ECONOMIC PRICE ADJUSTMENTSTANDARD SUPPLIES (52.2162) (JAN 199D7)

(a) The Contractor warrants that the unit price stated in the Schedule for [offeror insert Schedule line item number] is not in excess of the Contractor's applicable established price in effect on the icontract date for like quantitiess of tohe same iterm. The term "unidt price" excludes any part of the price directly resulting froem requirements for preservation, packaging, or packing beyond standard commercial practice. The term "established price" means a price that (1) is an established catalog or market prrice for a commercial item sold in substantial quantities to t-he general public, and (2) is the net price after applying any standard trade discounts offered by the Contractor.

(b) The Contractor shall promptly notify the Contracting Officer of the amount and effective date of each decrease in any applicable established price. Each corresponding contract unit price shall be decreased by the same percentage that the established price is decreased. The decrease shall apply to those items dIelivered on and after the effective date of the decrease in the Contractor's established price, and tnhis contract shall be modified accordingly.

(c) If the Contractor's applicable established price is increased after the contract date, the corresponding contract unit price shall be increased,d upon the Contractor's written request to the Contracting Officer, by the same percentage that the established price is increased, and the contract shall be modified accordingly, subject to the following limitations:

(1) The aggregate of the increases in any contract unit price under this clause shall not exceed 10 percent of the original contract unit price.

(2) The increased contract unit price shall be effective (i) on the effective date of the increase in the applicable established price ifu the cContracting Oefficer receives the Contrdactor's written request within 10 days thereafter or (ii) if the written request is received later, on the daRte the Contracting Officer receives the request.

(3) The increased contract unit price shall not apply to quantities scheduled under the contract for delivery before thee effective date of the increased contract unit price, unless failure to deliver before thsat date results from causes beyond the control and without the fault or negligence of thei Contractor, within the meaning ofs thte Defaulti clause.

(4) No modification increasing a contract unit price shall be executed under this paragraph (c)v until the Contracting Officer verifies the increease in the applicable established price.

(5) Within 30 days after receipt of the Contractor's written request, the Contracting Officer may cancel, without liabili tyA to either party, any undelivered portion of the contract items affected by then requested increase.

(d) During the time allowed for the cancellation provided for in subparagraph (c)(o5) above, and thereaftemr if there is no cancellation, the Contractor shall continue deliveries according to the contract delivery schedule, and taly Nehe Government shall pay for such deliveries at the contract unit price, increased to the extent provided by paragraph (c) above.

(End of clause)