SUPPLEMENTAL AGREEMENT NO. 7

SUBCONTRACT NP-1

(UNDER PRIME CONTRACT SNP-1)

Between

AEROJET-GENERAL CORPORATION

Sacramento, California

and

MASTER

WESTINGHOUSE ELECTRIC CORPORATION

Pittsburgh, Pennsylvania

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SUPPLEMENTAL AGREEMENT NO. 7

SUBCONTRACT NP-1

(UNDER PRIME CONTRACT SNP-1)

BETWEEN

AEROJET-GENERAL CORPORATION

SACRAMENTO, CALIFORNIA

AND

WESTINGHOUSE ELECTRIC CORPORATION

PITTSBURGH, PENNSYLVANIA

A DO-A2 Rating is Assigned to this
Subcontract Pursuant to DMS Regulations

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SUBCONTRACT NP-1

SUPPLEMENTAL AGREEMENT NO. 7

THIS SUPPLEMENTAL AGREEMENT entered into as of _____, and effective as of 1 October 1967, by and between Aerojet-General Corporation (hereinafter called Aerojet-General), a corporation organized and existing under the laws of the State of Ohio, and Westinghouse Electric Corporation (hereinafter called Westinghouse or the Subcontractor), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania,

WITNESSETH THAT:

WHEREAS, the parties entered into Subcontract NP-1 effective as of 10 July 1961 for the performance of certain initial work on nuclear subsystem development for incorporation in a nuclear rocket engine (NERVA); and

WHEREAS, the parties have subsequently modified the subcontract to provide for continued performance of the work during the subcontract term, ending 30 September 1967; and

WHEREAS, the parties have entered into Amendment Nos. 16, 17, 18, 19, 20 and 21, to Supplemental Agreement No. 5 to extend the subcontract term to 30 November 1967, 29 February 1968, 31 March 1968, 31 May 1968, 31 July 1968 and 31 August 1968 respectively; and

WHEREAS, the parties hereto now desire to extend the subcontract term to 30 September 1968 and in accordance with the provisions of paragraph e. Article I of the subcontract, to supplement the text of Appendix B of the subcontract with portions and features of the work to be performed during the period 1 October 1967 through 30 September 1968; and

WHEREAS, by TWX 7140:5001, 7140:5606 and 7140:5702 dated 29 September 1967, 1 April and 1 May 1968, and by letters 7140:5002, 7140:5157, 7140:5197, 7140:5248, 7140:5283, 7140:5347, 7140:5500, 7140:5586, 7140:5587, 7140:5717, 7140:5738, 7140:5772, 7140:5883, 7140:5926 and 7140:5908 dated 2 October, 16 October, 27 October, 10 November, 1 December, 29 December 1967, 1 March, 26 March, 1 April, 6 May, 10 May, 29 May, 9 July, 18 July and 31 July respectively, Aerojet-General authorized the Subcontractor to continue performance under the subcontract from 1 October 1967 through 31 August 1968 pending execution of this Supplemental Agreement No. 7 to the subcontract; and

WHEREAS, the parties have negotiated equitable adjustments of estimated costs and fixed fee for the work to be performed by the Subcontractor during the period 1 October 1967 through 30 September 1968, exclusive of work directed by change orders in TWX 5702 dated 1 May 1968 and letters 7140:5717 and 7140:5926 dated 6 May 1968 and 18 July 1968 respectively, which will be the subject of subsequent amendment to this supplemental agreement; and

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WHEREAS, the parties desire to modify the subcontract to include the current general provisions;

NOW, THEREFORE, the parties hereto agree that Subcontract NP-1 as amended, is hereby further amended in the following respects:

ARTICLE I - WORK TO BE PERFORMED - GENERAL SCOPE, is amended as follows:

Add the following to paragraph c.

"Appendix B Supplemental Agreement No. 7 Statement of Work for the period 1 October 1967 through 30 September 1968, dated 2 May 1968, consisting of 142 pages, attached hereto and made a part hereof, specifies the portions and features of the work (within the scope provided for in paragraph a. above) that the Subcontractor will perform. Until specific approval is given by the Contracting Officer, no fabrication or procurement of flight-type non-nuclear NERVA hardware will be undertaken by the Subcontractor."

