

Section J

Attachment T – Contract Milestone and Payment Schedule.

The events set forth below are required to be performed sequentially in the order listed. No work will be accepted, nor will it be paid for, unless and until all prior events have been successfully completed. Written official notice from the Government to the Contractor advising of the successful completion and approval for payment of an event will establish the completion date for that event, and shall constitute permission for the Contractor to begin the next event in the sequence. Payment percentages may be re-apportioned by the Government if milestone event contents are substantially altered.

- (a) In particular, the Contractor shall not begin any installation work at the job site until after Government approval of the completion of Events A and B. This restriction also expressly prohibits the delivery of any equipment to the job site prior to Government approval of the completion of Events A and B.

- (b) With regard to Progress Payments:
 - (1) For those portions of the contract requirements which are part of Milestone Event C, the Government will make progress payments monthly as the work proceeds. Payments shall be made against approved progress estimates submitted by the Contractor. The Contractor shall provide data in support of his estimates which are acceptable to the Contracting Officer.

 - (2) Progress payments will be made only for fully completed installations, major items of installed and interconnected equipment, and other identifiable installed and interconnected segments of an installation or assembly, each of which are fully supported by approved data, drawings, and other required documentation, or by completed tests. Payment will not be authorized for:
 - (i) any material, equipment, installation, or testing effort which is part of any other contract requirement event (i.e., an event other than C).
 - (ii) any material, equipment, installation or assembly for which tentative approval has not been obtained.
 - (iii) any material, equipment, assembly, supplies, etc., which has only been delivered to and held in storage at the project site.
 - (iv) any material, equipment, assembly, supplies, etc., which has been delivered to the Contractor at a location other than the project site.
 - (v) software development or revision efforts, testing, or for completed software of any category or classification.

 - (3) When the progress payments against Event C reaches an amount which is equal to fifty (50) percent of the total awarded contract amount, no additional progress payments shall be made.

(4) All payments for events after Event C shall be payable only upon the successful completion of those remaining events.

(5) Payment for any awarded options relating to Maintenance and Service Contracts, shall not be included in any Milestone Event.

<u>MILESTONE EVENT</u>	<u>PAYMENT AT COMPLETION OF EVENT (% OF CONTRACT PRICE)</u>
A. Government acceptance of license agreement; Government approval of Group I Technical Data Package; Government acceptance of Group II Technical Data Package.	5
B. Government approval of Group III Technical Data Package; Completion of Predelivery Test	15
C. All required construction and equipment installation Activities; Acceptance of Contractor's Field Testing report; Government approval of Group IV Technical Data Package; Completion of Performance Verification Test; Completion of Operator's Training I and II.	50
D. Completion of Endurance Test; Completion of Operator's Training III and Maintenance Personnel Training; Government acceptance of Group V Technical Data Package; Delivery and acceptance of all software as specified.	15
E. Completion of Phase IV (Assessment) of the Endurance Test; Delivery and acceptance of revisions to Software and Operation And Maintenance (O&M) manuals following the completion of Phase IV (Assessment) of the Endurance Test; Delivery and acceptance of all other documentation and training required by the contract documents.	15
F. Maintenance and Service Contract.	N/A

Contract Milestone Descriptions

- a. Reference Event A.

- (1) A license agreement (which is effective upon award of the contract) to permit limited disclosure of proprietary data shall be provided by the Contractor.
- (2) The Group I Technical Data Package is required to assure that the system to be furnished complies with contract requirements. This technical data package, as a minimum, shall include system drawings, equipment data, system description and analyses, software data, system reliability calculations, and FCC certifications.
- (3) The Group II Technical Data Package applies to the Contractor's completion of survey, testing, and inspection of all site conditions as required by the specification; and delivery of the Site Conditions Report.

b. Reference Event B.

The Group III Technical Data Package is required to assure that the Predelivery Test is performed using approved Predelivery Test Procedures.

c. Reference Event C.

This event applies to all contract requirements necessary to furnish and install a complete and workable system in preparation for a Performance Verification Test. The Group IV Technical Data Package is required so that the Performance Verification Test is performed using an approved Performance Verification and Endurance Test Procedure. Completion of the Training Documentation concludes this event.

d. Reference Event D.

- (1) This event includes all contract requirements necessary for completion of the Endurance Test using an approved Endurance Test Procedure.
- (2) In addition, this event includes completion of Operator's Training III and Maintenance Personnel Training, delivery of Group V Technical Data Package which includes the O&M Manuals, and delivery of all software.

e. Reference Event E.

This event includes successful completion of Phase IV (Assessment) of the Endurance Test; delivery of all revisions to software and O&M manuals required as a result of Phase IV (Assessment) of the Endurance Test; and delivery of all other documentation, drawings, manuals and training required by the contract documents.