

SECRET

Mr. Lyman M. Hemeret

Dear Mr. Hemeret:

Reference is made to your contract effective 1 November 1952 with the United States Government, as represented by the Contracting Officer, for the purchase of information and services of a confidential nature.

Effective 25 April 54 said contract is hereby terminated by mutual consent of the parties thereto and in lieu thereof the following contract is substituted:

The United States Government, as represented by the Contracting Officer, hereby contracts with you for the purchase of certain information and related services of a confidential nature under the following terms and conditions:

1. Compensation. In full consideration for the purchase of such information and services, the Government will pay directly to you an amount calculated at the rate of \$5,000.00 per annum. Commencing on the date you actually depart for your target area, the Government will deposit to an internal escrow account in your name this basic compensation and, while you are in the target area, an additional amount calculated at the rate of \$1,000.00 per annum. All funds deposited in said escrow account will be payable to you upon the successful completion of your assigned mission. In the event of your death as determined in the criteria set forth in paragraph 6 (b) below, the Government will pay to any person or persons designated by you in writing all funds deposited in your escrow account provided that at the time payments become due said person or persons are acceptable to the Government. In the event of your death if no person has been designated by you in accordance with this paragraph, all funds deposited to your escrow account will be paid to your estate for appropriate disposition. Although no taxes will be withheld from payments made to you pursuant to this paragraph, it is your responsibility to pay U. S. Federal income taxes on sums paid to you while in the United States.

2. Bonus. In addition to the compensation provided for in paragraph one (1) above, you may be granted a bonus not to exceed \$5,000.00 upon the successful completion of your mission in your target area. The granting of this bonus and the amount thereof shall be at the sole discretion of the appropriate representative of the Government.

3. Quarters. It is understood and agreed that quarters will be provided you by the Government while in training in the United States or any foreign country.

4. Operational Expenses. You will be advanced or reimbursed funds for necessary operational expenses as specifically approved by the Government. Such funds will be subject to accounting in substantial compliance with applicable Government regulations.

5. Travel. You will be advanced or reimbursed funds for necessary expenses incurred in connection with such travel as may be directed or authorized by the Government. Such travel expenses shall include per diem in lieu of subsistence in the course of travel to and from your target area. You

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will be required to account for such expenses in substantial compliance with applicable Government regulations.

6. Benefits. (a) In the event you receive an injury or disability while engaged in the performance of this contract, you will be entitled to medical, surgical, hospital, services and supplies, transportation and disability benefits in such amount as in the sole discretion of the Government is proper, provided said benefits shall not exceed a total of \$10,000.00 for the same injury or disability.

(b) In the event of your death while directly engaged in the performance of services under this contract, the U. S. Government will pay to your designated beneficiary the sum of \$10,000.00 less any amount paid to you under sub-paragraph (a) above for the injury or disability which results in your death, provided that at the time payment is to be made, said beneficiary is acceptable to the U. S. Government. The death benefit indicated above will be paid when one of the following conditions exists: (1) adequate information is brought to the attention of the proper U. S. Government authorities indicating your demise; (2) no information regarding your existence is brought to the attention of the U. S. Government for two (2) years after the date of departure for your target area; or ~~(3) no information regarding your existence is brought to the attention of the U. S. Government for two (2) years after the date of your last contact with appropriate Government representatives.~~

7. Execution of Documents. If, in the performance of your cover service, you assume the custody of government funds or take title of record to property of any nature whatsoever and wherever situate, which property has in fact been purchased with monies of the U. S. Government, you hereby recognize and acknowledge the existence of a trust relationship, either express or constructive, and you agree to execute whatever documents may be required by the Government to evidence this relationship.

8. Status. You are not an employee of the United States Government under this agreement and are not entitled to any benefits normally incident to an employee status, except as specifically enumerated herein.

9. Secrecy. All information related to this agreement conveyed through instructions, this instrument, or otherwise, is secret and shall not be divulged to any person, organization or government in any form or manner, except as authorized by the representative of the Government executing this agreement. It is agreed that any revelation whatsoever of the above information will constitute and be an immediate and final breach of this agreement and will result in forfeiture by you of any and all benefits which may then have accrued to you by reason of this agreement.

10. Instructions. Instructions received by you from the Government in briefing or training are a part of this contract and are incorporated herein, provided that such instructions are not inconsistent with the terms hereof.

11. Unauthorized Commitments. No promises or commitments pertaining to rights, privileges or benefits other than those expressly stipulated in writing in this agreement or any amendment thereto shall be binding on the Government.

12. Term. This contract is effective as of 26 April 54 and shall

continue for a period of two (2) years or, until the provisions relating to benefits enumerated in paragraph six (6) (b) above are satisfied, unless sooner terminated upon actual notice to you by the U. S. Government at any time prior to your actual departure for your target area. Subject to the availability of appropriations, this agreement may be renewed for successive periods of one year. Termination of this agreement will not release you from the obligations of any secrecy provisions contained herein. In the event of voluntary termination on your part or termination for cause by the Government prior to expiration of this agreement or any renewal thereof, you will not be entitled to return travel expenses to the United States.

UNITED STATES OF AMERICA

Contracting Officer

ACCEPTED:

Lyman M. Hameret

signed 26 April 1954

APPROVED:
