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W-49-007-MD-398

Contract No. O. I. No. 194-47

Negotiated Contract

WAR DEPARTMENT
Office of The Surgeon General

MEDICAL RESEARCH CONTRACT

Contractor: DR. ASHLEY W. OUGHTERSON
c/o American Cancer Society
47 Beaver Street
New York 4, N. Y.

Year: 1 May 1947 - 30 June 1948

Amount: Eight Thousand (\$8,000.00) Dollars

Payment will be made under this contract by the Finance Officer, U. S. Army,
Washington, D. C. (See Article 8 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:

706-1580 P400-07 A212/75925.003 S 49-007

This contract is authorized by the First War Powers Act, 1941 (Public No.
354, 77th Congress), Executive Order No. 9001 (Dec. 27, 1941) and Act of
July 2, 1940 (Public No 703, 76th Congress) as extended by Act of June 5,
1942 (Public No. 580, 77th Congress).

Form SG 891 - 15 June 1946

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Office of the Army Surgeon General
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File: Oughterson, Dr. A.W. MD-398

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THIS CONTRACT, entered into as of the first day of May 1947, by the United States of America (hereinafter referred to as "the Government") represented by the Contracting Officer executing this contract, and DR. ASHLEY W. OUGHTERSON, an individual acting personally, in the City of New York, State of New York (hereinafter referred to as "the Contractor").

W I T N E S S E T H:

WHEREAS, the Government desires that the Contractor conduct studies and experimental investigations as hereinafter specified requiring the services of qualified personnel; and

WHEREAS, the Contractor is willing to conduct such studies and experimental investigations on a cost basis as herein provided; and

WHEREAS, the accomplishment of the hereinafter specified subject work is authorized by law and will facilitate the prosecution of the war and the Contracting Officer is authorized to negotiate and sign this contract; and

WHEREAS, the Government desires that such studies and experimental investigations be conducted under the technical direction of the Chairman, Army Medical Research and Development Board, Office of The Surgeon General, U. S. Army (hereinafter referred to as "the Scientific Officer");

NOW, THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE 1. 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: \$8,000.00.

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SUBJECT WORK:

To write approximately 700 pages of illustrated monograph based on the report of the Joint Commission for investigating the effects of the Atomic Bomb in Japan.

ARTICLE 2. Reports and Inspections. (a) The Contractor shall report the progress of the subject work from time to time as requested by the Scientific Officer and shall furnish a complete final report upon the termination of this contract. Such reports shall be of such nature and scope and shall be furnished in such quantity and form as may be requested by the Scientific Officer.

(b) The Contracting Officer or the Scientific Officer may inspect the subject work at all reasonable times.

ARTICLE 3. Property to be furnished by Contractor. The Contractor shall procure and furnish all necessary materials, supplies, apparatus, equipment, or other property for use in the performance of the subject work, except to the extent that property may be furnished by the Government; Provided, That the Contractor shall obtain the approval of the Contracting Officer before purchasing any individual item of property costing more than Twenty-Five Hundred (\$2500) Dollars.

ARTICLE 4. (a) Government Property. The Government reserves the right to furnish any materials, supplies, apparatus, equipment, or other property for use in the performance of the subject work. The extent to which the Contractor shall use Government materials, supplies, parts, equipment and other property, shall be determined by the Contracting Officer.

(b) Disposition of Personal Property. At any time prior or subsequent to the termination of the subject work, the Contractor shall deliver to such department, bureau, agency, or instrumentality of the Government as the Contracting Officer may designate, at the Government's expense (including necessary storage, protection, packing and crating, and transportation costs), when and as directed by the Contracting Officer, all or any part of materials, supplies, apparatus, equipment or other articles of personal property not theretofore expended or delivered hereunder which have been furnished by the Government hereunder or for the cost of which the Contractor has been reimbursed or has the right to claim reimbursement hereunder; Provided, That, upon the termination of the subject work, the Contractor shall have the right to retain any such property other than that furnished by the Government, unless notified by the Contracting Officer that the further prosecution of the war renders such action inadvisable, by returning to or crediting the Government with such sum of money as the Contracting Officer may determine to be fair and proper.

