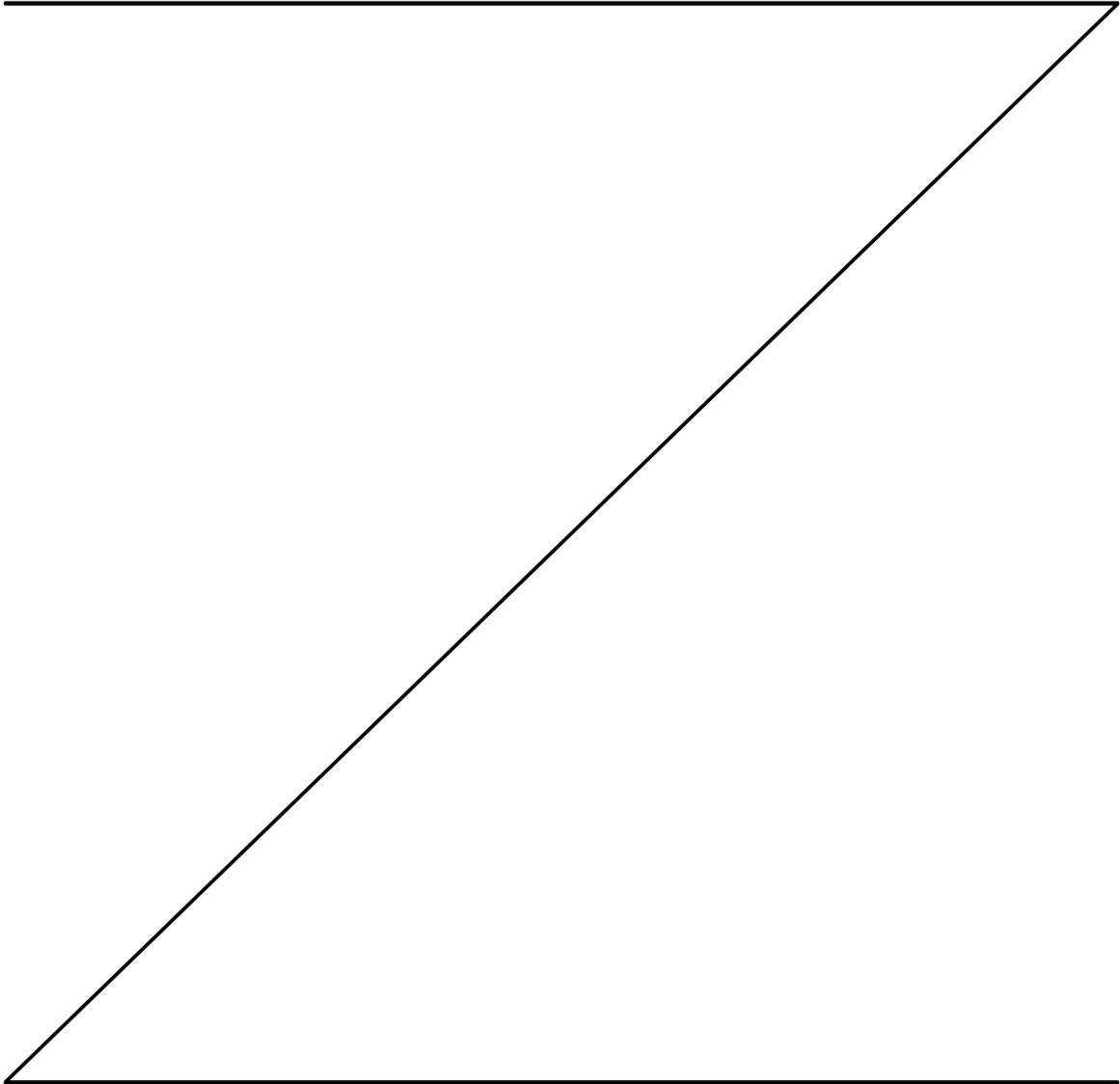
In no event shall the price(s) charged to JPL be greater than the price(s) paid by the Subcontractor's most favored customer purchasing the same item(s) in like or comparable quantities.