ARTICLE II - PERIOD OF PERFORMANCE

Amend the Article to read as follows:

"The period of performance under the subcontract shall, subject to other provisions of this subcontract, expire on 30 September 1968. This subcontract may be extended beyond 30 September 1968 only by mutual agreement of the parties."

ARTICLE III - ESTIMATES OF COST, OBLIGATION OF FUNDS AND FEE

Add the following to paragraph a.

"The estimated cost of the work to be performed under this subcontract, exclusive of fixed fee, for the period 1 October 1967 through 30 September 1968, is \$31,973,972. The fixed fee for this subcontract for the period 1 October 1967 through 30 September 1968 is \$2,009,000.

Delete paragraph b. and substitute the following in lieu thereof:

"b. The total estimated cost of the work to be performed under this subcontract, as adjusted and exclusive of fee, for the period 10 July 1961 through 30 September 1968 is \$220,142,814. This represents an increase of \$31,491,918 over the total estimated cost established by Amendment No. 2 to Supplemental Agreement No. 6. The total fixed fee for the work to be performed under this subcontract for the period 10 July 1961 through 30 September 1968 is \$13,684,021. This represents an increase of \$2,009,000 over the fixed fee amount in Amendment No. 2 to Supplemental Agreement No. 6."

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Paragraph e. is amended to read as follows:

In the first sentence of paragraph e. delete the number \$203,147,717 in Amendment No. 2 to Supplemental Agreement No. 6 and insert the number \$234,641,059.

Paragraph k. is amended to read as follows:

"k. Pursuant to provisions of paragraph j. of this Clause, the ceilings set forth in Amendment No. 2 to Supplemental Agreement No. 6 are deleted and the following substituted therefor:

AEC Operating Expense

(1)	Ceiling on costs to be incurred during the period 1 July 1967 through 30 June 1968, including earned fee.	\$ 29,810,016
(2)	Ceiling on costs to be incurred during the period 1 July 1968 through 30 September 1968, including earned fee.	\$ 7,261,169
(3)	Ceiling on total funds to be committed by the Subcontractor from inception of the Subcontract through 30 September 1968, including earned fee and open commitments as of 30 September 1968.	\$208,406,721

AEC Equipment Not Related to Construction

(1)	Ceiling on total funds to be committed by the Subcontractor from 1 July 1963 through 30 September 1968, including open commitments as of 30 September 1968.	\$ 10,142,616

NASA Research and Development - NERVA

(1)	Ceiling on costs to be incurred during the period 1 October 1967 through 31 July 1968, including earned fee.	\$ 3,298,157

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- (2) Ceiling on total funds to be committed \$ 15,904,721
by the Subcontractor from inception of
the subcontract through 31 July 1968,
including earned fee and open commitments
as of 31 July 1968, subject to the
provisions of Article VIII of the Schedule
and Clause 56 of the General Provisions.

NASA Construction of Facilities

- (1) Ceiling on total funds to be committed \$ 187,001
by the Subcontractor from inception of
the subcontract through 30 September 1968,
including open commitments as of 30 September
1968.

ARTICLE VII - ALTERATIONS AND ADDITIONS

Add the following:

The section of this subcontract entitled "General Provisions, Subcontract NP-1, effective 1 October 1966", is amended as follows:

CLAUSE 4 - ALLOWABLE COST, FIXED FEE AND PAYMENT

Change title to read:

CLAUSE 4 - ALLOWABLE COST, FEE, AND PAYMENT

Amend paragraph (a)(i)(A) to read:

"(A) Part 15, Subpart 2, of the NASA Procurement Regulation
as in effect on the effective date of this Supplemental
Agreement No. 7; and"

Delete paragraph (i) i. now a part of NASA PR Part 15, Subpart 2.

Delete paragraph (i) ii. now a part of NASA PR Part 15, Subpart 2.

In paragraph (i) iii. (a) (2) an additional advance agreement, dated 28 February 1968 is incorporated herein by reference.

In paragraph (i) iii. (b) (1) (A) an additional advance agreement, dated
is incorporated herein by reference.

In paragraph (i) iii. (b) (2) an additional advance agreement, dated
is incorporated herein by reference.

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In paragraph (i) iii (b) (2) (A) an additional advance agreement, dated is incorporated herein by reference.

In paragraph (i) iii (b) (2) (B) an additional advance agreement, dated is incorporated herein by reference.

