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NEGOTIATED CONTRACT

CONTRACT NO. [REDACTED]

Hycos Mfg. Company  
1030 So. Arroyo Parkway  
Pasadena 8, California

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Contract for: See Schedule

Target Price [REDACTED]  
Ceiling Price [REDACTED]

Mail Invoices to:

Performance Period  
See Schedule

Inspection Point: Contractor's  
Plant

Administrative Data:

This contract is entered into by and between the United States of America, hereinafter called the Government, represented by the Contracting Officer executing this contract, and the above-named Contractor which is a corporation incorporated in the State of Delaware, hereinafter called the Contractor.

The parties hereto agree that the Contractor shall furnish the facilities and deliver all supplies and perform all the services set forth in the attached schedule issued hereunder, for the consideration stated herein.

The rights and obligations of the parties to this contract shall be subject to and governed by the attached schedule and General Provisions. In the event of any inconsistency between the Schedule and the General Provisions, the Schedule shall control.

IN WITNESS WHEREOF, the parties hereto have executed this contract as of 7 October 1957, 1957.

Signatures:

HYCOS MFG. COMPANY

THE UNITED STATES OF AMERICA

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By [REDACTED]

By [REDACTED]

Title Vice President

Title Contracting Officer

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DOCUMENT NO. \_\_\_\_\_  
NO CHANGE IN CLASS.   
DECLASSIFIED \_\_\_\_\_  
CLASS. CHANGED TO: TS S 9  
NEXT REVIEW DATE: 2019  
FORM: HR 70-2  
DATE: 9/12/87 REVIEWER: 037169

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Contract No. [REDACTED]

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C E R T I F I C A T E

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I, [REDACTED], certify that  
 I am the EXECUTIVE VICE PRESIDENT of the Corporation named  
 as Contractor herein; that [REDACTED] who 25X1A  
 signed this contract on behalf of the Contractor was then \_\_\_\_\_  
VICE PRESIDENT of said Corporation; that said con-  
 tract was duly signed for and in behalf of said Corporation by  
 authority of its governing body, and is within the scope of its Cor-  
 porate powers.

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(Corporate Seal)

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Contract No. [REDACTED]


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Contract No. **SCHEDULE****SECTION A - SUPPLIES AND SERVICES TO BE FURNISHED**

The Contractor shall perform all work and services incident to the production of, and shall furnish and deliver the items of equipment set forth in the attached APPENDIX I, such APPENDIX being a part of this Schedule under the contract.

**SECTION B - CONSIDERATION AND PAYMENT**

In accordance with Section B of this Schedule entitled "Progress Payments", and subject to redetermination of the price in accordance with Section B of this Schedule entitled "Price Redetermination", the Government shall pay the Contractor upon satisfactory performance of this contract, as full payment for the equipment to be furnished by the Contractor hereunder, the amount of  which amount is the total of the prices set forth in APPENDIX I hereto.

**SECTION C - DELIVERY SCHEDULE:**

Deliveries shall be made in accordance with the delivery schedule set forth in APPENDIX I, hereto, and shall be made f.o.b. Contractor's plant, Pasadena, California, with transportation charges prepaid to the destination listed below. Such transportation charges shall be included as separate items on Contractor's invoices and shall be supported by receipted copies of the prepaid shipping documents.

**SECTION D - PRICE REDETERMINATION**

(1) Because of the nature of the work called for in APPENDIX I of this contract and the great uncertainty as to the cost of performance hereunder, the parties agree that the contract price fixed in APPENDIX I hereof may be increased or decreased in accordance with the provision of this clause.

(2) Upon expenditure of seventy-five per cent (75%) of the contract price stated in Section B, the parties shall negotiate to determine whether the contract price shall be revised and a new contract price established, such new contract price to be fixed and to represent the total amount payable to the Contractor for satisfactory performance under this contract.

