

SCOPE OF WORK:

The Contractor shall furnish the necessary personnel, facilities, material, and equipment to Design, Fabricate, Assemble, Install, and Checkout a High Precision Stereo Comparator in accordance with the following documents, all of which are incorporated herein by reference and made a part hereof:

1. ☐ Technical Document entitled, "Ultra High Precision Stereocomparator Statement of Work", dated 20 March 1968, as revised by the parties hereto 27 March 1968.
2. Contract ☐ Final Report, Volumes (1) through (3) inclusive, dated 9 February 1968, as revised by the parties hereto 27 March 1968.
3. ☐
4. Any and/or all Technical Reports, drawings, ray traces, optical designs, and other technical data furnished to the Contractor in performance of any subcontract or consulting agreement authorized under Contract ☐
5. ☐ Technical Document, entitled, "Stereocomparator Contractual Resolution for Threshold Contrast Ratio", pages 1 and 2, dated 25 March 1968, as revised by the parties hereto 27 March 1968.

The revisions made to the above referenced documents are set forth in the Memorandum of Technical Agreement, attached hereto as Exhibit "A", which is incorporated herein by reference and made a part hereof.

It is mutually understood and agreed by the parties hereto that any inconsistency resulting from the incorporation herein of the above referenced documents shall be resolved by unilateral decision of the Contracting Officer's Technical Representative.

The above statement shall not be construed as a waiver of the Contractor's right as set forth in Section "A", General Provisions, Article 7, "Disputes", attached hereto.

DELIVERABLE ITEMS:

1. ^{operating}
~~Operational~~ High Precision Stereocomparator 1 Each
2. Final Acceptance/Test Plan in a format approved by the Contracting Officer's Technical Representative. 5 Each
3. One (1) set of Operating Instruction Manuals in a format approved by the Technical Representative of the Contracting Officer. 10 Each
4. One (1) Set of Programming Instruction Manuals in a format approved by the Contracting Officer's Technical Representative. 10 Each
5. One (1) set of Maintenance Instruction Manuals in a format approved by the Technical Representative of the Contracting Officer. 10 Each
6. One (1) recommended Spare Parts List to include manufacturer's expected lifetime per part and in a format approved by the Technical Representative of the Contracting Officer. 10 Each
7. One (1) Master Set of Contractor's shop drawings, drawn to approved for Release 2003/12/04 : CIA-RDP78B05471A000100010100-7
comparator, which shall be in accordance with industry standards for said drawings. 1 Lot

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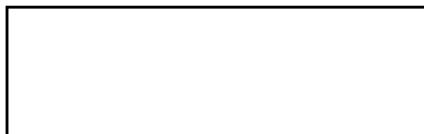
8. One (1) "Blue-line" copy of Contractor's shop drawings as set forth in Item No. 7 above. 1 Lot
9. Monthly Financial/^{Informal} Technical Progress Report, generally in the format required by Specification DB-1001, revised, attached hereto, which is incorporated herein by reference and made a part hereof. 5 Each
10. Any and/or all Technical Reports, drawings, ray traces, optical designs, and other technical data acquired by the Contractor either directly or by reason of any sub-contract or consulting agreement entered into in performance of work hereunder. 1 Each
11. Any and/or all Alignment Targets, Resolution Targets, and Target Film generated by either the Contractor or his subcontractor for use in testing the High Precision Stereocomparator's Optics 1 Lot
12. Any and/or all components, modules, or systems either fabricated, furnished, or purchased as part of the performance of work hereunder.

CONSIGNEE ADDRESS:

One (1) copy each of Item No. 9 shall be delivered, postage prepaid, to the Contracting Officer.

All remaining copies of Item No. 9 and Item Nos. 2 through 6, and 10 shall be delivered, postage prepaid, to the following address:

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Delivery of Item Nos. 1, 7, 8, and 11 shall be determined upon completion of this Contract.

DELIVERY PLAN (MANUALS AND ACCEPTANCE/TEST PLAN):

The Contractor shall submit three (3) each draft copies of Item Nos. 3 through 5 to the Contracting Officer's Technical Representative within twelve (12) months from the initiation of work hereunder. The Sponsor shall return the draft copies to the Contractor, with direction for necessary revision(s), if any, within ninety (90) days from receipt by the Contracting Officer's Technical Representative.

The Contractor shall submit three (3) copies each of a draft Final Acceptance/Test Plan, Item No. 2, to the Contracting Officer's Technical Representative no less than ninety (90) days prior to the date preacceptance testing is to begin. The Sponsor shall return the draft Final Acceptance/Test Plan to the Contractor, with direction for necessary revision(s), if any, within thirty (30) days from receipt by the Contracting Officer's Technical Representative.