(c) Disposition of Premises Altered or Constructed. After the termination of the subject work, the Contractor shall elect, with

respect to premises upon which an alteration or construction has been done hereunder, whether (i) to retain the benefit of such construction or alteration, in which case the Contractor shall return to or credit the Government with the portion of the reimbursement by the Government for its expenditure therefor determined by negotiation between the Contractor and the Contracting Officer to be fair and proper, or (ii) to have such premises restored to substantially the same condition as prior to such alteration or construction, in which case it shall retain all such reimbursement and the Government shall pay the net cost of such restoration. The Contractor shall furnish on request all information deemed relevant by the Contracting Officer.

(d) Records of Government-owned Property. The War Department Research Property Officer, Office of The Surgeon General, Room 5A-462, The Pentagon, Washington, D. C. (hereinafter called 'the Property Officer'), is designated as the Accountable Property Officer for supplies or equipment procured from or for the Government under said contract.

(e) Liability for Government-owned property. --Except as otherwise specifically provided, the Contractor shall not be liable for loss or destruction of or damage to property of the Government in the possession or control of the Contractor in connection with this contract (hereinafter called "Government property") unless such loss, destruction or damage results from wilful misconduct or failure to exercise good faith on the part of the Contractor's corporate officers or other representatives having supervision or direction of the operation of the whole of the Contractor's business or of the whole of any plant operated by the Contractor in the performance of this contract.

(2) The Contractor represents that it is not maintaining and agrees that it will not hereafter maintain insurance (including self-insurance funds or reserves) covering loss or destruction of or damage to Government property, and represents that it is not including and agrees that it will not hereafter include in any price to the Government any charge or reserve for such insurance.

(3) Upon the happening of loss or destruction of or damage to Government property caused by:

Fire, lightning; windstorm, cyclone, tornado, hail; explosion; riot, riot attending a strike, civil commotion; vandalism and malicious mischief; aircraft or objects falling therefrom; vehicles running on land or tracks, excluding vehicles owned or operated by the Contractor or any agent or employee of the Contractor; smoke; sprinkler leakage; earthquake, or volcanic eruption; flood, meaning thereby rising of rivers or streams; enemy attack or any action taken by the military, naval or air forces of the United States in resisting enemy attack,

the Contractor shall communicate with the Contracting Officer and with the Loss and Salvage Organization now or hereafter designated by the Contracting Officer and, with the assistance of that organization employed by the Contractor to perform services in accordance with instructions or regulations of the Government (unless the Contracting Officer directs that no such organization be employed), shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the Government property in the best possible order, and furnish to the Contracting Officer a statement of: (A) the lost, destroyed and damaged Government property, (B) the time and origin of the loss, destruction or damage, (C) all known interests in commingled property of which the Government property is a part, and (D) the insurance, if any, covering any part of or interest in such commingled property. If and as directed by the Contracting Officer, the Contractor shall make repairs and renovations of the damaged Government property. The Contractor shall be reimbursed the expenditures made by it and approved by the Contracting Officer in performing its obligations under this paragraph (3) (including charges made to the Contractor by the Loss and Salvage Organization, except any of such charges, the payment of which the Government has, at its option, assumed direct).

(4) In the event the Contractor is indemnified, reimbursed or compensated for any loss or destruction of or damage to Government property, it shall equitably reimburse the Government. The Contractor shall do nothing to prejudice the Government's rights to recover against third parties for any such loss, destruction or damage and, upon the request of the Contracting Officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favor of the Government) in obtaining recovery.

