

16.302 Cost contracts.

(a) *Description.* A cost contract is a cost-reimbursement contract in which the contractor receives no fee.

(b) *Application.* A cost contract *may* be appropriate for research and development work, particularly with nonprofit educational institutions or other nonprofit organizations.

(c) *Limitations.* See [16.301-3](#).

Parent topic: [Subpart 16.3 - Cost-Reimbursement Contracts](#)