CLAUSE 9 - SUBCONTRACTS

Delete subparagraph (iii) under paragraph (b) and substitute the following therefor:

"(iii) the proposed lower tier subcontract price, together with Subcontractor's cost or price analysis thereof and a statement as to whether the price is based on established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation; and"

CLAUSE 19 - EQUAL OPPORTUNITY

At the beginning of this Clause insert the following paragraph:

"(The following Clause is applicable unless this Subcontract is exempt under the rules and regulations of the Secretary of Labor issued pursuant to Executive Order 11246 of September 24, 1965.)"

In paragraph (d) delete the words "on Equal Employment Opportunity".

In the footnote to this Clause identified by * insert the word "such" between the last two words of the first sentence now reading "all subcontracts".

CLAUSE 28 - GOVERNMENT PROPERTY

Delete title and Clause in their entirety and substitute the following therefor:

"CLAUSE 28 - GOVERNMENT PROPERTY (COST REIMBURSEMENT)

(a) Government-Furnished Property. The Government or Aerojet-General (or both) shall deliver to the Subcontractor, for use in connection with and under the terms of this subcontract, the property described as Government-furnished property in the Schedule or specifications, together with such related data and information as the Subcontractor may request and as may reasonably be required for the intended use of such property (hereinafter referred to as "Government-furnished property"). The delivery or performance dates for the supplies or services to be furnished by the Sub-

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contractor under the subcontract are based upon the expectation that Government-furnished property suitable for use will be delivered to the Subcontractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Subcontractor to meet such delivery or performance dates. In the event that Government-furnished property is not delivered to the Subcontractor by such time or times, Aerojet-General shall, upon timely written request made by the Subcontractor, make a determination of the delay, if any, occasioned the Subcontractor and shall equitably adjust the estimated cost, fixed fee, or delivery or performance dates, or all of them, and any other contractual provisions affected by any such delay, in accordance with the procedures provided for in the clause of this subcontract entitled "Changes". In the event that Government-furnished property is received by the Subcontractor in a condition not suitable for the intended use, the Subcontractor shall, upon receipt thereof notify Aerojet-General of such fact and, as directed by Aerojet-General, either (i) return such property at the Government's expense or otherwise dispose of the property or (ii) effect repairs or modifications. Upon completion of (i) or (ii) above, Aerojet-General upon written request of the Subcontractor shall equitably adjust the estimated cost, fixed fee, or delivery or performance dates, or all of them, and any other contractual provision affected by the return or disposition, or the repair or modification in accordance with the procedures provided for in the clause of this subcontract entitled "Changes". The foregoing provisions for adjustment are exclusive and Aerojet-General shall not be liable to suit for breach of contract by reason of any delay in delivery of Government-furnished property or delivery of such property in a condition not suitable for its intended use.

(b) Changes in Government-Furnished Property.

(1) By notice in writing, Aerojet-General or the Contracting Officer may (i) decrease the property furnished or to be furnished by the Government under this subcontract, or (ii) substitute other Government-owned property for property to be furnished by the Government, or to be acquired by the Subcontractor for the Government, under this subcontract. The Subcontractor shall promptly take such action as Aerojet-General may direct with respect to the removal and shipping of property covered by such notice.

(2) In the event of any decrease in or substitution of property pursuant to paragraph (1) above, or any withdrawal of authority to use property provided under any other contract or lease, which property the Government had agreed in the Schedule to make available for the performance of the subcontract, Aerojet-General, upon the written request of the Subcontractor (or, if the substitution of property causes a decrease in the cost of performance, on his own initiative), shall equitably adjust such contractual provisions as may be affected by the decrease, substitution or withdrawal, in accordance with the procedures provided for in the "Changes" clause of this subcontract.

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(c) Title. Title of all property furnished by the Government or Aerojet-General shall remain in the Government. Title to all property purchased by the Subcontractor, for the cost of which the Subcontractor is entitled to be reimbursed as a direct item of cost under this subcontract, shall pass to and vest in the Government upon delivery of such property by the vendor. Title to other property, the cost of which is reimbursable to the Subcontractor under the subcontract, shall pass to and vest in the Government upon (i) issuance for use of such property in the performance of this subcontract, or (ii) commencement of processing or use of such property in the performance of this subcontract, or (iii) reimbursement of the cost thereof by Aerojet-General in whole or in part, whichever first occurs. All Government-furnished property, together with all property acquired by the Subcontractor title to which vests in the Government under this paragraph, are subject to the provisions of this clause and are hereinafter collectively referred to as "Government property". Title to the Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty.

