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7 August 1952

Dr. Ashley W. Oughterson  
158 Whitney Avenue  
New Haven 10, Connecticut

RE: Contract No. DA-49-007-MD-63  
Modification No. 1

Dear Dr. Oughterson:

Inclosed herewith for your records are two copies of Modification to the subject contract.

Sincerely yours,

Incl: 2 copies  
of Contract Modification  
# 1

R. M. BYNUM, Jr.  
Colonel, MSC  
Contracting Officer

DAVID E. MARCHUS  
Captain, MSC  
Acting Chief, Legal Office

MEDICAL RESEARCH & DEVELOPMENT BOARD, SGO

*Ashley W. Oughterson*

MODIFICATION TO CONTRACT

Contract No. DA-49-007-MD-63

O. I. No. 14-51

Modification No. 1

DEPARTMENT OF THE ARMY  
Office of The Surgeon General

CONTRACTOR: DR. ASHLEY W. OUGHTERSON  
~~38 Trumbull St.,~~ New Haven 10, Conn.  
158 Whitney Street  
YEAR: 30 June 1950 - 31 December 1952

Amount provided by this Modification: Six Thousand Dollars (\$6,000)

Total Amount provided by Contract: Twenty-Two Thousand Dollars (\$22,000)

Payment will be made under this contract by the Finance Officer, U. S. Army, Washington 25, D. C. (See Article 5 hereof).

The supplies and services to be obtained by this instrument are authorized by, are for the purposes set forth in, and are chargeable to the following allotments, the available balances of which are sufficient to cover the cost thereof:

6-6845 P 400-07 A 2123925.805 S 49-007

This contract is negotiated under the authority of Section 2(c)(1) of the Armed Services Procurement Act of 1947/and Presidential Proclamation 2914. as amended (41 U.S.C. 151, et seq.)

MODIFICATION TO CONTRACT

DEPARTMENT OF THE ARMY  
Office of The Surgeon General  
Washington 25, D. C.

THIS SUPPLEMENTAL AGREEMENT, entered into this 30th day of  
June, 19 52, between the UNITED STATES OF AMERICA  
(hereinafter referred to as "the Government"), represented by the  
Contracting Officer executing this Supplemental Agreement, and

DR. ASHLEY W. OUGHTERSON

38 Trumbull Street, New Haven 10, Connecticut

(hereinafter referred to as "the Contractor").

W I T N E S S E T H:

WHEREAS, the parties entered into Contract No. DA-49-007-MD-63  
(hereinafter referred to as "said contract") which requires the  
Contractor to conduct certain studies and experimental investigations  
as therein specified during the period commencing 30 June 1950  
and ending 30 June 1952, on an actual cost basis in an  
amount not to exceed Sixteen Thousand Dollars (\$16,000)

and

MODIFICATION TO CONTRACT

WHEREAS the parties hereto are desirous of extending the term of said contract from the present expiration date of 30 June 1952 to 31 December 1952; and

WHEREAS the actual costs incurred or obligated to date under said contract indicate that additional funds in the sum of Six Thousand Dollars (\$6,000) will be required in order to continue the studies and experimental investigations until 31 December 1952; and

WHEREAS the parties hereto are desirous of modifying the contract to include Articles 36, 37, and 38; and

WHEREAS this supplemental agreement is authorized by the authority of Section 2(a)(1) of the Armed Services Procurement Act of 1947, as amended (41 U.S.C. 151, et seq.) and Presidential Proclamation 2914;

NOW, THEREFORE, the contract is hereby modified in the following particulars, but in no others:

1. Article 2(a) is modified and changed so that, as modified and changed, it shall read as follows:

"(a) Term of Contract. The Contractor shall commence the subject work on the 30 June 1950 and carry on the subject work to and including the 31 December 1952 unless this contract shall be terminated by the Government before that date, in accordance with the provisions of this Article."

2. Article 1 of said contract is modified and changed so that, as modified and changed, it shall read as follows:

"Subject Work. The Contractor shall supply the necessary personnel and facilities for and conduct the studies and experimental investigations generally described in this Article 1 on Page 2 of this contract and hereinafter referred to as the 'subject work.'"

"The subject work shall be carried on with the utmost dispatch and in accordance with such instructions of the Scientific Officer as may be given from time to time as the subject work proceeds, but which may not require or authorize the expenditure of any amount

in excess of the maximum authorized amount, to wit:

~~Twenty-Two Thousand Dollars (\$22,000)~~

3. The contract is modified and changed so that the following Articles are made a part thereof:

(A) ARTICLE 36. GRATUITIES.--- (a) The Government may, by written notice to the Contractor, terminate the right of the Contractor to proceed under this contract if it is found, after notice and hearing, by the Secretary or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the performing, of such contract; provided, That the existence of the facts upon which the Secretary or his duly authorized representative makes such findings shall be in issue and may be reviewed in any competent court.

(b) In the event this contract is terminated as provided in paragraph (a) hereof, the Government shall be entitled (1) to pursue the same remedies against the Contractor as it could pursue in the event of a breach of contract by the Contractor, and (11) as a penalty in addition to any other damages of which it may be entitled by law, to exemplary damages in an amount (as determined by the Secretary or his duly authorized representative) which shall be not less than 3 nor more than 10 times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

(c) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

(B) ARTICLE 37. EXAMINATION OF RECORDS. -- The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers and records of the Contractor involving transactions related to this contract.

(b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract with the Government, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract. The term "subcontract" as used in this clause excluded (i) purchase orders not exceeding \$1,000 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

(C) ARTICLE 38. CEILING PRICES. -- The Contractor agrees that the prices invoiced hereunder will not exceed the lower of (i) the contract prices or (ii) any applicable ceiling prices established by the Office of Price Stabilization or other Government agency.

EXCEPT AS MODIFIED HEREIN said contract shall remain in full force and effect and the terms and conditions thereof shall apply to this agreement,

MODIFICATION TO CONTRACT

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement as of the day and year hereinabove written.

THE UNITED STATES OF AMERICA

BY R. M. BYNUM, Jr. Colonel, MSC  
Contracting Officer  
Office of The Surgeon General  
Department of the Army

DR. ASHLEY W. OUGHTERSON

Witnesses as to A.W.O.  
H. W. Chambers, Jr.

John Lotting

BY ASHLEY W. OUGHTERSON  
Title: Contractor

I, \_\_\_\_\_, certify that I am the \_\_\_\_\_  
\_\_\_\_\_ of the corporation named as Contractor herein; that  
\_\_\_\_\_, who signed this supplemental agreement on  
behalf of the Contractor, was then \_\_\_\_\_ of said  
corporation; that said supplemental agreement was duly signed for and on behalf  
of said corporation by authority of its governing body and is within the scope  
of its corporate powers.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the seal of said  
corporation, this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.