(f) Property Accounting by Contractor. (1) Supplies and Equipment Obtained from the War Department. — Where Government property is furnished by the Government to the Contractor, two (2) copies of a War Department shipping document listing said items will be forwarded by mail to the Contractor. Upon receipt of the shipment, the Contractor shall make whichever of the following certificates is appropriate on one (1) copy of the shipping document, and return the copy to the Property Officer:

C E R T I F I C A T E S

The items hereon will be expended in experimental work or so modified as to lose their identity. Residual components, if any, will be returned to the War Department

(or)

The items hereon will be returned to the War Department in their present condition or as a prototype, fair wear and tear excepted.

(2) Supplies Procured for the Account of the War Department.

The Contractor will, in the case of direct procurement, furnish the Property Officer with two (2) copies of a document evidencing procurement and receipt of supplies for the account of the War Department. Such document may consist of a vendor's invoice or certificate bearing certification as to receipt of supplies. These documents may be submitted as desired by the Contractor but must be submitted at least once per month. A consolidated listing of all purchases may be submitted once per month. All documents or listings must bear the appropriate certificate indicating whether the item or items are to be expended or returned to the War Department.

(3) Supplies Withdrawn from Contractor Stores. Where

the Contractor draws on its stores for supplies for use in such a manner as will entitle it to reimbursement therefor, the Property Officer will be provided with two (2) copies of a document listing the supplies so used. This document or listing may be submitted monthly as a single consolidated document. All documents or listing must bear the appropriate certificate indicating whether the item or items are to be expended or returned to the War Department.

(4) Termination Accounting. Within one hundred and

twenty (120) days after the termination of this contract, the Contractor shall submit, in duplicate, to the Property Officer, an inventory of all supplies remaining on hand which have been furnished by the War Department, procured by the Contractor, or withdrawn from the Contractor stores for the account of the War Department. The Property Officer will then provide the Contracting Officer and the Contractor with a list of those items, the disposition of which has not been explained. Proper credit will be given to the Contractor upon its furnishing a certificate of disposition satisfactory to the Contracting Officer.

ARTICLE 5. (a) Term of Contract. The Contractor shall commence the subject work on the first day of May, 1947, and carry on the subject work to and including the thirtieth day of June, 1948, unless this contract shall be terminated by the Government before that date, in accordance with the provisions of this Article.

(b) Termination for the Convenience of the Government. The Government may, at any time, terminate this contract, in whole or in part, by a notice in writing from the Contracting Officer to the Contractor that the contract is terminated under this Article. Such termination shall be effected in the manner and upon the date specified in said notice, and shall be without prejudice to any claims which the Government may have against the Contractor, or any claims which the Contractor may have against the Government. Upon receipt of such notice, the Contractor shall, except as the Contracting Officer directs otherwise, discontinue all work and the placing of all orders for materials and facilities in connection with the performance of this contract, cancel all existing orders chargeable to this contract, and terminate all subcontracts chargeable to this contract. If this contract is terminated by the Government, the Government shall nevertheless be obligated to reimburse the Contractor for actual costs incurred by it hereunder, including all reasonable cancellation charges and losses on outstanding commitments. In no event shall the total amount paid under this contract, including amounts paid under this Article, exceed the maximum authorized amount specified in Article 1 hereof.

ARTICLE 6. Reimbursement for Costs. The Government agrees to reimburse the Contractor by paying to it the amount of its "actual costs", as defined in Article 7 hereof, incurred in the performance of the subject work; Provided, That the obligation of the Government to reimburse the Contractor shall not exceed the maximum amount specified in Article 1 hereof.

Notwithstanding any other provisions hereof, when and if actual costs in the maximum amount specified in Article 1 shall have been incurred or obligated hereunder, the Contractor shall not be required to incur or obligate further actual costs hereunder, unless and until the Government shall first agree by contract to reimburse the Contractor therefor.

