

(Revised March 30, 2012)

SUBCHAPTER A—GENERAL

PART 201—FEDERAL ACQUISITION REGULATIONS SYSTEM

SUBPART 201.1—PURPOSE, AUTHORITY, ISSUANCE

SUBPART 201.2—ADMINISTRATION

SUBPART 201.3—AGENCY ACQUISITION REGULATIONS

SUBPART 201.4—DEVIATIONS FROM THE FAR

**SUBPART 201.6—CAREER DEVELOPMENT, CONTRACTING AUTHORITY,
AND RESPONSIBILITIES**

PART 202—DEFINITIONS OF WORDS AND TERMS

SUBPART 202.1—DEFINITIONS

**PART 203—IMPROPER BUSINESS PRACTICES AND PERSONAL
CONFLICTS OF INTEREST**

SUBPART 203.0

SUBPART 203.1—SAFEGUARDS

SUBPART 203.5—OTHER IMPROPER BUSINESS PRACTICES

SUBPART 203.7—VOIDING AND RESCINDING CONTRACTS

**SUBPART 203.8— LIMITATIONS ON THE PAYMENT OF FUNDS TO
INFLUENCE FEDERAL TRANSACTIONS**

**SUBPART 203.9—WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR
EMPLOYEES**

**SUBPART 203.10—CONTRACTOR CODE OF BUSINESS ETHICS AND
CONDUCT**

PART 204—ADMINISTRATIVE MATTERS

SUBPART 204.1—CONTRACT EXECUTION

SUBPART 204.2—CONTRACT DISTRIBUTION

**SUBPART 204.4—SAFEGUARDING CLASSIFIED INFORMATION WITHIN
INDUSTRY**

SUBPART 204.6—CONTRACT REPORTING

SUBPART 204.8—CONTRACT FILES

SUBPART 204.9—TAXPAYER IDENTIFICATION NUMBER INFORMATION

SUBPART 204.11—CENTRAL CONTRACTOR REGISTRATION

SUBPART 204.12—ANNUAL REPRESENTATIONS AND CERTIFICATIONS

**SUBPART 204.70—UNIFORM PROCUREMENT INSTRUMENT
IDENTIFICATION NUMBERS**

SUBPART 204.71—UNIFORM CONTRACT LINE ITEM NUMBERING SYSTEM

SUBPART 204.72—CONTRACTOR IDENTIFICATION

SUBPART 204.73—EXPORT-CONTROLLED ITEMS

SUBCHAPTER B—COMPETITION AND ACQUISITION PLANNING

PART 205—PUBLICIZING CONTRACT ACTIONS

SUBPART 205.2—SYNOPSSES OF PROPOSED CONTRACT ACTIONS

SUBPART 205.3—SYNOPSSES OF CONTRACT AWARDS

SUBPART 205.4—RELEASE OF INFORMATION

SUBPART 205.5—PAID ADVERTISEMENTS

PART 206—COMPETITION REQUIREMENTS

SUBPART 206.0

**SUBPART 206.2—FULL AND OPEN COMPETITION AFTER EXCLUSION OF
SOURCES**

SUBPART 206.3—OTHER THAN FULL AND OPEN COMPETITION

PART 207—ACQUISITION PLANNING

SUBPART 207.1—ACQUISITION PLANS

SUBPART 207.4—EQUIPMENT LEASE OR PURCHASE

SUBPART 207.5—INHERENTLY GOVERNMENTAL FUNCTIONS

**SUBPART 207.70—BUY-TO-BUDGET – ADDITIONAL QUANTITIES OF END
ITEMS**

PART 208—REQUIRED SOURCES OF SUPPLIES AND SERVICES

SUBPART 208.0

SUBPART 208.4—FEDERAL SUPPLY SCHEDULES

**SUBPART 208.6—ACQUISITION FROM FEDERAL PRISON INDUSTRIES,
INC.**

**SUBPART 208.7—ACQUISITION FROM NONPROFIT AGENCIES EMPLOYING
PEOPLE WHO ARE BLIND OR SEVERELY DISABLED**

SUBPART 208.70—COORDINATED ACQUISITION

**SUBPART 208.71—ACQUISITION FOR NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION (NASA)**

SUBPART 208.73—USE OF GOVERNMENT-OWNED PRECIOUS METALS

SUBPART 208.74—ENTERPRISE SOFTWARE AGREEMENTS

PART 209—CONTRACTOR QUALIFICATIONS

SUBPART 209.1—RESPONSIBLE PROSPECTIVE CONTRACTORS

SUBPART 209.2—QUALIFICATIONS REQUIREMENTS

SUBPART 209.4—DEBARMENT, SUSPENSION, AND INELIGIBILITY

**SUBPART 209.5—ORGANIZATIONAL AND CONSULTANT CONFLICTS OF
INTEREST**

PART 210—MARKET RESEARCH

SUBPART 210.0

PART 211—DESCRIBING AGENCY NEEDS

SUBPART 211.0

**SUBPART 211.1—SELECTING AND DEVELOPING REQUIREMENTS
DOCUMENTS**

SUBPART 211.2—USING AND MAINTAINING REQUIREMENTS DOCUMENTS

SUBPART 211.5—LIQUIDATED DAMAGES

SUBPART 211.6—PRIORITIES AND ALLOCATIONS

PART 212–ACQUISITION OF COMMERCIAL ITEMS

SUBPART 212.1–ACQUISITION OF COMMERCIAL ITEMS - GENERAL

SUBPART 212.2–SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL ITEMS

SUBPART 212.3–SOLICITATION PROVISIONS AND CONTRACT CLAUSES FOR THE ACQUISITION OF COMMERCIAL ITEMS

SUBPART 212.5–APPLICABILITY OF CERTAIN LAWS TO THE ACQUISITION OF COMMERCIAL ITEMS

SUBPART 212.6–STREAMLINED PROCEDURES FOR EVALUATION AND SOLICITATION FOR COMMERCIAL ITEMS

SUBPART 212.70–PILOT PROGRAM FOR TRANSITION TO FOLLOW-ON CONTRACTING AFTER USE OF OTHER TRANSACTION AUTHORITY

SUBPART 212.71–PILOT PROGRAM FOR ACQUISITION OF MILITARY-PURPOSE NONDEVELOPMENTAL ITEMS

SUBCHAPTER C–CONTRACTING METHODS AND CONTRACT TYPES

PART 213–SIMPLIFIED ACQUISITION PROCEDURES

SUBPART 213.1–PROCEDURES

SUBPART 213.2–ACTIONS AT OR BELOW THE MICRO-PURCHASE THRESHOLD

SUBPART 213.3–SIMPLIFIED ACQUISITION METHODS

SUBPART 213.4–FAST PAYMENT PROCEDURE

SUBPART 213.70–SIMPLIFIED ACQUISITION PROCEDURES UNDER THE 8(A) PROGRAM

PART 214–SEALED BIDDING

SUBPART 214.2–SOLICITATION OF BIDS

SUBPART 214.4–OPENING OF BIDS AND AWARD OF CONTRACT

PART 215–CONTRACTING BY NEGOTIATION

SUBPART 215.2–SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

SUBPART 215.3–SOURCE SELECTION

SUBPART 215.4—CONTRACT PRICING

PART 216—TYPES OF CONTRACTS

SUBPART 216.1—SELECTING CONTRACT TYPES

SUBPART 216.2—FIXED-PRICE CONTRACTS

SUBPART 216.3—COST-REIMBURSEMENT CONTRACTS

SUBPART 216.4—INCENTIVE CONTRACTS

SUBPART 216.5—INDEFINITE-DELIVERY CONTRACTS

**SUBPART 216.6—TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER
CONTRACTS**

SUBPART 216.7—AGREEMENTS

PART 217—SPECIAL CONTRACTING METHODS

SUBPART 217.1—MULTIYEAR CONTRACTING

SUBPART 217.2—OPTIONS

**SUBPART 217.5—INTERAGENCY ACQUISITIONS UNDER THE ECONOMY
ACT**

SUBPART 217.6—MANAGEMENT AND OPERATING CONTRACTS

SUBPART 217.70—EXCHANGE OF PERSONAL PROPERTY

**SUBPART 217.71—MASTER AGREEMENT FOR REPAIR AND ALTERATION
OF VESSELS**

SUBPART 217.73—IDENTIFICATION OF SOURCES OF SUPPLY

SUBPART 217.74—UNDEFINITIZED CONTRACT ACTIONS

SUBPART 217.75—ACQUISITION OF REPLENISHMENT PARTS

SUBPART 217.76—CONTRACTS WITH PROVISIONING REQUIREMENTS

SUBPART 217.77—OVER AND ABOVE WORK

**SUBPART 217.78—CONTRACTS OR DELIVERY ORDERS ISSUED BY A NON-
DOD AGENCY**

PART 218—EMERGENCY ACQUISITIONS

SUBPART 218.1—AVAILABLE ACQUISITION FLEXIBILITIES

SUBPART 218.2—EMERGENCY ACQUISITION FLEXIBILITIES

SUBCHAPTER D—SOCIOECONOMIC PROGRAMS

PART 219—SMALL BUSINESS PROGRAMS

SUBPART 219.0

SUBPART 219.2—POLICIES

**SUBPART 219.3—DETERMINATION OF SMALL BUSINESS STATUS FOR
SMALL BUSINESS PROGRAMS**

