16.303 Cost-sharing contracts.

- (a) *Description*. A cost-sharing contract is a cost-reimbursement contract in which the contractor receives no fee and is reimbursed only for an agreed-upon portion of its allowable costs.
- (b) *Application*. A cost-sharing contract *may* be used when the contractor agrees to absorb a portion of the costs, in the expectation of substantial compensating benefits.

(c) *Limitations*. See <u>16.301-3</u>.

Parent topic: Subpart 16.3 - Cost-Reimbursement Contracts