



DOC 322
Phase I/Phase II Terms and Conditions

“Contract” means the instrument of contracting, such as “Contract”, “Subcontract”, or other such type designation, that includes these Special Provisions, all referenced documents, exhibits, and attachments.

This document applies when Repair or Modification of Work is required and shall be incorporated by reference as an exhibit to the Contract. The Contract will be administered as two parts, which shall be referred to as:

Phase I - Repair Estimate/Failure Analysis and Phase II - Repair/Modification/Disposition

A. Phase I - Repair Estimate/Failure Analysis

1. Statement of Work - In consideration of the mutual promises contained herein, the CONTRACTOR shall furnish all labor, material, facilities and equipment necessary to disassemble and inspect the Work furnished hereunder to the extent necessary to determine repairs required and submit an itemized offer to ULA, including all labor and material, and a delivery schedule for repairing, modifying and testing or disposing of the Work in accordance with the Contract description (hereafter referred to as “Phase II Work”). Such offer shall set forth the price for the Phase I effort and the price of a new, comparable unit.

After receipt of such offer under Phase I, ULA shall have the option to modify the Contract to include the Phase II Work, price, and schedule. If ULA elects not to authorize Phase II Work, then ULA shall modify the Contract to incorporate the agreed to Phase I evaluation price and provide instructions for the disposition of the Work.

The CONTRACTOR shall not proceed with Phase II Work until it has received written authorization from the Procurement Representative identified on the face of the Contract.

2. Time of Performance - CONTRACTOR shall submit its completed quotation to ULA within the time stated on the Contract, or if no time is stated for Phase I, then within ten (10) calendar days after receipt of the Work.
3. Payment - Payment shall not be made for the Phase I effort until the Contract is modified in accordance with paragraph A.1. above.
4. Failure Analysis Report - If specified in the applicable Contract, as part of the Phase I effort, the Contractor shall submit one (1) reproducible copy of a Failure Analysis to the Procurement Representative as noted in the Contract, including the offer required in paragraph A.1 above.

B. Phase II - Repair/Modifications/Disposition

1. Statement of Work - The CONTRACTOR shall furnish all facilities, equipment, labor and material to (a) repair or modify and test the Work in accordance with the Phase II Work specified in the Contract as modified; or (b) dispose of the Work as directed in the modification.
2. Delivery – All Phase II Work shall be completed as specified in the modified Contract.
3. Payment - The Contract price shall be paid either upon (i) final acceptance of the Phase II Work by ULA, or (ii) final disposition of the Work as directed and authorized by the Procurement Representative.

C. Precedence between this Agreement and Conflicting Terms

This Agreement and terms set forth herein shall supersede any conflicting terms or provisions associated with or related to the Contract.