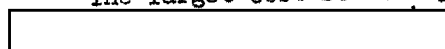
PERFORMANCE PERIOD:

~~The performance period for this Contract shall be April 1968 through 5 January 1970.~~ *The completion date for this contract shall be (92) weeks subsequent to contract inception*

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TARGET COST:

The Target Cost for the performance of work hereunder is



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INCENTIVE PROFIT:

For satisfactory performance of the work to be accomplished hereunder, the Contractor shall receive an incentive profit (cost only incentive) based upon the following criteria:

Target Cost
Target Profit
Target Price
Maximum Profit
Ceiling Price



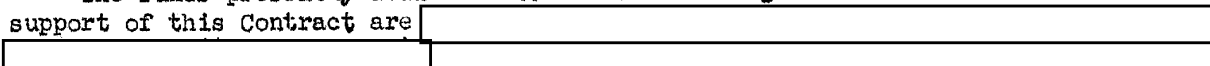
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Sharing Formula 80% (Government) 20% (Contractor)

The Final Contract Price shall be determined in accordance with the Incentive Price Revision (Firm Target) Provision, attached hereto, which is incorporated herein by reference and made a part hereof.

AVAILABILITY OF FUNDS:

The funds presently available to the Contracting Officer for obligation in support of this Contract are



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The Contractor is not obligated to incur costs in excess of the available funding in performance of this Contract, nor is the Government obligated to the Contractor for performance of work under this Contract in any amount which exceeds the funding now available.

When funds sufficient to permit full performance of the work under this Contract are made available to the Contracting Officer, he shall so advise the Contractor by an appropriate Amendment.

INDIRECT EXPENSE RATE CEILING:

It is mutually understood and agreed by the parties hereto that notwithstanding any other provision or article of the subject Contract, the following indirect expense rates are the maximum allowable rates for which the Government shall be obligated to pay under this Contract:

	<u>Calendar Year 1968</u>	<u>Calendar Year 1969</u>
Overhead	120% of Direct Labor Dollars	130% of Direct Labor Dollars
G. & A.	22% of Costs Exclusive of G. and A. and Fee	25% of Costs Exclusive of G. and A. and Fee

PROGRESS PAYMENTS:

The Contractor is authorized to present to the Contracting Officer once each month an invoice or public voucher supported by a detailed statement of costs incurred by the Contractor in performance of this Contract and claimed to constitute allowable costs in accordance with the attached provision entitled, "Progress Payments", which is incorporated herein by reference and made a part hereof.

PAYMENT PLAN:

Contractor's invoices towards partial liquidation of the twenty percent (20%) of total incurred costs withheld pursuant to the Progress Payments Clause referenced above, shall be accepted by the Contracting Officer subsequent to the delivery of Item No. 1 under this Contract based on the following schedule:

Thirty (30) days after Delivery of Item No. 1 - 7.5% of Total Incurred Costs
Sixty (60) days after Delivery of Item No. 1 - 7.5% of Total Incurred Costs

The remaining 5% of total incurred costs shall be withheld pending Final Price Revision in accordance with the Price Revision Clause referenced above.

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25X1 EXCHANGE RATE:

In the event the Contractor is authorized to enter into a subcontract with [redacted] in performance of work hereunder, the Contractor is authorized to purchase [redacted] periodically for the purpose of making progress payments under said subcontract.

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It is understood and agreed by the parties hereto that any increase or decrease in the actual cost of this subcontract caused solely by fluctuation in the foreign exchange rate of U. S. currency is deemed to be outside the incentive provisions of this Contract.

The Contractor shall experience neither a gain or a loss from any change in the foreign exchange rate in performance of work hereunder.

ASPR 1-324.9 CORRECTION OF DEFICIENCIES:

(a) Definitions. As used in this clause:

(i) "deficiency" means any condition or characteristic in any supplies (which term shall include related technical data) or services furnished hereunder, which is not in compliance with the requirements of this Contract; and

(ii) "correction" means any and all actions necessary to eliminate any and all deficiencies.

(b) General.

(1) The rights and remedies of the Government provided in this clause:

(i) shall not be affected in any way by any other provisions under this contract concerning the conclusiveness of inspection and acceptance; and

(ii) are in addition to and do not limit rights afforded to the Government by any other clause of this Contract.

(2) This clause shall apply only to those deficiencies discovered by either the Government or the Contractor within 2,000 operating hours or 24 calendar months subsequent to Final Acceptance of the High Precision Stereocomparator.

