

# 52.216-12 Cost-Sharing Contract-No Fee.

As prescribed in [16.307\(f\)](#), insert the following clause in solicitations and contracts when a cost-sharing contract is contemplated. This clause may be modified by substituting "\$10,000" in lieu of "\$100,000" as the maximum reserve in paragraph (b) if the contract is with a nonprofit organization.

Cost Sharing Contract-No Fee (Apr 1984)

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

(b) After paying 80 percent of the Government's share of the total estimated cost of performance 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 Government's share of the total estimated cost shown in the Schedule or \$100,000, whichever is less.

(End of clause)

*Alternate I (Apr1984).* In a contract for research and development with an educational institution, for which the contracting officer has determined that withholding of a portion of allowable cost is not required, delete paragraph (b) of the basic clause.

**Parent topic:** [52.216 \[Reserved\]](#)