



INTERNATIONAL INFORMATION INCORPORATED

January 17, 1967

Mr. John Denniston  
Covington and Burling  
Union Trust Building  
15th and H Streets, N.W.  
Washington, D.C.

Dear John:

The following are the three points discussed over the last several weeks, and represent estimates and changes that have occurred as a result of considerable improvements and alterations made or suggested by Covington and Burling:

1- Costs to March 7, 1967

The estimated cost between now and March 7, 1967 will be as anticipated with a plus or minus 10% factor.

2- Paper-Tape and Key punching Operation Problems

Number one above is based on the assumption that by Friday, January 20th, 1967, a firm decision will be made as to the format to be used for input to the computers. Until this time, there has been no paper-tape preparation or punch-card preparation due to the fact that there has been no decision made as to the various levels of descriptors as well as to the input information. Even with a decision on this coming Friday, 3i will incur additional costs in the form of overtime, which will not be billed to Covington and Burling due to this late decision. Unfortunately, we can not be responsible for a second and third shift in order to have the required number of documents in the system by March 7, 1967, if a decision is not arrived at this Friday.

3- Revision of Ongoing Costs (March 7, 1967--March 7, 1968)

Due to the various changes made over the last several months, and assuming that there are no additional changes, it is estimated that there will be an increase of approximately 18.5% in the continual operation from March 7, 1967 to March 7, 1968. This

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Mr. John Denniston  
Covington and Burling

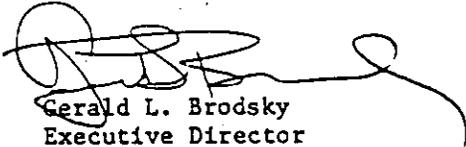
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changes the approximate \$16,300.00 per month ongoing operation  
fee to \$18,600.00 per month.

I hope that the above meets with your approval and that this coming Friday's  
meeting will finalize our plans.

Very truly yours,

INTERNATIONAL INFORMATION INCORPORATED



Gerald L. Brodsky  
Executive Director

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