5.0 REMITTANCE ADVICE

- 5.1 No billing invoices from the Subcontractor will be accepted or acknowledged by JPL. MRs under this Contract will be paid based on comparing JPL's request and receipt records as itemized in the Remittance Advice. Pricing will be the discounted catalog price previously provided by the Subcontractor and accepted by JPL.
- 5.2 Upon receipt of payment and the Remittance Advice, the Subcontractor will be responsible for promptly reviewing that list for accuracy (comparing it to the Subcontractor's record of goods shipped).
- 5.3 It is agreed and understood that all such lists will be deemed accurate and correct if no notice of discrepancy is provided to JPL within ten (10) working days of Subcontractor receipt of such listing. Any required adjustments will be reflected and itemized on the next check issued to the Subcontractor.

6.0 EXAMINATION AND REVIEW RIGHTS

The JPL SM shall have the right to examine and review all books, records, documents and other data of the Subcontractor related to the pricing of the commercial items covered by this Contract. The Subcontractor shall make the books, records, documents, and other data available for examination, review or reproduction for a period of three (3) years after the final payment under this Contract.



ARTICLE 4. SPECIAL PROVISION

1.0 INSPECTION AND ACCEPTANCE

Inspection and acceptance of all items ordered under this Contract shall be upon receipt and examination by the JPL end user.

Environmental Protection Agency (EPA) Designated Items

Items listed in the On-Line Electronic JIT Catalog will be subject to the EPA designated items and recycled content requirements. For a complete listing of EPA designated items and associated information see: <http://www.epa.gov/epaoswer/non-hw/procure/index.htm>.

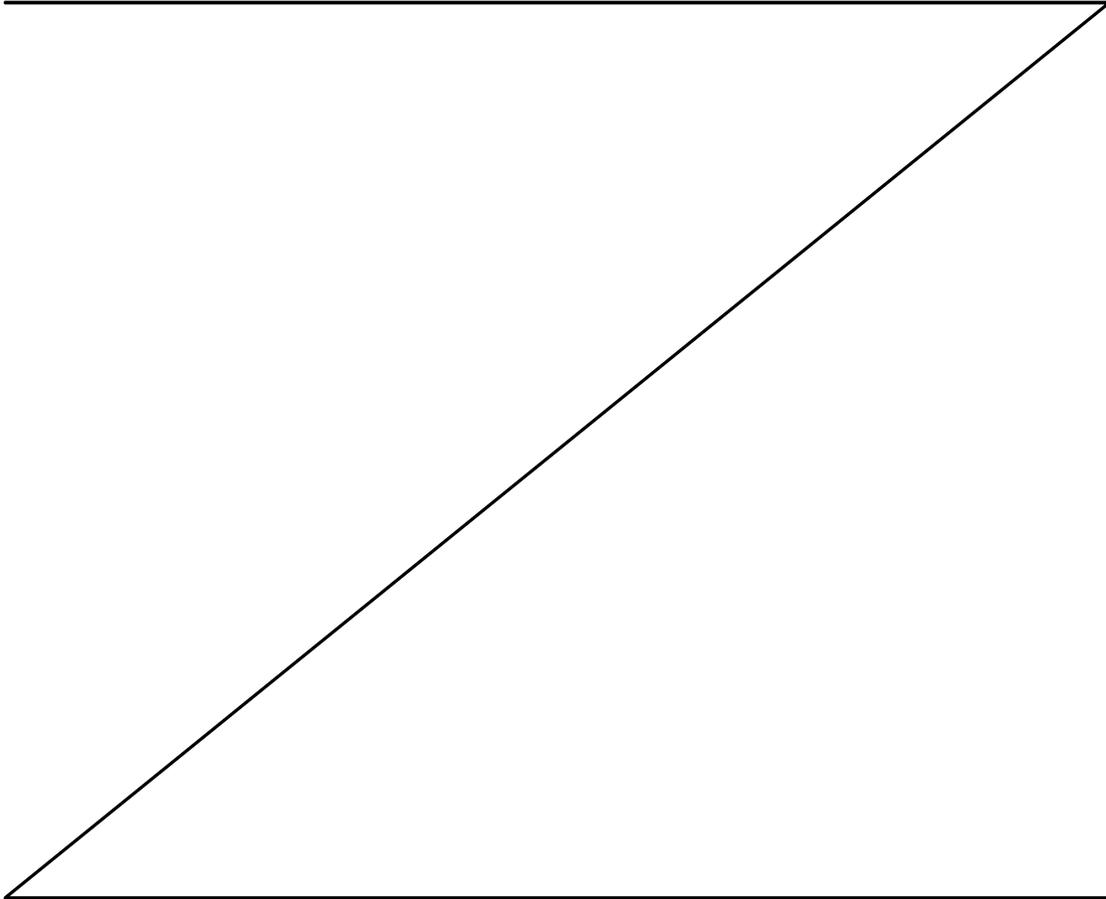
2.0 ASSIGNMENT, NOVATION AND TRANSFER

This subcontract or purchase order may be assigned, novated, or transferred to a successor-in-interest, a successor contractor to operate the Jet Propulsion Laboratory, or the Government.

