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SAPC-7312
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28 JUN 1956

MEMORANDUM FOR THE RECORD

SUBJECT : Letter Contract No. BC-200 - Hycon Mfg. Company, Pasadena, California - Project [redacted] (AQUATONE).

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1. This memorandum contains a recommendation submitted for approval of the Director of Central Intelligence. Such recommendation is contained in Paragraph 6.

2. Letter Contract No. BC-200 provides for the production and delivery of eight "B" cameras of the type previously procured for the project. In addition it provides for the production and delivery of three "A-2" and three "B" cameras for the Department of the Air Force, again of the type previously procured for the project.

3. Letter Contract No. BC-200 obligates \$1,040,000 of project AQUATONE funds for the eight additional "B" cameras, and associated equipments and spares, and obligates \$500,000 for the six cameras for the Air Force and for associated equipments and spares. These funds are summarized as follows:

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\$1,040,000 - Fiscal Year 1956 AQUATONE funds chargeable to Project [redacted]

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\$ 500,000 - Fiscal Year 1956 funds chargeable to Appropriation 21x6889 for Project [redacted] (Funds transferred from the Department of the Air Force)

\$1,540,000 - Total contract obligations Letter Contract No. BC-200.

4. Attached is a memorandum for signature of the Director of Central Intelligence from the DCI to the Comptroller, certifying that in accordance with the provisions of Section 10(b) of Public Law 110, a sum not to exceed \$2,500,000 is necessary for objects of a confidential, extraordinary and emergency nature. Up to \$1,200,000 may be required to fund the project's cost of procuring the eight additional "B" cameras and associated equipments, spools, and spare parts and some \$1,300,000 of Air Force funds will be required to fund the total Air Force procurements foreseen under this contract.

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5. It is contemplated that a definitive contract to replace this Letter Contract will be negotiated prior to 1 August 1956

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6. Approval of Letter Contract No. BC-200 and execution thereof on behalf of the Agency by the authorized Project Contracting Officer is recommended.

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for RICHARD M. BISSELL, JR.
SA/PC/DCI - Project Director

CONCURRENCES:

25X1



for

General Counsel

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6/28/56

Comptroller



Approval requested in paragraph 6, above, granted.

Director of Central Intelligence

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HJP:lmw (26 June 1956)

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