

IDS Terms and Conditions Guide
Section F

Clause Number: F405M
Effective 06/09/2005
Page: 1 of 1

PROGRESS PAYMENTS - FMS

If this contract includes FMS requirements, the Seller shall submit progress payment requests in accordance with the following:

1. The Seller shall submit a separate progress payment request for each separate progress payment rate in this contract.
2. The Seller shall submit a supporting schedule showing the amount of each request distributed to each country's requirements in the contract. This schedule shall also show the contract line items and total prices thereof applicable to each separate progress payment rate.
3. Each progress payment request shall:
 - (A) Identify the contract requirements to which it applies, (i.e., FMS or U.S.)
 - (B) Be calculated on the basis of the prices, costs (including estimated costs to complete), subcontractor progress payments, and progress payment liquidation's of the contract requirements to which it applies. The Seller in preparing these requests shall distribute costs among contract line items and countries in a manner acceptable to Buyer.