(3) As soon as practicable, and in no case later than sixty (60) days after expenditure of the funds referred to above, the Contractor shall furnish to the Contracting Officer a statement in such form and detail as the Contracting Officer may prescribe of the cost of furnishing the services called for under this contract together with such information as may be pertinent in the negotiations for a revised price pursuant to this clause. Such statement of cost shall fairly reflect the normal operations of the Contractor's cost system, taking into account any deviations from such normal cost system as are required by the security restrictions placed upon the Contractor by the Government in performance under this contract. The Contracting Officer shall have the right at all reasonable times to make or cause to be made such examinations or audits of the Contractor's books, records and accounts as he may request.

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(4) Upon the filing of the statement and other pertinent information required by paragraph 3 of this clause, the Contractor and the Contracting Officer will promptly negotiate in good faith to agree upon a reasonable revised price for the entire contract which, upon the basis of such statement and other pertinent information, will constitute fair and just compensation to the Contractor for the performance for this period of this contract. In determining the extent of any estimated allowance for profit to be taken into account in fixing such revised price, consideration will be given to the extent to which the Contractor has performed during the period stipulated with efficiency, economy and ingenuity. In no event shall the redetermined price exceed the sum of [REDACTED]. The revised price shall be evidenced by an amendment to this contract. However, in the event that the negotiations for price revision in accordance with this clause indicate that the uncertainty as to the cost of complete performance is still so great as to prevent a realistic determination of the final price for the over-all completion for this period, provision may be made for such future negotiations as to revision as may be appropriate to the circumstances at the time.

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(5) If within thirty (30) days after the filing of the statement and other pertinent information required by paragraph 3 of this clause the parties shall fail to agree upon a revised price in accordance with the provisions of this clause, the failure to agree shall be deemed to be a disagreement as to a question of fact which shall be disposed of in accordance with the clause hereof entitled "Disputes."

(6) For any of the purposes of the clause of this contract providing for termination at the option or convenience of the Government (including without limitation, computation of "the total contract price" and "the contract price of work not terminated"), the contract price shall be the revised contract price agreed upon under paragraph 4 of this clause or determined under paragraph 5 of this clause, as the case may be.

#### SECTION E - PROGRESS PAYMENTS

Progress payments, which are hereby defined as payments made as work progresses under this contract upon the basis of (i) costs incurred, (ii) percentage of completion accomplished, or (iii) a particular stage of completion, may be made upon the following terms and conditions.

(1) The Contracting Officer, may, from time to time, authorize progress payments to the Contractor upon property acquired or produced by it for the performance of this contract; PROVIDED, that such progress payments shall not exceed 90% of the cost to the Contractor of direct labor, material and/or component parts purchased, direct costs, burden and G & A for that property upon which payment is made, which costs shall be determined from evidence submitted by the Contractor and which must be such as is satisfactory to the Contracting Officer; PROVIDED FURTHER, that in no event shall the total of unliquidated progress payments (see (3) below) and of unliquidated advance payments if any, made under this contract, exceed 80 percent of the total contract price of supplies still to be delivered.

(2) Upon the making of any progress payment under this contract, title to all parts, materials, inventories, work in progress and nondurable tools theretofore acquired or produced by the Contractor for the performance of this contract, and properly chargeable thereto, shall forthwith vest in the Government; and title to all like property thereafter acquired or produced by the Contractor for the performance of this contract and properly chargeable thereto as aforesaid shall vest in the

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Government forthwith upon said acquisition or production; PROVIDED, that nothing herein shall deprive the Contractor of any further progress or final payments due or to become due hereunder; or relieve the Contractor or the Government of any of their respective rights or obligations under this contract.

(3) In making payment for the supplies furnished hereunder, there shall be deducted from the contract price therefor a proportionate amount of the progress payments theretofore made to the Contractor, under the authority herein contained.