ARTICLE 7. Actual Costs Defined. Actual costs, as used herein, shall include only the following items:

(a) Salaries and Wages. Expenditures by the Contractor for salaries and wages of professional, technical, clerical, accounting and unskilled employees, including persons employed by other institutions selected by the Contractor and directly engaged in the subject work, plus Federal and State Social Security taxes payable by the employer

based upon such salaries and wages. In case the full time of one or more employees is not applied to the subject work hereunder the salaries and wages of such employees shall be included in this item only in proportion to the actual time applied thereto.

(b) Materials. Expenditures by the Contractor for such materials, supplies, apparatus, equipment and other articles (including processing and testing thereof by others and rental of apparatus and equipment from others) as are necessary for performance of the subject work. (See Article 8(c)).

(c) Communication and Shipping. Expenditures by the Contractor necessary solely for performance of the subject work for long distance telephone calls, telegrams, cablegrams, radiograms, postage, freight, express and drayage.

(d) Travel. Expenditures by the Contractor necessary for performance of the subject work for the traveling expenses of persons directly engaged in such work, plus the actual subsistence expenses of such persons incurred during periods of travel or, at the Contractor's option, an allowance, not exceeding Six (\$6) Dollars per person for each calendar day (midnight to midnight) during a period of travel (or, for fractional parts of a calendar day, $\frac{1}{4}$ of such amount for each 6-hour period or fraction thereof), in lieu of the actual subsistence expenses of such persons; Provided, That expenses for travel hereunder by motor vehicle other than common carrier shall be reimbursed on a mileage basis at a rate not exceeding five (5¢) cents per mile per vehicle, on lieu of the actual expenses of such travel.

(e) Insurance. Expenditures by the Contractor for premiums on insurance essential for the protection of the subject work and of persons engaged thereon; Provided, That all policies and the purchase thereof shall be approved by the Contracting Officer who shall obtain the approval of the Insurance Branch, Office of the Chief of Finance, War Department, to the extent required by the War Department Procurement Regulations.

(f) Subcontracts. Expenditures by the Contractor representing reimbursement to subcontractors performing any part of the subject work; but no subcontract shall be made without the approval of the Contracting Officer, who shall notify the Director, Fiscal Division, Office of The Surgeon General, of each subcontract so approved.

(g) Termination. Expenditures by the Contractor in connection with the termination of this contract, subject to the limitation specified in Article 5(b) hereof.

(h) Special Costs. Expenditures by the Contractor which are specifically certified by the Contracting Officer in writing to constitute part of the actual cost of the subject work.

(i) Overhead. An allowance for overhead costs not otherwise reimbursable hereunder in an amount equal to five (5%) per cent of the total costs reimbursable under subparagraphs (a) to (h) hereof; Provided, That if the Contracting Officer finds, at any time within 120 days after the completion or termination of this contract, that the foregoing overhead percentage does not fairly represent the general, administrative and overhead expenses of the Contractor applicable to the

subject work, he shall so notify the Contractor and the Contractor will thereupon negotiate a revised overhead percentage to apply to part or all of the contract term. In the event that the Contracting Officer and the Contractor fail to agree on a revised overhead percentage, the failure to agree shall be deemed to be a disagreement as to a question of fact which shall be disposed of in accordance with Article 16 (Disputes).

(j) Audits. The Contracting Officer shall have the right at all reasonable times to make or cause to be made such examinations and audits of the Contractor's books, records and accounts as he may request.

ARTICLE 8. (a) Monthly Payments. Reimbursement payments will be made monthly under this contract by the Finance Officer, U. S. Army, Washington, D. C., upon submission of vouchers through the Fiscal Division, Office of The Surgeon General, the Pentagon, Washington, D. C. The Contracting Officer may withhold all or any part of the final reimbursement payment until receipt of the final report, the property accounting, and the patent disclosure, designation and other papers required by Article 9 hereof.