(3) The Contractor shall not be responsible under this clause for the correction of deficiencies in Government furnished property, except for deficiencies in installation, unless the Contractor performs or is obligated to perform any modifications or other work on such property. In that event, the Contractor shall be responsible for correction of deficiencies to the extent of such modifications or other work.

(4) The Contractor shall not be responsible under this clause for the correction of deficiencies caused by the Government.

(c) Deficiencies in Accepted Supplies or Services.

(1) Notice to Contractor; His Recommendation for Correction. If the Contracting Officer determines that a deficiency exists in any of the supplies or services accepted by the Government under this Contract, he shall promptly notify the Contractor of the deficiency, in writing, within thirty (30) days. Upon timely notification of the existence of such a deficiency, or if the Contractor independently discovers a deficiency in accepted supplies or services, the Contractor shall promptly submit to the Contracting Officer his recommendation for corrective actions, together with supporting information in sufficient detail for the Contracting Officer to determine what corrective action, if any, shall be undertaken.

(2) Direction to Contractor Concerning Correction of Deficiencies. Within Thirty (30) days after receipt of the Contractor's recommendations for corrective action and adequate supporting information, the Contracting Officer, at his sole discretion, shall give the Contractor written notice to correct any deficiency within a reasonable time and at the Sponsor's facility.

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- (3) Correction of Deficiencies by Contractor. The Contractor shall promptly comply with any timely written direction by the Contracting Officer to correct or partially correct a deficiency, at no increase in the correct price. The Contractor shall also prepare and furnish to the Government data and reports applicable to any correction required under this clause (including revision and updating of all other affected data called for under this Contract) at no increase in the Contract price.
- (4) Modification of Contract With Respect to Uncorrected Deficiencies. In the event of timely notice of a decision not to correct or only to partially correct, the Contractor shall promptly submit a technical and cost proposal to amend the Contract to permit acceptance of the affected supplies or services in accordance with the revised requirements, and an equitable reduction in Contract price shall promptly be negotiated by the parties and reflected in a supplemental agreement to this Contract.
- (d) Deficiencies in Supplies or Services Not Yet Accepted. If the Contractor becomes aware at any time before acceptance by the Government (whether before or after tender to the Government) that a deficiency exists in any supplies or services, he shall promptly correct the deficiency or, if he elects to invoke the procedures in (c) above, he shall promptly communicate information concerning the deficiency to the Contracting Officer in writing, together with his detailed recommendation for corrective action.
- (e) No Extension in Time for Performance; No Increase in Contract Price.
- (1) In no event shall the Government be responsible for extension or delays in the scheduled deliveries or periods of performance under this Contract as a result of the Contractor's obligations to correct deficiencies, nor shall there be any adjustment of the delivery schedule or period of performance as a result of such correction of deficiencies, except as may be agreed to by the Government in a supplemental agreement with adequate consideration
- (2) It is hereby specifically recognized and agreed by the parties hereto that this clause shall not be construed as obligating the Government to increase the contract price of this Contract.
- (f) Transportation Charges.
- (1) When the Government returns supplies to the Contractor for corrections or replacement pursuant to this clause, the Contractor shall be liable for transportation charges up to an amount equal to the cost of transportation by the usual commercial method of shipment from the designated destination point under this Contract to the Contractor's plant, in addition to any charges provided for by (2) below. The Contractor shall also bear the responsibility for the supplies while in transit.
- (2) When compliance with the terms of this clause by the Contractor involves shipment of corrected or replacement supplies from the Contractor to the Government, the Contractor shall be liable for transportation charges up to an amount equal to the cost of transportation by the usual commercial method of shipment from the Contractor's plant to the designated point under this Contract, in addition to any charges provided for by (1) above. The Contractor shall also bear the responsibility for the supplies while in transit.
- (g) Failure to Correct. If the Contractor fails or refuses to (i) present a detailed recommendation for corrective action in accordance with (c) above, (ii) correct deficiencies in accordance with (c) (3) above, or (iii) prepare and furnish data and reports in accordance with paragraph (e) (3) above, the Contracting Officer shall give the Contractor written notice specifying the failure or refusal and setting a period after receipt of the notice within which it must be cured. If the failure or refusal is not cured within the specified period, the Contracting Officer may, by Contract or otherwise, as required:

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- (i) obtain detailed recommendations for corrective action;
- (ii) (A) correct the supplies or services or
(B) replace the supplies or services - and if the Contractor fails to furnish timely disposition instructions, the Contracting Officer may dispose of nonconforming supplies for the Contractor's account in a reasonable manner, in which case the Government is entitled to reimbursement from the Contractor or from the proceeds for the reasonable expenses of care and disposition, as well as for excess costs incurred or to be incurred; and
- (iii) obtain applicable data and reports;
and charge to the Contractor the cost occasioned to the Government thereby.
- (h) Correction of Deficient Replacements and Re-performances. Any supplies or parts thereof corrected or furnished in replacement and any services re-performed pursuant to this clause shall also be subject to all the provisions of the clause to the same extent as supplies or services initially accepted.
- (i) Prior to the establishment of the total final price, all costs incurred, or to be incurred by the Contractor in complying with this clause shall be considered when negotiating the final total negotiated cost under the Incentive Price Revision clause of this Contract. After the establishment of the total final price, Contractor compliance with this clause shall be at the Contractor's expense and at no increase in the total final price. Any equitable adjustments made pursuant to paragraph (c) of this clause shall be governed by the paragraph entitled "Equitable Adjustments Under Other Clauses" in the Incentive Price Revision clause of this Contract.

GOVERNMENT EQUIPMENT/PROPERTY:

All Government Property, either assembled, fabricated, furnished, or purchased under Contract No. [] shall be transferred to the subject Contract for use hereunder. The Contractor shall maintain property accountability records for Government Property in accordance with the Sponsor's Property Accounting Procedures.

CAPITAL EQUIPMENT/IMPROVEMENT:

The Contractor is authorized to expend Contract funds in an amount not to exceed [] to update Contractor's existing facility as necessary for assembly and testing of the High Precision Stereocomparator.

It is understood and agreed by the parties hereto that in the event the Contractor receives a commitment for the purchase of a second High Precision Stereocomparator within ninety (90) days subsequent to the Final Acceptance of Item No. 1 under this Contract, ^{thereafter} all costs incurred in updating the Contractor's facility under the subject Contract will be refunded to the Sponsor and said costs will be amortized by the Contractor as a capital expenditure.

KEY PERSONNEL:

It is mutually understood and agreed by the parties hereto that the Contractor shall assign the individuals named below, or their professional equals for the performance of the work outlined hereinabove. It is further agreed that no substitution for the below named individuals shall take place without the prior written authorization of the Contracting Officer, who shall have the right to accept or reject the "professional equal" proffered as replacement for the named individual(s):

Name

Minimum Percent of Time

Technical Director

90 - 100%

Program Manager

90 - 100%

Mechanical Engineer

90 - 100%

Electrical Engineer

90 - 100%

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25X1 CONSULTANTS:
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The Contractor is authorized to employ the consulting services of [REDACTED]

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[REDACTED] in an amount not to exceed [REDACTED]

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[REDACTED] in performance of this Contract.

The employment of any other consultant under this Contract is subject to the prior written authorization of the Contracting Officer.

SPECIAL PROVISIONS:

ASPR 9-107.5(a) Patent Rights (Title) (Oct. 1966) is incorporated herein by reference and made a part hereof, except that sub-paragraph (h) thereof is replaced by sub-paragraph (h) under 9-107.5(c).

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PAGE OF PAGES

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[redacted] sponsor with the work being produced under this Contract. This classified information and any other classified information which may be specified above, will be divulged only on a need-to-know basis and then only to those who have been authorized in writing by the sponsor to have access to classified information. Correspondence originated by you which contains the name and address of the Contracting Officer shall be stamped with the classification of **CONFIDENTIAL**, unless such correspondence contains data of a higher classification in which case it shall bear the same classification as such data.

In the event any question may arise during the preliminary phases of the work and/or research concerning the security of the technical aspects i.e., security classification of various component parts and/or related reports connected thereto, the Technical Representative of the Contracting Officer is authorized to furnish security guidance during this interim period. This is only to be considered an authorized expedient and efficient means of resolving technical security problems by the Technical Representative of the Contracting Officer on the spot and is not to be construed as a waiver of the Contractor's responsibility to request formal written notification and/or authorization from the Contracting Officer prior to effecting any changes in over-all security classification of the contract, or item and/or reports being developed thereunder or the Contractor's Security Requirements, as agreed.

REPORTS

a) Technical

A final report, manuals, drawings and similar data as may be required under this contract, shall be submitted at such time and in such format as may be specified by the Technical Representative of the Contracting Officer or as may be otherwise set forth in this Schedule. In addition, Technical Progress Reports should be prepared in the manner normally practiced by you and submitted directly to the Contracting Officer's Technical Representative in accordance with the Representative's instructions. A copy of the Technical Progress Report should be mailed directly to the Contracting Officer.

b) Contract Status

(Applicable if contract is CPFF of [redacted] and over and/or is for a period of six (6) months or more and all Incentive contracts.)

