

Basic Agreement Between General Electric Company and  
Massachusetts Institute of Technology dated April 22, 1968

AMENDMENT No. 1

July 21, 1969

1. Paragraph 2, entitled PERIOD OF AGREEMENT, is amended as follows:

This Basic Agreement when executed, shall become effective as of 1 April 1968 and shall remain in effect until 31 December 1969, unless otherwise extended or foreshortened by subsequent mutual agreement of the parties.

2. Subparagraph B of Paragraph 3, DELIVERY and INSTALLATION OF EQUIPMENT, is deleted in its entirety.

3. Subparagraph B of Paragraph 4, RENTAL CHARGES, is amended as follows:

- a. Rental charges for each item of the installed System 1 equipment listed in Exhibit 1 shall commence as of 1 April 1968. Rental charges for subsequent additional System 1 equipment shall commence as of the date that the equipment is installed and ready for use as certified by General Electric in writing and mutually acceptable to MIT. Rental charges for the installed System 1 equipment listed in Exhibit 1 and such subsequent additional System 1 equipment shall terminate 31 January 1969 and the equipment released to General Electric. Effective 1 February 1969, rental charges for the installed System 2 shall commence. System 2, effective 1 February 1969, is as shown on Attachment A to this amendment, items 1 through 52 inclusive.
- b. Effective 1 May 1969, the rental charges for items 39, 40 and 41 terminate and said items are released to the General Electric Company.
- c. Effective 14 May 1969, the rental charges for items 42 through 50 inclusive terminate and said items are released to the General Electric Company.
- d. Effective 1 July 1969, the rental charges for item 51 terminate and said item is released to the General Electric Company.
- e. Effective 1 August 1969, the rental charges for item 52 terminate and said item is released to the General Electric Company.
- f. Effective 1 July 1969, rental charges for item 53 commence.

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- g. Effective 4 March 1969, rental charges for items 54, 55, 56 and 57 commence.
  - h. Effective 1 September 1969, rental charges for item 58 commence.
  - i. Charges for a fractional part of a calendar month shall be computed at the rate of 1/30 of the basic monthly rental per day.
4. Subparagraph C of Paragraph 4, RENTAL CHARGES, is deleted in its entirety.
  5. Subparagraph F of Paragraph 6, MAINTENANCE, is deleted in its entirety.
  6. PURCHASE OPTION
    - a. MIT or the U.S. Government may, at any time, following acceptance of the equipment, purchase any or all machines installed onsite at the time such option is exercised, by giving General Electric written notice of its election to exercise such option, effective upon the date of payment of the option price as hereinafter specified.
    - b. The price MIT or the Government shall pay will be determined by the Purchase Price prevailing at the time such equipment was initially ordered for rental or the Purchase Price prevailing at the time of purchase, whichever is lesser. If this option is exercised, General Electric will credit against such Purchase Price an amount equal to fifty percent (50%) of the total rental paid by MIT hereunder with respect to the items being purchased, up to the date of exercise of the option, provided that such credit shall not exceed a maximum of fifty percent (50%) of the Purchase Price of such item of equipment. Any sales tax applicable to the purchase of the equipment shall be added to the purchase price and paid by MIT unless MIT shall furnish General Electric with an exemption certificate acceptable to the taxing authorities.
    - c. For the purpose of computing rental credits under subparagraph 6.b. above, all rental paid by MIT for an item of equipment which was included in System 1 and which was subsequently replaced in System 2 by the item of equipment of the same type and model number which is being purchased, shall be deemed to be rental paid with respect to the item being purchased.
    - d. Rental payments will cease on the day immediately preceding the effective date of purchase.
    - e. Upon exercise of the purchase option, General Electric shall, if requested, furnish maintenance service at its standard published

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prices and upon the standard terms and conditions of General Electric then in effect with respect to the maintenance of similar equipment.

George F. Howard  
General Manager, Large Systems Dept.  
Title

Large Systems Department  
Information Systems Equipment Div.  
General Electric Company

Paul V. Cusick  
Paul V. Cusick      COMPTROLLER  
Title

Massachusetts Institute of Technology

APPROVED

Attachment A

GE-645 System 2 (Site Code BAU4)