ARTICLE 5. OPTION

The Subcontractor grants to JPL the Option(s) to continue the work of this Contract for up to twenty-four (24) additional months, in whatever increments as JPL may determine appropriate. The total term of the Subcontract shall not exceed five (5) years.

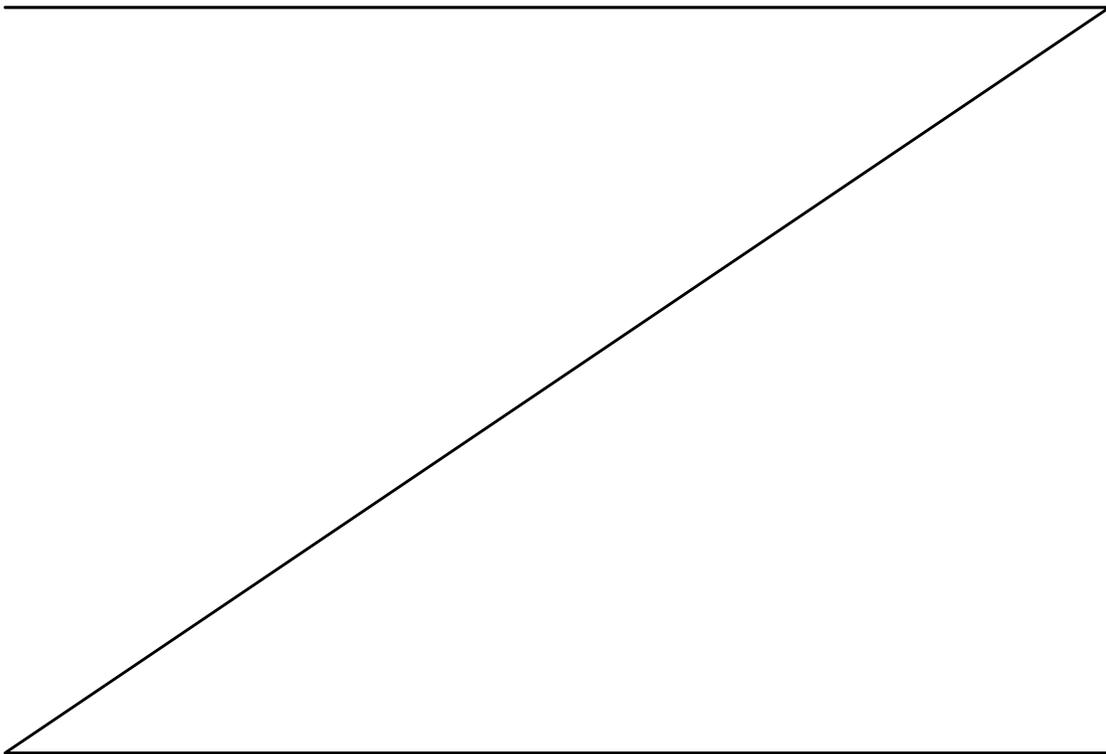
The exercise of Option increments not extending the Subcontract beyond September 28, 2008 may be accomplished by JPL's issuance of a Unilateral Modification referencing this Option Provision.



ARTICLE 6. EXHIBITS

The following Exhibits are incorporated into this Contract:

- Exhibit I Bulk LN2
- Exhibit II Cryogenics & Gases Catalog
- Exhibit III Parts & Supplies Catalog
- Exhibit IV JPL JIT Operational Concept Document
- Exhibit V Electronic Data Interchange Trading Partner Agreement
- Exhibit VI JPL JIT Bar-Code Specification
- Exhibit VII JPL JIT Product Packaging and Delivery Instructions
- Exhibit VIII Vendor System Certification
- Exhibit IX Product Identification Guidelines



IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

CALIFORNIA INSTITUTE OF TECHNOLOGY

By _____
Keith D. Hardy

{TYPE NAME OF CONTRACTOR HERE}

By _____
(Typed Name)

(Title)

Instructions to Subcontractor: Do not insert date on Preamble page.