(b) Vouchers. Vouchers shall be submitted monthly, shall be in quadruplicate, shall classify the items of cost in accordance with the subparagraphs of Article 7 under which reimbursement is claimed, shall be in such detail and supported by such original invoices, itemized bills, excerpts from payrolls and other substantiating documents as the Director, Fiscal Division, Office of The Surgeon General, may require, and shall bear such certificates as the Director, Fiscal Division, may require.

(c) Tax Exemption. (1) Unless otherwise indicated in this contract, (A) the actual costs for which the Contractor shall be reimbursed will not include any state or local sales, use, or other tax from which the Contractor or this transaction of the procurement of the subject work is exempt; and (B) the actual costs for which the Contractor shall be reimbursed will include any applicable Federal taxes and other applicable state and local taxes in effect at any time during the term of this contract. Upon request by the Contractor, the Contracting Officer will issue tax exemption certificates or furnish other similar proof of exemption with respect to taxes which will be excluded from the actual costs for which the Contractor shall be reimbursed.

(2) In the case of any tax or charge which the Contractor contends is chargeable to the Government because of the provisions of this Article, or any other provision of this contract, the Contractor agrees to refrain from paying any such tax or charge upon the direction of the Contracting Officer (in which event the Government will save the Contractor harmless from penalties and interest incurred through compliance with the direction of the Contracting Officer not to pay such tax); to take such steps as may be directed by the Government to cause such tax or charge to be paid under protest; to preserve and, if so

directed by the Contracting Officer, to cause to be assigned to the Government and all rights to the abatement or refund of such tax or charge; if so requested, to permit the Government to prosecute any claim, litigation or proceeding for the refund of such tax in the name of the Contractor, and to furnish to the Government all reasonable assistance and cooperation requested by the Government in any litigation or proceeding for the recovery of such tax or charge.

ARTICLE 9. Patent Rights. (a) Where used in this Article and not elsewhere in this contract, the expression "Subject Invention" means each invention, improvement and discovery (whether or not patentable) conceived or first actually reduced to practice in the performance of this contract, including any subcontract hereunder, or in the performance of any research or development work relating to the subject matter hereof which was done upon the understanding that this contract or any subcontract hereunder would be awarded; the expression "Technical Personnel" means each person employed by or working under the direction of Contractor or any subcontractor hereunder who, by reason of the nature of his duties in connection with the performance of this contract, or any subcontract hereunder, would reasonably be expected to make inventions; and the expression "Contractor's Patent Rights" means all patents and applications for patent, under which Contractor now has or may hereafter prior to final settlement acquire the right (without obligation to make payment to others) to grant the license hereinafter set forth, to the extent that they are based upon the disclosure of inventions (other than a Subject Invention) which relate to or are useful in connection with the subject work.

(b) Contractor agrees to and does hereby grant to the Government an irrevocable, non-exclusive, non-transferable and royalty-free license to practice, and cause to be practiced for the Government, through the world, (1) each Subject Invention in the manufacture, use and disposition according to law of any article or material, and the use of any method; Provided: however, that as respects any Subject Invention made by others than Technical Personnel, and as respects the practice of any Subject Invention in foreign countries, the said license shall be to the extent of Contractor's right to grant the same; and (2) each invention covered by Contractor's Patent Rights in the manufacture, use and disposition according to law of any and all devices, materials and parts thereof, methods or processes, of the type made or developed in the performance of this contract or any subcontract hereunder, and any modification or improvement thereof, but acceptance or exercise of said license shall not estop the Government at any time to contest the enforceability, validity or scope of, or the title to, any patent so licensed. Contractor agrees (1) to make and keep records of Subject Invention in accordance with good business and laboratory practice and to permit inspection of

such records by the Government at any reasonable time; (ii) to deliver to the Contracting Officer, or his designee, promptly and in any event prior to final settlement, a complete written disclosure of each Subject Invention which reasonably appears to be patentable and, as to each such invention, to exert its best efforts to effect such delivery within six (6) months after first publication, public use or sale; (iii) to designate, at the time of such delivery, whether or not said invention has been or will be claimed in a patent application, and to file or cause to be filed in due form and time an application covering each such invention affirmatively designated as aforesaid; (iv) to furnish to the Contracting Officer or his designee, on request, copies or an irrevocable power to inspect and make copies of each patent application filed by or on behalf of the Contractor covering any Subject Invention; (v) to deliver to the Contracting Officer or his designee, duly executed, such instruments of assignment, application papers and rightful oaths, prepared by the Government, as the Contracting Officer or his designee deems necessary to vest in the Government (but, as to any Subject Invention made by other than Technical Personnel only to the extent of Contractor's right to do so) the sole and exclusive ownership in, and the right to apply for and prosecute patent applications covering, each Subject Invention which Contractor does not affirmatively designate as aforesaid (subject, however, to the reservation of a personal, non-exclusive and royalty-free license thereunder to Contractor); and (vi) to deliver to the Contracting Officer or his designee, duly executed, such instruments of license, prepared by the Government, confirmatory of any license rights herein agreed to be granted to the Government, as the Contracting Officer or his designee may require.

(c) Contractor agrees to and does hereby grant to the Government the right to reproduce, use and disclose for any governmental purpose all or any part of the reports, drawings, blueprints, data and technical information to be delivered by Contractor to the Government under this contract; Provided, however, that nothing contained in this sentence shall be deemed to grant a license under any patent now or hereafter issued.

(d) Contractor agrees that the terms and conditions of employment of Technical Personnel shall be such as to enable Contractor to perform all of the terms and conditions of this Article.

ARTICLE 10. Espionage or Sabotage. The Contractor shall immediately submit a confidential report to the Contracting Officer whenever for any cause it has reason to believe that there is an active danger of espionage or sabotage affecting any of the subject work.

ARTICLE 11. Citizenship of Employees. The Contractor, whenever requested by the Contracting Officer or an authorized representative, shall report to the Contracting Officer the citizenship, country of birth or alien status of any or all of its employees at the site of or having access to any of the subject work.

ARTICLE 12. Discharge of Undesirables. The Contractor shall not employ or continue to employ on, and shall exclude from the site of, any of the subject work any person or persons designated in writing by the Contracting Officer or an authorized representative for cause as undesirable to have access to such work.

ARTICLE 13. Officials Not to Benefit. No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 14. Covenant Against Contingent Fees. The Contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to annul the contract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions, payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 15. Anti-discrimination. (a) The Contractor, in performing the work required by this contract, shall not discriminate against any employee or applicant for employment because of race, creed, color, or national origin.

(b) The Contractor agrees that the provision of paragraph (a) above will also be inserted in all of his subcontracts. For the purpose of this Article, a subcontract is defined as any contract entered into by the Contractor with any individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, for a specific part of the work to be performed in connection with the supplies or services furnished under this contract; Provided, however, that a contract for the furnishing of standard or commercial articles or raw material shall not be considered as a subcontract.

ARTICLE 16. Disputes. Except as otherwise specifically provided in this contract, all disputes concerning questions of fact which may arise under this contract, and which are not disposed of by mutual agreement, shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail a copy thereof to the Contractor at his address shown herein. Within 30 days from said mailing the Contractor may appeal in writing to the Secretary of War, whose written decision or that of his designated representative or representatives thereon shall be final and conclusive upon the parties hereto. The Secretary of War may, in his discretion, designate an individual, or individuals, other