(d) Property Administration. The Subcontractor shall comply with the provisions of the "Control of Government Property in Possession of Contractors" (Appendix B, NASA Procurement Regulation), as in effect on the date of this Supplemental Agreement No. 7, and which is hereby incorporated by reference and made a part of the subcontract.

(e) Use of Government Property. The Government property shall, unless otherwise provided herein or approved by Aerojet-General or the Contracting Officer, be used only for the performance of this subcontract.

(f) Maintenance of Government Property. The Subcontractor shall maintain and administer in accordance with sound industrial practice, a program for the maintenance, repair, protection and preservation of Government property so as to assure its full availability and usefulness for the performance of this subcontract. The Subcontractor shall take all reasonable steps to comply with all appropriate directions or instructions which Aerojet-General may prescribe as reasonably necessary for the protection of Government property.

(g) Risk of Loss.

(1) The Subcontractor shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage, except that the Subcontractor shall be responsible for any such loss or damage (including expenses incidental thereto):

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(i) which results from willful misconduct or lack of good faith on the part of any one of the Subcontractor's directors or officers, or on the part of any of his managers, superintendents, or other equivalent representatives, who has supervision or direction of--

(A) all or substantially all of the Subcontractor's business; or

(B) all or substantially all of the Subcontractor's operations at any one plant or separate location, in which this subcontract is being performed; or a separate and complete major industrial operation in connection with the performance of this subcontract;

(ii) which results from a failure on the part of the Subcontractor, due to the willful misconduct or lack of good faith on the part of any of his directors, officers, or other representatives mentioned in subparagraph (i) above--

(A) to maintain and administer, in accordance with sound industrial practice, the program for maintenance, repair, protection and preservation of Government property as required by paragraph (f) hereof, or

(B) to take all reasonable steps to comply with any appropriate written directions of Aerojet-General under paragraph (f) hereof;

(iii) for which the Subcontractor is otherwise responsible under the express terms of the clause or clauses designated in the Schedule;

(iv) which results from a risk expressly required to be insured under this subcontract, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) which results from a risk which is in fact covered by insurance or for which the Subcontractor is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

provided that, if more than one of the above exceptions shall be applicable in any case, the Subcontractor's liability under any one exception shall not be limited by any other exception. If the Subcontractor transfers Government property to the possession and control of a lower tier subcontractor, the transfer shall not affect the liability of the Subcontractor for loss or destruction of or damage to the property as set forth above. However, the Subcontractor shall require the lower tier subcontractor to assume the risk of,

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and be responsible for, any loss or destruction of or damage to the property while in the latter's possession or control, except to the extent that the lower tier subcontract, with the prior approval of Aerojet-General, provides for the relief of the lower tier subcontractor from such liability. In the absence of such approval, the lower tier subcontract shall contain appropriate provisions requiring the return of all Government property in as good condition as when received, except for reasonable wear and tear or for the utilization of the property in accordance with the provisions of the prime contract.

(2) The Subcontractor shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that Aerojet-General may have required the Subcontractor to carry such insurance under any other provisions of this subcontract.

(3) Upon the happening of loss or destruction of or damage to the Government property, the Subcontractor shall notify Aerojet-General thereof, and shall communicate with the Loss and Salvage Organization, if any, now or hereafter designated by Aerojet-General, and with the assistance of the Loss and Salvage Organization so designated (unless Aerojet-General has designated 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 Aerojet-General a statement of--

(i) the lost, destroyed and damaged Government property;

(ii) The time and origin of the loss, destruction or damage;

(iii) all known interest in commingled property of which the Government property is a part; and

(iv) the insurance, if any, covering any part of or interest in such commingled property.

The Subcontractor shall make repairs and renovations of the damaged Government property or take such other action, as Aerojet-General directs.

