

Fixed-Price Maintenance, Overhaul and Modification General Provisions
Cont'd

when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either \$1,000 or 50 percent of the total amount of this contract.

(b) To the extent that the provisions of the Schedule provide for reimbursement of the contractor for the cost of parts and materials the United States Government shall pay to the contractor the cost of such parts and materials as determined by the Contracting Officer to be allowable in accordance with Part II Section XV of the Armed Services Procurement Regulation as in effect on the date of this contract, subject to such further definition and limitations as may be included in the schedule of this contract.

(1) Only the cost of direct materials as defined in the Schedule hereof shall be allowable.

(2) Once each month (or at more frequent intervals, if approved by the Contracting Officer), the Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as such representative may require, an invoice or public voucher supported by a statement of cost incurred by the Contractor in the performance of this contract and claimed to constitute allowable cost.

(3) Promptly after receipt of each invoice or voucher and statement of the cost the United States Government shall, except as otherwise provided in this contract, and subject to the provisions of (4) below make payments thereon as provided by the Contracting Officer.

(4) At any time or times prior to final payment under this contract, the Contracting Officer may have the invoices or vouchers and statements of cost audited. Each payment theretofore made shall be subject to reduction for amounts included in the related invoice or voucher which are found by the Contracting Officer, on the basis of such audit, not to constitute allowable cost. Any payment may be reduced for over-payments, or increased for under-payments, on preceding invoices or vouchers.

(5) On receipt and approval of the invoice or voucher designated by the Contractor as the "complete on invoice" or "completion voucher" and upon compliance by the Contractor with all the provisions of this contract (including, without limitation, the provisions relating to patents and the provisions of (6) below), the United States Government shall promptly pay to the Contractor any balance of allowable cost, which has been withheld or otherwise not paid to the Contractor. The completion invoice or voucher shall be submitted by the Contractor promptly following completion of the