MIT-GE Development System

ITEM	MODEL NO.	DESCRIPTION	QTY.	REMARKS	UNIT MO. RENTAL	MO. RENTAL
1	CP8031A	Central Processor (Mod.A)	1		\$14,560	\$14,560
2	CPP600	Processor Port Pair	2	1 included in CP8031 price	260	260
3	MM8030	Memory Controller (w.32K)	1		6,760	6,760
4	OPT802	Active Unit Ports	5	2 included in MM8030 price	84	252
5	OPT815	Interrupt Cell Groups	2	1 included in MM8030 price	105	105
6	AMM600	Added Memory (32K)	1		4,475	4,475
7	CAB601	Additional Memory Cabinet	1		260	260
8	AUM600	Auxiliary Memory (32K)	1		4,475	4,475
9	AMM600	Added Memory (32K)	1		4,475	4,475
10	XOLK60	System Clock	1		760	760
11	DC8031A	General I/O Controller (Mod.A)	1		5,620	5,620
12	MIP600	GI0C Port Pairs	2	1 included in GI0C price	260	260
13	PLP600	Priority Level Group	3	2 included in GI0C price	65	65
14	CAB600	Adapter Cabinet	1	1 included in GI0C price	N/C	N/C
15	HPC600	High Performance Channel	1	1 included in GI0C price	N/C	N/C
16	IPA600	Indirect Peripheral Adapter	1	1 included in GI0C price	N/C	N/C
17	IPC600	Indirect Peripheral Channel	6	6 included in GI0C price	N/C	N/C
18	GMA600	Character Asynch Adapter	1		195	195
19	CAC600	Character Asynch Channels	1		85	85
20	TTA600	Teletype Adapter	2		420	840
21	TTC600	TTA Channel Groups (8ch.ea.)	4		125	500
22	TTL600	TTA Extensions	4		65	260
23	APP302	Additional Port Pair for EMU302	1		260	260
24	NGS031	Motor Generator	1/2		320	160
25	OPT825	Power Sequencer	1/2		17	9
26	PSC200	Peripheral Switch	1/2		175	87
27	OPT510	Switch Unit	15/2		42	315
28	DDA600	Direct Disk Adapter	1		680	680
29	DSC11F	Disk Storage Controller	1/2		3,360	1,680
30	DSU10F	Disk Storage Unit (Disk File)	1		4,100	4,100
31	DEU11F	Disk Electronics Unit (Logic)	1/2		N/C	N/C
32	DCU10F	Disk Compressor Unit	1/2		N/C	N/C

Attachment A (Continued)  
GE-645 System 2 (Site Code BAJ4)  
MIT-GE Development System

<u>ITEM</u>	<u>MODEL NO.</u>	<u>DESCRIPTION</u>	<u>QTY.</u>	<u>REMARKS</u>	<u>UNIT MO.</u>	<u>RENTAL</u>	<u>MO.</u>	<u>RENTAL</u>
33	CO6030	Master Console	1		\$	420	\$	420
34	CRZ201	Card Reader	1			680		680
35	CPZ201	Card Punch	1			860		860
36	PRT202	Printer, Extended Char. Set	1			1,665		1,665
37	MTC404	Magnetic Tape Controller	1/2			1,545		773
38	EMJ302	Fire Hose Drum	1			-		N/C
39	MDU200	Magnetic Drum Unit	1	Special Agreement		3,435		3,435
40	MDC200	Magnetic Drum Controller	1	Rental Terminates 5/1/69		N/C		N/C
41	HPC600	High Performance Channel	1	Rental Terminates 5/1/69		680		680
42	CAC600	Character Asynch. Channels	2	Rental Terminates 5/14/69		85		170
43	CSA600	Character Synchronous Adapter	1	Rental Terminates 5/14/69		195		195
44	CSC600	Character Synchronous Channels	3	Rental Terminates 5/14/69		85		255
45	DGA600	Dialing Adapters	1	Rental Terminates 5/14/69		130		130
46	DGC600	Dialing Channels	8	Rental Terminates 5/14/69		35		280
47	TIA600	Typewriter Adapter	1	Rental Terminates 5/14/69		420		420
48	TTC600	Typewriter Channel Groups	2	Rental Terminates 5/14/69		125		250
49	TTL600	Typewriter Channel Group Ext.	2	Rental Terminates 5/14/69		65		130
50	PLP600	Priority Level Group	1	Rental Terminates 5/14/69		65		65
51	MTH373	Magnetic Tape Handlers (30/83/120KC - 7 Track)	4	Rental Terminates 7/1/69		895		3,580
52	CAB600	Adapter Cabinet	1	Rental Terminates 8/1/69		990		990
53	MTH301	Magnetic Tape Handlers (15/42/60KC - 7 Track)	4	Rental Commences 7/1/69		615		2,460
54	MM8030	Main Memory with Controller	1	Rental Commences 3/4/69		6,760		6,760
55	AMM600	Additional Memory	1	Rental Commences 3/4/69		4,475		4,475
56	OPT815	Interrupt Cell Groups	2	Rental Commences 3/4/69		105		105
57	OPT802	Active Unit Ports	5	1 included in MM8030 price Rental Commences 3/4/69		84		252
58	OPT802	Active Unit Ports	1	2 included in MM8030 price Rental Commences 9/1/69		84		84
59	DSC270	Disc Storage Controller	1	Rental Commences 11/18/69		1,200		1,200
60	ADC270	Additional Data Channel	1	Rental Commences 11/18/69		420		420
61	DFE270	Disc File Electronics	1	Rental Commences 11/18/69		650		650
62	DSU270	Disc Storage Unit	5	Rental Commences 11/18/69		850		4,250

1-2-70  
 5 PNC

6601,300-  
 12,750  
 PNC