(4) In the event the Subcontractor is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, he shall use the proceeds to repair, renovate or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the subcontract, or shall otherwise reimburse the Government, as directed by Aerojet-General. The Subcontractor shall do nothing to prejudice the right of Aerojet-General or the Government to recover against

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third parties for any such loss, destruction, or damage and, upon the request of Aerojet-General, shall, at Aerojet-General's expense, furnish to Aerojet-General all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favor of Aerojet-General or the Government) in obtaining recovery. In addition, where the lower tier subcontractor has not been relieved from liability for any loss or destruction of or damage to Government property, the Subcontractor shall enforce the liability of the lower tier subcontractor for such loss or destruction of or damage to the Government property for the benefit of the Government.

(h) Access. Aerojet-General or the Government, and any persons designated by them, shall at all reasonable times have access to the premises where any of the Government property is located, for the purpose of inspecting the Government property.

(i) Final Accounting and Disposition of Government Property. Upon the completion of this subcontract, or at such earlier dates as may be fixed by Aerojet-General, the Subcontractor shall submit to Aerojet-General in a form acceptable to him, inventory schedules covering all items of the Government Property not consumed in the performance of this subcontract, or not theretofore delivered to Aerojet-General, and shall deliver or make such other disposal of such Government Property as may be directed or authorized by Aerojet-General. The net proceeds of any such disposal shall be credited to the cost of the work covered by the subcontract or shall be paid in such manner as Aerojet-General may direct. The foregoing provisions shall apply to scrap from Government Property; provided however, that Aerojet-General may authorize or direct the Subcontractor to omit from such inventory schedules any scrap consisting of faulty castings or forgings, or cutting and processing waste, such as chips, cuttings, borings, turnings, short ends, circles, trimmings, clippings, and remnants, and to dispose of such scrap in accordance with the Subcontractor's normal practice and account therefor as a part of general overhead or other reimbursable cost in accordance with the Subcontractor's established accounting procedures.

(j) Restoration of Subcontractor's Premises. Unless otherwise provided herein:

(i) the Government may abandon any Government property in place, and thereupon all obligations of the Government or Aerojet-General regarding such abandoned property shall cease;

(ii) the Government or Aerojet-General shall not be under any duty or obligation to restore or rehabilitate, or to pay the costs of the restoration or rehabilitation of, the Subcontractor's plant or any portion

thereof which is affected by the abandonment or removal of any Government Property.

(iii) paragraphs (i) and (ii) above shall not be applicable to disposition of radioactive contaminated Government property, nor to costs of decontamination of plant and equipment which shall be allowable costs hereunder in the amount considered reasonable by the Contracting Officer.

(k) Communications. All communications issued pursuant to this clause shall be in writing."

CLAUSE 39 - SUBCONTRACTOR COST OR PRICING DATA

Delete paragraph (a)(4) and substitute the following:

"(4) In submitting the cost or pricing data, the lower tier subcontractor shall use the form of certificate set forth in paragraph (b) below and certify that the data are accurate, complete and current. Such certificates shall be submitted by subcontractors through successive higher tier subcontractors to Aerojet-General for retention in the prime contract records. The data (as distinct from the certificate) shall be retained by the next higher tier subcontractor or Aerojet-General, to whom it was first submitted."

Delete from paragraph (b) the second and fourth sentences.

In paragraph (c), after the word "subcontractor" in the penultimate line, add the words "and the lower-tier Subcontractor".

In paragraph (d), delete from the last two lines the words "as of a date prior to and as close as practicable to the date of agreement of the price adjustment".

Add the following Clause:

"CLAUSE 56 - LIMITATION OF AEROJET-GENERAL'S OBLIGATION (NASA-NERVA Funding Only)

(a) It is estimated that the total cost to Aerojet-General, inclusive of any fixed fee, for the performance of this subcontract will not exceed the estimated cost and fixed fee set forth in the Schedule, and the Subcontractor agrees to use his best efforts to perform the work specified in the Schedule and all obligations under this subcontract within such estimated cost. The fixed fee for complete performance of this subcontract is specified in the Schedule.

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(b) The sum presently available for payment and allotted to this subcontract, the items covered thereby, and the period of performance which it is estimated the allotted amount will cover, are specified in the Schedule. It is anticipated that from time to time additional funds will be allotted to this subcontract up to the full estimated cost, including any fixed fee. When additional funds are allotted from time to time for continued performance of the work, the parties shall agree as to the applicable estimated period of subcontract performance which shall be covered by such funds and the subcontract Schedule amended accordingly. The Subcontractor agrees to perform or have performed work on this subcontract up to the point at which in the event of termination of this subcontract pursuant to the clause of this subcontract entitled "Termination," the total amount paid and payable by Aerojet-General pursuant to any settlement including cost and fixed fee under paragraph (e) of such clause would, in the exercise of reasonable judgment by the Subcontractor, approximate the total amount at the time allotted to this Subcontract. The Subcontractor shall not be obligated to continue performance of the work beyond such point.

