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1 J. C. Clarks, Contract Coordinator

DATE: December 6, 1949

FROM : Dek. Hunter, Production Division Alk

SUBJECT: SUPPLEMENTAL AGREEMENT \$444 TO HARSHAW CONTRACT W-7405 ong-276.

REFER TO

SYMBOL: PU: DeKH

The above contract calls for the contractor to produce at least 120,000 lbs. of PB-13 specification material during the period of March 1, 1949 through August 31, 1949, if he is to be paid for this material on a unit price basis. If the specification grade PB-13 totals less than 120,000 lbs., he is to be paid only the cost of production without profit. The amount of specification PB-13 did not total 120,000 lbs., so it is requested that a supplement be issued to pay him only his direct costs for this material. This cost as submitted by the contractor and checked and approved by the Production and Finance Divisions of NYOO is \$198,329.24 less \$12,262.39, or \$186,066.85. The \$12,262.39 deduction represents the contractor's cost of performance with respect to PB-13 which is still in process and of unused Materials and supplies on hand as of October 31, 1949. This amount 's the cost of performance chargeable to PB-13 production for the month of September, and will therefore be included in and covered by the unit price paid for September production.

. CANCELLED UK UMANGED TO BY AUTHORITY OF BOE DPC REVIEWED BY DATE