than the Contracting Officer, or a board as his authorized representative to determine appeals under this Article. The Contractor shall be afforded an opportunity to be heard and offer evidence in support of his appeal. The president of the board, from time to time, may divide the board into divisions of one or more members and assign members thereto. A majority of the members of the board or of a division thereof shall constitute a quorum for the transaction of the business of the board or of a division, respectively, and the decision of a majority of the members of the board or of a division, shall be deemed to be the decision of the board or of a division, as the case may be. If a majority of the members of a division are unable to agree on a decision or if within 30 days after a decision by a division, the board or the president thereof directs that the decision of the division be reviewed by the board, the decision will be so reviewed, otherwise the decision of a majority of the members of the division shall become the decision of the board. If a majority of the members of the board is unable to agree upon a decision, the president will promptly submit the appeal to the Under Secretary of War for his decision upon the record. A vacancy in the board or in any division thereof shall not impair the powers nor affect the duties of the board or division nor the remaining members of the board or division, respectively. Any member of the board, or any examiner designated by the president of the board for that purpose, may hold hearings, examine witnesses, receive evidence and report the evidence to the board or to the appropriate division, if the case is pending before a division. Pending decision of a dispute hereunder the Contractor shall diligently proceed with the performance of this contract. Any sum or sums allowed to the Contractor under the provisions of this Article shall be paid by the United States as part of the cost of the articles or work herein contracted for and shall be deemed to be within the contemplation of this contract.

ARTICLE 17. Convict Labor. The Contractor shall not employ any person undergoing sentence of imprisonment at hard labor. This provision shall not be construed to prevent the Contractor or any subcontractor hereunder from obtaining any of the supplies, or any component parts or ingredients thereof, to be furnished under this contract, of any of the materials or supplies to be used in connection with the performance of this contract, directly or indirectly, from any Federal, State or territorial prison, or prison industry; Provided, that such articles, materials or supplies are not produced pursuant to any contract or other arrangement under which prison labor is hired by or employed or used by any private person, firm or corporation.

ARTICLE 18. Eight-Hour Law. No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than 8 hours in any one calendar day upon such work at the site thereof, except

upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this Article. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of 8 hours per day and work in excess of 8 hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of 8 hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirement of this Article a penalty of Five (\$5) Dollars shall be imposed upon the Contractor for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than 8 hours upon said work without receiving compensation computed in accordance with this Article, and all penalties thus imposed shall be withheld for the use and benefit of the Government; Provided, That this stipulation shall be subject in all respects to the exceptions and provisions of U. S. Code, title 40, Sections 321, 324, 325, and 326, relating to hours of labor, as modified by the provisions of Sections 303 of Public Act No. 781, 76th Congress, approved September 9 1940, relating to compensation for overtime.

ARTICLE 19. Notice to Government of Labor Disputes. Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor will immediately give notice thereof to the Contracting Officer. Such notice shall include all relevant information with respect to such dispute.

ARTICLE 20. Assignment of Rights Hereunder. No claim under this contract shall be assigned.

ARTICLE 21. Limited Liability of Contractor. Except as herein expressly stated, the Contractor assumes no financial obligations whatsoever.

ARTICLE 22. The services rendered hereunder will not be made the basis of a future claim against the Government for compensation, except as provided herein.

ARTICLE 23. Definitions. (a) The term "Secretary of War" as used herein shall include the Under Secretary of War, and the term "his duly authorized representative" shall mean any person or board authorized by the Secretary of War to act for him other than the Contracting Officer.

(b) Except for the original signing of this contract, and except as otherwise stated herein, the term "Contracting Officer" as used herein shall include his duly appointed successor or his authorized representative.

(c) The term "Scientific Officer" as used herein shall mean the Chairman, Army Medical Research and Development Board, Office of The Surgeon General, U. S. Army, or his duly appointed successors and their duly authorized representatives, and any other duly authorized representatives of The Surgeon General of the U. S. Army.

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

UNITED STATES OF AMERICA

By *L. G. Gruber, Lt. Col. SMC*
Contracting Officer

WITNESSES:

Miriam A. VanderLinden
Name

3685-38 25th NW
Washington, DC
Address

Ashley W. Longstrech
Contractor

Paul A. Lamasure
Name

2112 F St. NW. Wash. DC.
Address