This contract approval record contains a recommendation submitted for concurrence of the undersigned. Concurrence in this precontract approval record is recommended by the contracting officer. By concurrence, the Chief, Budget and Finance Branch, signifies that sufficient funds are available (not including contingent & exposure) and/or have been adjusted as provided in this document.

### Type of Contract

- [ ] L.I.
- [ ] F.P. Redetermine
- [ ] CPFF
- [X] Definitized
- [ ] CPIF
- [ ] Tech Rep
- [ ] F.P.
- [ ] CPFF/letter contract

### Financial Data

<table>
<thead>
<tr>
<th>Contract Value</th>
<th>Previous Obligation - Prior FY</th>
<th>Previous Obligation - Current FY</th>
</tr>
</thead>
<tbody>
<tr>
<td>$850,000</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

### Description, Program or Line Item

<table>
<thead>
<tr>
<th>Description</th>
<th>Fiscal Year</th>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FULCRUM (Transferred from ORD)</td>
<td>1965</td>
<td>FULCRUM</td>
<td>$850,000</td>
</tr>
</tbody>
</table>

### Total This Obligation

$850,000

### Contingent Upon Availability of Funds

### Exposure Liability

### Rate

<table>
<thead>
<tr>
<th>CPFF O/H Rates Fixed Thru</th>
<th>Rate</th>
<th>Date</th>
<th>T&amp;M Rates Fixed Thru</th>
<th>Rate</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Negotiator Approval

**J. H. McDonald**  
Precontract Negotiator Approval Date: 8/16/64

### Contracting Officer

**John McMahon**  
Contract Signature (Contracting Officer) Date: 8/26/64

### Technical Representative

**Jackson Maxey**  
Technical Representative Date: 8/26/64

---

*Form 11-63*  
*SECRET*  
*Approved for Release: 2021/04/09 C05099621*
The services and equipment being procured by this Contract No. MB-1957 are in furtherance of the FULCRUM Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

Letter Contract No. MB-1957 is being issued to implement the design feasibility and preliminary design of the FULCRUM System, including boards of the film transport System, a full-scale mock-up and optical design work. The work is expected to take approximately six months at an estimated cost of 2.4 million. Contractor is submitting a firm quotation. Negotiations are expected to be considered prior to 30 September. A CPFF definitive contract is contemplated, and if the studies prove fruitful, we anticipate a CPIF type of contract for the development of the System. At the present time $850,000 is being obligated to complete the work.