The Contractor agrees to report to the Contracting Officer at the end of each month the percentage of total performance of the Contract completed and the percentage of total estimated or target cost expended as of the end of that month. Contractor shall send a copy of the report to the Technical Representative of the Contracting Officer. When this report indicates a plus or minus deviation of 15 percent from the original projection the Contractor shall recite reasons therefore. Failure to submit this report will result in delay in payment of invoices.

NAME OF C

NOTICE

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Exhibit "A"

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MEMORANDUM OF TECHNICAL AGREEMENT

25X1 The subject Memorandum sets forth the changes and clarifications made to the several Technical Documents which comprise the Scope of Work for Contract No. [redacted]

- 25X1 1. [redacted] Technical Document "Ultra High Precision Stereocomparator Statement of Work", dated 20 March 1968:

25X1 Page 30: Control Console and Chair - add:
7. Chair per [redacted] specifications

Page 37: Environmental Control - delete Paragraph 2 and substitute therefor:
The Contractor will provide mutually acceptable performance requirements within ninety (90) days from Contract inception.

Page 38: Installation: add:
The plan for installation shall be delivered to the Sponsor within twelve (12) months from Contract inception.

A computer type floor shall be provided and installed by the Sponsor at the installation site within a reasonable time from Contract inception.

Page 40: Computer Programming and Services: Sentence (1) immediately after the word "specification" add:
"contained in Contract No. [redacted] Final Report, Volume III, dated 9 February 1968"

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Page 42: Acceptance Test in Fabrication Plant - Delete Paragraph (2) and substitute therefor: The customer will be invited to witness the acceptance tests and will supply those test targets, etc., required by the customer for the performance of the tests over and above the approved test procedure targets already purchased by the Contractor.

Paragraph (3), sentence 2, immediately following the word "monitor" add: ", the Contracting Officer,"

Page 43: Acceptance Test After Installation:
Paragraph (2) - delete all words following "45,"

Delete Paragraph (3) and substitute therefor: Government Acceptance shall be deemed to have occurred after ninety (90) days of Final Acceptance Testing at the Sponsor's facility unless the Sponsor accepts sooner or gives notice to the Contractor of rejection.

Page 44: Instruction Manual and Drawing Submittal
Delete Title and substitute therefor: "Instruction and Maintenance Manuals and Drawing Submittal"

Delete Paragraph (1) and substitute therefor: Three draft copies of the instruction and maintenance manuals for the Stereocomparator will be prepared for Sponsor approval and shall be delivered within twelve (12) months from Contract inception. The Sponsor shall return the draft instruction and maintenance manuals, with direction for necessary revision(s), if any, within ninety (90) days from receipt.

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Insert as Paragraph (2): Three draft copies of instruction and maintenance manuals, in a format approved by the Sponsor, shall be prepared.

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Delete the word "Two" in Paragraph (4) and substitute therefor: "One print and one (1) Master Set..."

Page 48: Section A, 4 Stages c (1) (b) immediately following "second" add: (Joystick)

Page 49: Section A, 4 Stages d Film Platen: Add Item 5: Will be flat within (2) optical fringes per (2) inch diameter circle using sodium D light

Page 51: Section B, 4 Reticle Projector: Add Item 1 Reticle spot will be perceptibly brighter than the field of view.

Page 53: Section B, 9 Laser Interferometer, delete Items b and c and substitute therefor: Contract No. [REDACTED] Final Report, Volume I, Page II-7, dated 9 February 1968, Paragraph (1) as follows: "Maximum RMS absolute error of coordinate measuring system: 0.5 microns plus 10 parts per million, each axis, provided the room environmental conditions are within specification (not including operator pointing errors or errors in the film itself)"

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Section B, 10 Resolution on axis: Delete in its entirety and substitute therefor: [REDACTED] Technical Document, entitled, "Stereocomparator Contractural Resolution for Threshold Contract Ratio", pages 1 and 2, dated 25 March 1968 as revised immediately below:

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Add: Based on 38° Field of View

Add: The Line Pairs set forth on pages 1 and 2 represent the worst case situation either sagittal or tangential.

Add: Intermediate resolution figures shall be essentially linear with respect to the referenced point

Page 57: Deliverable Items - Delete in its entirety and substitute therefor the Schedule provision, entitled, "Deliverable Items of Contract [REDACTED]"

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2. It is mutually understood and agreed by the parties hereto that the following technical specifications are minimum performance standards which must be met by the Contractor to satisfactorily complete performance under the subject Contract:

Distortion - worst case shall be 3% over 70% of the field of view

Brightness at eye level - 0.2 Stilbs

GOVERNMENT:

CONTRACTOR:

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