(4) It is recognized that property (including, without limitation, completed supplies, spare parts, drawings, information, partially completed supplies, work in process, materials, fabricated parts and other things called for herein) title to which is or may hereafter become vested in the Government pursuant to this clause will from time to time be used by or put in the care, custody or possession of the Contractor in connection with the performance of this contract. The Contractor, either before or after receipt of notice of termination at the option of the Government, may acquire or dispose of property to which title is vested in the Government under this clause, upon terms approved by the Contracting Officer: PROVIDED, that after receipt of notice of termination, any such property that is a part of termination inventory may be acquired or disposed of only in accordance with the provisions of the clause of this contract entitled Termination for Convenience of the Government and applicable laws and regulations. The agreed price (in case of acquisition by the Contractor) or the proceeds received by the Contractor (in case of any other disposition), shall to the extent that such price and proceeds do not exceed the unliquidated balance of progress payments hereunder, be paid or credited to the Government as the Contracting Officer shall direct; and such unliquidated balance shall be reduced accordingly. Current production scrap may be sold by the Contractor without approval of the Contracting Officer but the proceeds will be applied as provided in this paragraph (4), provided that any such scrap which is a part of termination inventory may be sold only in accordance with the provisions of the Termination for Convenience of the Government of this contract and applicable laws and regulations. Upon liquidation of all progress payments hereunder or upon completion of deliveries called for by this contract, title to all property (or the proceeds thereof) which has not been delivered to and accepted by the Government under this contract or which has not been incorporated in supplies delivered to and accepted by the Government under this contract and to which title has vested in the Government under this clause shall vest in the Contractor.

(5) The clause of this contract captioned "Liability for Government-Furnished Property" and any other provision of this contract defining liability for Government-Furnished Property shall be inapplicable to property to which the Government shall have acquired title solely by virtue of the provisions of this clause. The provisions of this clause shall not relieve the Contractor from risk of loss or destruction of or damage to property to which title vests in the Government under the provisions hereof.

(6) If this contract (as heretofore or hereafter supplemented or amended) contains provisions for Advance Payments, and in addition if at the time any progress payment is to be made to the Contractor under the provisions of this progress payments clause any unliquidated balance of advance payments is outstanding, then notwithstanding any other provision of the Advance Payments Clause of this contract the net amount, after appropriate deduction for liquidation of the advance payment, of such progress payment shall be paid to the Contractor.

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**SECRET**Contract No. [REDACTED]**SECTION F - SPECIAL SECURITY RESTRICTIONS**

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary. The Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

**SECTION G - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS:**

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whenever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

**SECTION H - MATERIAL INSPECTION, PACKING AND RECEIVING REPORT:**

- (1) Inspection shall be made by the Government at the Contractor's plant.
- (2) The items delivered under this contract shall be packed for domestic shipment in accordance with standard commercial practices.
- (3) At the time of each delivery the Contractor shall prepare and furnish to the Contracting Officer's representative to be designated hereunder a delivery ticket, in quadruplicate, indicating contract number, consignee, part number and quantities. Two copies of the delivery ticket will be receipted by the Contracting Officer's representative and returned to the Contractor as soon as possible. The Contractor will attach one receipted copy of the delivery ticket to its invoice when submitted for payment under this contract.

**SECTION I - SUBCONTRACTS FOR WORK OR SERVICES**

- (1) No contract shall be made by the Contractor with any other party for furnishing any of the completed or substantially completed articles, spare parts or work, herein contracted for, without the written approval of the Contracting Officer as to sources.

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(2) The Contractor shall give specific advance notification to the Contracting Officer of any proposed subcontract hereunder which (i) is on a cost or cost-plus-a-fixed-fee basis, or (ii) is on a fixed-price basis exceeding in dollar amount either [REDACTED] of the total amount of this contract.

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(3) The Contractor shall not, without the prior written consent of the Contracting Officer, place any subcontract which (i) is on a cost or cost-plus-a-fixed-fee basis, or (ii) is on a fixed-price basis exceeding in dollar amount either [REDACTED] of the total amount of this contract, or (iii) provides for the fabrication, purchase, rental, installation or other acquisition, of any item of industrial facilities, or of special tooling have a value in excess of \$1,000, or (iv) is on a time-and-material or labor-hour basis. The Contracting Officer may, in his discretion, ratify in writing any such subcontract; such action shall constitute the consent of the Contracting Officer as required by this paragraph (3).

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(4) The Contractor agrees that no subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis.

(5) The Contracting Officer may, in his discretion, specifically approve in writing any of the provisions of a subcontract. However, such approval or the consent of the Contracting Officer obtained as required by this clause shall not be construed to constitute a determination of the acceptability of the subcontract price, unless such approval specifically provides that it constitutes a determination of the acceptability of the subcontract price.

(6) The Contracting Officer may approve all or any part of the Contractor's purchasing system and from time to time rescind or reinstate such approval. Such approval shall be deemed to fulfill the requirements for obtaining the Contracting Officer's consent to subcontracts as prescribed in paragraph (3) above.

#### SECTION J - GOVERNMENT FURNISHED EQUIPMENT

The Government shall furnish the Contractor with the following equipment which shall be referred to as "GFE" or "CFE" throughout this contract. The equipment shall be subject to the provisions of the clause of this contract entitled "Government-Furnished Property" (Paragraph 30 of the General Provisions).

	<u>Nomenclature</u>	<u>Mfr.</u>	<u>Stock No.</u>	<u>Quantity</u>
1.	Camera, Aircraft, Type K-18	Fairchild	AF 8400-098620	5
2.	Magazine, A-88	Houston-Fearless	AF 8400-520321	10
3.	Case, Carrying, K-18	Koch	AF 8400-124585	5
4.	Case, Carrying, A-88	Koch	AF 8400-119900	10
5.	Lens Model HL-732 2 1/2" f/8 improved Pentax	Perkin-Elmer	150-0016	5

6.  
7.  
8.  
9.  
10.  
11. } See Amend 2 for these additional items. El



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**SECTION K - ANTICIPATORY COSTS**

All costs, which have been incurred by the Contractor in anticipation of this contract and prior to its signing, and which if they would have been incurred after signing and would have been considered as allowable items of cost for this project, shall be considered as allowable items of costs hereunder.

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APPENDIX I

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<u>Item No.</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total</u>
1.	K-18 Camera, modified as follows:	5	[REDACTED]	[REDACTED]
	a. The Camera Body and Lens Cone will be modified in its electrical circuitry to accept and will include the Shutter Model HS-732.			
	b. The Lens Cone will be machined for modification to accept and will include the Lens and Shutter Housing Model 732. This is a precision machined casting which houses the lens cells of the 2 1/8" f/8 Lens Model HL-732 and the Drawer Type Shutter Model HS-732.			
	c. The Case Drive will be modified to increase the cycling rate from 1 cycle per 3 seconds to be 1 cycle per 1.6 seconds.			
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2.	Magazine, Model HM-732-1C. This unit is a standard ABB Magazine modified to include the following:	5	[REDACTED]	[REDACTED]
	a. Countoured Platen Assembly which mates with the 2 1/8" f/8 Lens.			
	b. New Vacuum Valve Assembly for improved air flow required to flatten film against the countoured Platen Assembly.			
	c. New and improved clutch and brake cams to reduce drive torque requirement.			
	d. A built-in capability to accept thin-base film and/or standard base film.			
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3.	Shutter Model HS-732, between-the-lens drawer type	1	[REDACTED]	[REDACTED]
4.	Operation and Service Handbook, commercial quality.	5	Included in Item 1 above.	
5.	Transportation costs to be reimbursed in accordance with SECTION C of the Schedule.		Estimated	400.00
			TOTAL	[REDACTED]

DELIVERY SCHEDULE

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- Item 1 - 1 ea. within six (6) months after receipt of the GFE by the Contractor.
- 4 ea. within one (1) month after delivery of the first unit.
- 2 - 5 ea. (within one (1) month after delivery of the first unit under
- 3 - 1 ea. (Item 1.
- 4 - 5 ea. concurrent with each camera under Item 1.

*See App I Rev. 10 Nov 1957*