

Defense Procurement Circular #55

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Schedule A

PRODUCT X
Raw Material Costs
Items 1(1) and 1(2)

<u>Raw Materials</u>	<u>Yield Usage Unit</u>	<u>Quantity (lbs.)</u>	<u>Price</u>	<u>Amount</u>
Material A	.70	1,000,000	.10	100,000
Material B	.60	800,000	.09	72,000
Material C	.45	600,000	.08	48,000
Material D	.50	400,000	.07	28,000
Material E.	.50	200,000	.06	<u>12,000</u>
<u>Total</u>				260,000
Cost per lb. of Product X (260,000 ÷ 2,000,000 lbs.)				13.00 C lb.

Standard Commercial Items

Material F	.50	500,000	.05	25,000
Cost per lb. of Product X (25,000 ÷ 2,000,000 lbs.)				1.25 C lb.

Yield Usage Unit Factors based on actual experience (average last six months) on first two contracts listed on Schedule C.