**CTS-2 OFFEROR PRICE ADJUSTMENT POSITION**

The purpose of this form is for an Offeror to notify the Tri-Laboratory of its proposed position relative to the Sample Subcontract’s Price Adjustment article. Below are excerpts from that article. Offeror will insert its proposed terms / position where indicated below. Offeror will include the completed form in its proposal submission.

***TOPIC 1***

Does the Offeror desire price adjustment terms in the Subcontract? (circle the answer)

YES NO

If Offeror’s answer to Topic 1 is YES, then address/ complete the following topics.

***TOPIC 2***

Below Offeror will insert proposed Specific Key Components (SKCs) it desires subject to price risk sharing consideration, and the corresponding SKC unit prices upon which the Offeror’s SU / system price(s) are based, and identified in Offeror’s CTS-2\_ Price Schedule(s) submission.

1. Equipment options and their corresponding milestone payment amounts are based, in part, on the SKCs and unit prices identified in the following table.

| **Specific Key Components** | **Unit Price** |
| --- | --- |
| insert SKC description / type | $insert unit price |
|  |  |
|  |  |
|  |  |

Note that the Tri-Laboratory prefers to limit the number of SKCs subject to price adjustment, and to limit the type of SKCs subject to price adjustment to DDR memory, HBM memory, and possibly NVMe / SSD drives. If proposed by Offeror, the Tri-Laboratory may consider allowing hard disks subject to price adjustment; however, the Tri-Laboratory prefers not to do so.

***TOPIC 3***

Below Offeror will insert its proposed date for price adjustment terms to commence.

1. Equipment options shall become eligible for consideration of potential future price adjustment TBD (number of months or years) after the date of Subcontract award. Price adjustment(s): (i) may involve either an increase or a decrease to equipment options and their corresponding milestone payment amounts; and (ii) will be effective by written bilateral modification to this Subcontract.

Note that the Tri-Laboratory prefers for that date to be at least two years after the date of initial subcontract award, and more strongly prefers a later date.

***TOPIC 4***

Consistent with Offeror’s insert for Topic 3 above, below Offeror will insert its proposed date for price adjustment terms to commence, and its proposed interval / frequency for price adjustment consideration requests.

1. TBD (number of months or years) after the date of Subcontract award, either party may initiate a request for price adjustment consideration by submitting a written request to the other party. A written request will: (i) include a table similar to the one in Paragraph F. above, (ii) identify the suggested SKC unit price change(s); (iii) describe the corresponding rationale / basis; and (iv) include any other relevant supporting information, such as documentation supporting recent prices paid by the requesting party to suppliers for SKCs in quantities commensurate with CTS-2. The party that submits the request may not submit another price adjustment consideration request for at least TBD (number of months).

Note that the Tri-Laboratory prefers longer intervals, which means fewer price adjustment administrative actions to process.

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