

OPTION TO PURCHASE EQUIPMENT

The following clauses shall be included in any purchase order, subcontract or agreement which includes an equipment lease with an **option-to-purchase**:

- a. The Laboratory may purchase the equipment provided on a lease or rental basis under this contract. The Laboratory may exercise this option only by providing a unilateral modification to the Contractor. The effective date of the purchase will be specified in the unilateral modification and this date may be anytime during the period of the contract, including any extensions thereto.
- b. Except for final payment and transfer of title to the Laboratory, the lease or rental portion of the contract becomes complete, and lease or rental charges shall be discontinued on the day immediately preceding the effective date of purchase specified in the unilateral modification required in paragraph a. of this clause.
- c. The purchase conversion cost of the equipment shall be computed as of the effective date specified in the unilateral modification required in paragraph a. of this clause, on the basis of the purchase price set forth in the contract, minus the total purchase option credits accumulated during the period of lease or rental, calculated by the formula contained elsewhere in this contract.
- d. The accumulated purchase option credits available to determine the purchase conversion cost will also include any credits accrued during a period of lease or rental of the equipment under any previous government contract if the equipment has been on continuous lease or rental. The movement of equipment from one site to another shall be "continuous rental."