

SETTLEMENT PROPOSAL

(See Instructions on Reverse)

Jacket No. _____

Purchase Order No. _____

Program / Print Order No. _____

Section I - BID COST BREAKDOWN

COST ELEMENT	QUANTITY	UNIT RATE	TOTAL COST
MATERIAL (List All Materials & Attach Suppliers' Vouchers)		\$	\$
LABOR		\$	\$
OVERHEAD		\$	\$
GENERAL & ADMINISTRATIVE EXPENSE		\$	\$
PROFIT		\$	\$

Section II - Status of Contract at Effective Date of Termination

PRODUCTS COVERED BY TERMINATED CONTRACT	FINISHED			UNFINISHED OR NOT STARTED		TOTAL COVERED BY CONTRACT
	Previously Shipped & Invoiced	ON HAND		To Be Completed (Partial Term Only)	Not To Be Completed	
		Shipped, Not Yet Invoiced	Finished, Not yet Shipped			
	QTY					
	\$					
	QTY					
	\$					
	QTY					
	\$					

Section III - Settlement Proposal

No.	ITEM (Include only items allowable to the Terminated Portion of the contract)	AMOUNT OF CHARGE
1	MATERIAL	
2	LABOR	
3	OVERHEAD	
4	OTHER COST (Explain)	
5	GENERAL AND ADMINISTRATIVE EXPENSE	
6	TOTAL COST	
7	PROFIT	
8	TOTAL	
9	ACCEPTABLE FINISHED PRODUCTS NOT COVERED BY INVOICING	
10	SETTLEMENT EXPENSES	
11	SETTLEMENT WITH SUBCONTRACTOR(S)	
12	STORAGE	
13	OTHER (Support with Detailed Schedules)	
14	GROSS PROPOSED SETTLEMENT	
15	DISPOSAL AND OTHER CREDITS	
16	NET PROPOSED SETTLEMENT	
17	ADVANCE PROGRESS AND PARTIAL PAYMENTS	
18	NET PAYMENT REQUESTED	

REMARKS

The undersigned certifies that the above proposed settlement includes only charges allocable to the terminated portion of the contract, that the total charges (Item 14) and disposal credits (Item 15) are fair and reasonable, that pricing data in support of the proposed settlement are accurate, complete, and current as of the date of submission of this settlement proposal, and that this proposal has been prepared with knowledge that it will, or may be, used directly or indirectly as a basis for settlement of a claim(s) against the United States or an agency thereof. The penalty for making false statements to the government is prescribed in 18 U.S.C.1001.

Name of Company	Signature of Authorized Official	Title	Date

ATTACH SEPARATE SUPPORTING SCHEDULES IF SPACE PROVIDED IS NOT SUFFICIENT

INSTRUCTIONS

Section I—Bid Price Cost Breakdown

The total contract price will be broken down into unit price/hourly rates. The unit rate will be further broken down to show the elements of cost that make up that price. This data should be obtained from the worksheets or records used to prepare the bid.

Section II—Status of Contract at Effective Date of Termination

This section will be completed to show the precise status of the contract upon the effective date of the termination. If no work was started, this section does not apply.

Section III—Settlement Proposal

All costs to be claimed under the terminated contract will be detailed in this section.

a. Review any provisions of the contract relating to termination and consult the Contracting Officer. A claim for fair compensation should be prepared on the basis of the costs shown by accounting records. Where costs are not so shown, any reasonable basis for estimating costs may be used which will provide for fair compensation for the preparations made and work done for the terminated portion of the contract, including a reasonable profit on such preparation and work.

b. The settlement proposal may include, among others, under items 1-6, 7, 10, and 11, the following:

Costs—Costs incurred which are reasonably necessary and are properly allocable to the terminated portion of the contract under recognized commercial accounting practices, including direct and indirect manufacturing, selling and distribution, and other costs and expenses incurred.

Profit—A reasonable profit with respect to the preparations made and work actually done for the terminated portion of the contract. No profit should be included with respect to work which has not been done, nor shall profit be included with respect to settlement expenses, or with respect to settlement with subcontractors.

Settlement expenses—Reasonable costs of protecting and preserving the termination inventory in your possession and preparing of the claim.

Settlement with subcontractors—Reasonable settlements of claims of subcontractors allocable to the terminated portion of the subcontract. Copies of such settlements will be attached hereto.