

<?xml encoding="UTF-8">

## 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 (Apr 1984)*. 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 \[Reserved\]](#)