

<?xml encoding="UTF-8">

1852.216-85 Estimated cost and award fee.

As prescribed in 1816.406-70(e), insert the following clause:

Estimated Cost and Award Fee (SEP 1993)

The estimated cost of this contract is \$_____. The maximum available award fee, excluding base fee, if any, is \$_____. The base fee is \$_____. Total estimated cost, base fee, and maximum award fee are \$_____.

(End of clause)

Alternate I (SEP 1993). As prescribed in 1816.405-70(e), insert the following sentence at the end of the clause:

The maximum positive performance incentive is \$_____. The maximum negative performance incentive is (1).

(1) For research development hardware contracts, insert [equal to total earned award fee (including any base fee)]. For production hardware contracts, insert [*total potential award fee amount, including any base fee*].

(End of clause)

Parent topic: [Subpart 1852.2—Texts of Provisions and Clauses](#)