52.216-11 Cost Contract-No Fee.

As prescribed in 16.307(e), insert the clause in *solicitations* and contracts when a cost-reimbursement contract is contemplated that provides no fee and is not a cost-sharing contract. This clause *may* be modified by substituting "$10,000" in lieu of "$100,000" as the maximum reserve in paragraph (b) if the Contractor is a nonprofit organization.

Cost Contract-No Fee (Apr 1984)

(a) The Government *shall* not pay the Contractor a fee for performing this contract.

(b) After payment of 80 percent of the total estimated cost shown in the Schedule, the *Contracting Officer may* withhold further payment of allowable cost until a reserve is set aside in an amount that the *Contracting Officer* considers necessary to protect the Government's interest. This reserve *shall* not exceed onepercent of the total estimated cost shown in the Schedule or $100,000, whichever is less.

(End of clause)

Alternate I (Apr 1984). In a contract for research and development with an educational institution or a nonprofit organization, for which the *Contracting Officer* has determined that withholding of a portion of allowable costs is not required, delete paragraph (b) of the basic clause.

Parent topic: 52.216 [Reserved]