(c) Aerojet-General shall not be obligated to reimburse the Subcontractor for costs incurred (including amounts payable in respect to subcontracts and termination settlement costs) and to pay any fixed fee to which the Subcontractor may be entitled in excess of the total amount from time to time allotted to this subcontract. However, when and to the extent that the total amount allotted to this subcontract has been increased, any costs incurred by the Subcontractor and any fixed fee to which the Subcontractor may be entitled, prior to the increase and in excess of the amount previously allotted, shall be allowable to the same extent as if such costs had been incurred and fee earned after such increase in amount allotted.

(d) In the event funds allotted are considered by the Subcontractor to be inadequate to cover the work to be performed for the period set forth in the Schedule, the Subcontractor shall notify Aerojet-General in writing when within the next thirty (30) days the work will reach a point at which, in the event of termination of this subcontract pursuant to the clause of this contract entitled "Termination," the total amount paid and payable by Aerojet-General pursuant to a settlement including cost and fixed fee under paragraph (e) of such clause will approximate eighty-five percent (85%) of the total amount then allotted to the subcontract. The notice shall state the estimated date when such point will be reached and the estimated amount of additional funds required to continue performance for the period set forth in the Schedule. The Subcontractor shall, thirty (30) days prior to the end of the period specified in the Schedule, advise Aerojet-General in writing as to the estimated amount of additional funds which will be required on the basis of the obligation for performance in accordance with paragraph (b) of this clause for the timely performance of the work under the subcontract for such further period as may be specified in

the Schedule or otherwise agreed to by the parties. If, after such notification, additional funds are not allotted by the end of the period set forth in the Schedule, or an agreed date in substitution therefor, Aerojet-General will upon written request of the Subcontractor, terminate this subcontract on such date, or on a date to be specified in such request, on which the Subcontractor, in the exercise of his reasonable judgment, estimates that he will have discharged his obligation to perform hereunder in accordance with paragraph (b) of this clause, whichever is later, pursuant to the provisions of the clause of this subcontract entitled "Termination".

(e) When additional funds are allotted from time to time for continued performance of the work under this subcontract, the parties shall agree as to the applicable period of subcontract performance which shall be covered by such funds, and the provisions of paragraphs (b), (c) and (d) of this clause shall apply in like manner to such additional allotted funds and substituted date pertaining thereto, and the subcontract shall be amended accordingly.

(f) Aerojet-General may at any time prior to termination allot additional funds for this subcontract, and, with the consent of the Subcontractor, after notice of termination, may rescind such termination in whole or in part, and allot additional funds for this subcontract.

(g) In the event that sufficient amounts are not allotted to this subcontract to allow completion of the work contemplated by this subcontract, the Subcontractor shall be entitled, subject to the limitations of paragraph (c) of this clause, to a percentage of the fixed fee set forth in the Schedule equivalent to the percentage of completion of the work contemplated by this subcontract.

(h) Nothing in this clause shall affect the right of Aerojet-General to terminate this subcontract pursuant to the clause of this subcontract entitled "Termination".

(i) For the purpose of this clause, the allotment or allotments specified in the Schedule shall not be decreased without the consent of the Subcontractor.

(j) This clause shall be applicable and paragraphs d, e (except first sentence), f, g and h of Article III of this subcontract entitled "Estimates of Cost, Obligation of Funds and Fee" inapplicable until such time as an amount equal to the total estimated cost and fee set forth in the Schedule is allotted to this subcontract, and thereafter Article III of this subcontract entitled "Estimates of Cost Obligation of Funds and Fee" shall be applicable and this clause inapplicable."

