

**3.10.6-3 Termination - Cost-Reimbursement - Alternate I (February 2003)**

Construction. If the contract is for construction, the contracting officer may substitute the following subparagraph (g)(4) for subparagraph (g)(4) of the basic clause as follows:

(g) (4) A portion of the fee payable under the contract determined as follows:

(i) If the contract is terminated for the convenience of the Government, the settlement shall include a percentage of the fee equal to the percentage of completion of work contemplated under the contract, but excluding subcontract effort included in subcontractors' termination settlement proposals, less previous payments for fee.

(ii) If the contract is terminated for default, the total fee payable shall be such proportionate part of the fee as the actual work in place is to the total work in place required by the contract.

**PRESCRIPTION**

Shall be included in cost reimbursement contracts for construction.