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SAPC-16733  
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19 June 1957

MEMORANDUM FOR THE RECORD

SUBJECT: Amendment No. 7 to Contract No. FL-3011 with Westinghouse Electric Corporation, Baltimore, Md., Project EQUINE (AQUATONE)

1. This memorandum contains a recommendation submitted for approval of the Director of Central Intelligence. Such recommendation is contained in Paragraph 7.

2. Contract No. FL-3011 provides for the design, fabrication and delivery of certain radar equipment for use in aircraft for Project AQUATONE,  and the Air Force. It also includes field maintenance for 5 equipments for Project AQUATONE for the period 1 July 1956 through 30 November 1957.

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3. Amendment No. 7 covers additional Magnetron tubes for Item 16 and establishes a target and ceiling price for all items of the contract except Item 16 of Appendix I and Item 1 of Appendix II (field maintenance). It is anticipated that a maximum price for these two items will be established on or before 1 August 1957. This Amendment provides additional funds for research and development which has been performed and which could not be realistically estimated and included in the previous commitments.

4. Amendment No. 7 increases the contract price by \$1,126,652 which consists of \$755,729 for additional R&D for Items 1 through 15, \$97,308 for Magnetrons and \$273,615 for establishment of the ceiling price. The amount of \$1,126,652 is chargeable as follows:

<u>Fiscal</u> <u>Year</u>	<u>Project</u>	<u>Amount</u>
1957	AQUATONE	\$654,433.64
1957	<span style="border: 1px solid black; display: inline-block; width: 100px; height: 1em; vertical-align: middle;"></span>	365,360.00
1958		60,397.92*
1957	Air Force	46,460.44
		<u>\$ 1,126,652.00</u>

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\*Amendment 7 provides that this amount is contingent upon the availability of funds.

Concurrence by the Comptroller in the space provided below will indicate that Fiscal Year 1957 funds are available for this commitment.

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5. The total obligations for the subject contract are as follows:

\$1,985,014.97 - AQUATONE funds chargeable to Project EQUINE.

2,056,176.93 - Air Maritime Division allotment for Project

727,435.10 - For Project EQUINE/AF (funds transferred from the Dept. of the Air Force)

\$ 4,768,627.00 - TOTAL

6. By memorandum dated 29 July 1955 from the Director of Central Intelligence to the Comptroller, and in accordance with the provisions of Section 10(b) of Public Law 110, the Director of Central Intelligence has certified that the sum of \$3,500,000 is available for expenditure for Project EQUINE. Amounts above this certification will be handled under the new procedure approved by the Director on 15 December 1956.

7. Approval of Amendment No. 7 to Contract No. FL-3011 and execution thereof on behalf of the Agency by the authorized Project Contracting Officer is recommended.

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

Director of D & P

Comptroller

for General Counsel

*6/21/57*

*6/21/57*

*6/24/57*

Approval requested in Paragraph 7, granted.

*[Signature]*  
Director of Central Intelligence