



Section 3 : ADMINISTRATIVE CLAUSES

311. Royalty Payments (10/1/96). The unit prices of the goods ordered herein include royalty payments in the amount set forth on the face of, or in the schedule of, this contract. If it is determined that the payment of such royalties is improper because

- (a) the Government has a royalty-free license;
- (b) the royalty rate exceeds the rate at which the Government is licensed; or
- (c) the royalties, in whole or in part, constitute an improper charge;

then, Seller agrees to adjust the unit prices accordingly and reimburse Buyer for any excess royalties Buyer may have paid based upon the unadjusted unit prices.