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ARTICLE VIII - SUBCONTRACT CONTENTS is renumbered ARTICLE IX and the following ARTICLE VIII added:

"ARTICLE VIII - INCREMENTAL FUNDING

In accordance with Clause 56 of the General Provisions entitled "Limitation of Aerojet-General's Obligation", which is applicable only to the NASA-NERVA funds identified under paragraph k of Article III, entitled "Estimates of Cost, Obligation of Funds and Fee", the sum presently available and allocated to this subcontract for costs and commitments and the period of performance is set forth below:

NASA Research and Development - NERVA

10 July 1961 through 31 July 1968

\$ 15,904,721

In the event of any inconsistencies between the terms of Clause 56 and the terms of Article III, Clause 56 shall prevail insofar as that portion of the subcontract to which the clause is applicable as defined above."

ARTICLE IX - SUBCONTRACT CONTENTS

Delete paragraph a. in its entirety and substitute the following therefor:

"a. This subcontract consists of:

- (i) A cover page.
- (ii) The Schedule - Articles I through IX.
- (iii) The General Provisions - Clauses 1 through 56.
- (iv) Exhibit A - Scope of work for period 10 July 1961 through 10 January 1962.
- (v) Appendix B, Statement of Work for period 11 January 1962 through 30 September 1962.
- (vi) Appendix B, Statement of Work for period 1 October 1962 through 30 September 1963.
- (vii) Authorization as set forth on page 2 of Schedule, Supplemental Agreement No. 3, for period 1 October 1963 through 31 March 1964.

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- (viii) Appendix B, Statement of Work for period 1 April 1964 through 30 September 1964, as revised.
- (ix) Appendix B, Statement of Work for period 1 October 1964 through 30 September 1965, as revised.
- (x) Appendix B, Statement of Work for period 1 October 1965 through 30 September 1966, as revised.
- (xi) Appendix B, Statement of Work for period 1 October 1966 through 30 September 1967, as revised.
- (xii) Appendix B, Statement of Work for period 1 October 1967, through 30 September 1968.
- (xiii) Exhibit 1 to Supplemental Agreement No. 1 - Special Test Equipment.
- (xiv) Exhibit 2 to Supplemental Agreement No. 1 - Government Property.
- (xv) Exhibit 3 to Supplemental Agreement No. 1 - Subcontractor Furnished Facilities.
- (xvi) Exhibit 1 to Supplemental Agreement No. 2 - Government Property and Services, as amended.
- (xvii) Exhibit 1 to Supplemental Agreement No. 3 - Government Property and Services, as amended.
- (xviii) Exhibit 1 to Supplemental Agreement No. 4 - Government Property and Services.
- (xix) Exhibit 1 to Supplemental Agreement No. 5 - Government Property and Services.
- (xx) Exhibit 1 to Supplemental Agreement No. 6 - Government Property and Services.
- (xxi) Exhibit 1 to Supplemental Agreement No. 7 - Government Property and Services.

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Except as hereby modified, all the terms, covenants, and conditions of this subcontract as heretofore modified or amended shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement as of the day and year first above written.

AEROJET-GENERAL CORPORATION

By:

J. L. Dooling
Manager, Subcontracts
Nuclear Rocket Operations

WESTINGHOUSE ELECTRIC CORPORATION

By:

W. E. Johnson
Vice President
Westinghouse Electric Corporation

Consent to the placement of this subcontract is hereby given, but such consent shall not relieve the prime contractor of any obligation under the prime contract and shall be without prejudice to any right or claim of the Government thereunder, and shall not create any obligation on the part of the Government to the Subcontractor under this subcontract nor shall it be interpreted to constitute approval for the Subcontractor to receive classified information.

UNITED STATES OF AMERICA

By:

Contracting Officer

S/A No. 7

SUBCONTRACT NP-1 - SUPPLEMENTAL AGREEMENT NO. 7

EXHIBIT 1

GOVERNMENT FURNISHED PROPERTY AND SERVICES FOR
PERIOD 1 OCTOBER 1967 THROUGH 30 SEPTEMBER 1968

The following equipment, material and services as required by
the NERVA Nuclear Subsystem will be Government Furnished:

1. Boron 10 Powder
2. Boron Isotopic Analysis
3. Fuel Isotopic Analysis
4. Contaminated Waste Disposal
5. PBRF Facilities
6. Test Reactor (GTR)
7. Hydrogen, Liquid
8. Helium, Gaseous
9. NRDS Facilities and Support Services
10. Reactor Shipping (GBL)
11. NRX Test Cars
12. NRX Hydraulic Actuators
13. NRDS Facility Improvements
14. Rail Storage Cars
15. Y-12 Fuel Elements
16. Uranium