**SUBPART 219.4—COOPERATION WITH THE SMALL BUSINESS
ADMINISTRATION**

SUBPART 219.5—SET-ASIDES FOR SMALL BUSINESS

**SUBPART 219.6—CERTIFICATES OF COMPETENCY AND
DETERMINATIONS OF RESPONSIBILITY**

SUBPART 219.7—THE SMALL BUSINESS SUBCONTRACTING PROGRAM

**SUBPART 219.8—CONTRACTING WITH THE SMALL BUSINESS
ADMINISTRATION (THE 8(A) PROGRAM)**

**SUBPART 219.11—PRICE EVALUATION ADJUSTMENT FOR SMALL
DISADVANTAGED BUSINESS CONCERNS**

SUBPART 219.12—SMALL DISADVANTAGED BUSINESS PARTICIPATION

**SUBPART 219.13—HISTORICALLY UNDERUTILIZED BUSINESS ZONE
(HUBZONE) PROGRAM**

SUBPART 219.71—PILOT MENTOR-PROTEGE PROGRAM

PART 220—RESERVED

PART 221—RESERVED

**PART 222—APPLICATION OF LABOR LAWS TO GOVERNMENT
ACQUISITIONS**

SUBPART 222.0

SUBPART 222.1—BASIC LABOR POLICIES

SUBPART 222.3—CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

**SUBPART 222.4—LABOR STANDARDS FOR CONTRACTS INVOLVING
CONSTRUCTION**

SUBPART 222.6–WALSH-HEALEY PUBLIC CONTRACTS ACT

SUBPART 222.8–EQUAL EMPLOYMENT OPPORTUNITY

SUBPART 222.10–SERVICE CONTRACT ACT OF 1965, AS AMENDED

**SUBPART 222.13–SPECIAL DISABLED VETERANS, VETERANS OF THE
VIETNAM ERA, AND OTHER ELIGIBLE VETERANS**

SUBPART 222.14–EMPLOYMENT OF THE HANDICAPPED

SUBPART 222.17–COMBATING TRAFFICKING IN PERSONS

**SUBPART 222.70–RESTRICTIONS ON THE EMPLOYMENT OF PERSONNEL
FOR WORK ON CONSTRUCTION AND SERVICE CONTRACTS IN
NONCONTIGUOUS STATES**

SUBPART 222.71–RIGHT OF FIRST REFUSAL OF EMPLOYMENT

**SUBPART 222.72–COMPLIANCE WITH LABOR LAWS OF FOREIGN
GOVERNMENTS**

**SUBPART 222.73–LIMITATIONS APPLICABLE TO CONTRACTS
PERFORMED ON GUAM**

**SUBPART 222.74–RESTRICTIONS ON THE USE OF MANDATORY
ARBITRATION AGREEMENTS**

**PART 223–ENVIRONMENT, ENERGY AND WATER EFFICIENCY,
RENEWABLE ENERGY TECHNOLOGIES, OCCUPATIONAL SAFETY, AND
DRUG-FREE WORKPLACE**

**SUBPART 223.3–HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL
SAFETY DATA**

SUBPART 223.4–USE OF RECOVERED MATERIAL

SUBPART 223.5–DRUG-FREE WORKPLACE

**SUBPART 223.7–CONTRACTING FOR ENVIRONMENTALLY PREFERABLE
PRODUCTS AND SERVICES**

SUBPART 223.8–OZONE-DEPLETING SUBSTANCES

**SUBPART 223.71–STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS
MATERIALS**

**SUBPART 223.72–SAFEGUARDING SENSITIVE CONVENTIONAL ARMS,
AMMUNITION, AND EXPLOSIVES**

PART 224–PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION

Defense Federal Acquisition Regulation Supplement

Table of Contents

SUBPART 224.1–PROTECTION OF INDIVIDUAL PRIVACY

SUBPART 224.2–FREEDOM OF INFORMATION ACT

PART 225–FOREIGN ACQUISITION

SUBPART 225.0

SUBPART 225.1–BUY AMERICAN ACT–SUPPLIES

SUBPART 225.2–BUY AMERICAN ACT–CONSTRUCTION MATERIALS

SUBPART 225.3–CONTRACTS PERFORMED OUTSIDE THE UNITED STATES

SUBPART 225.4–TRADE AGREEMENTS

SUBPART 225.5–EVALUATING FOREIGN OFFERS–SUPPLY CONTRACTS

SUBPART 225.7–PROHIBITED SOURCES

SUBPART 225.8–OTHER INTERNATIONAL AGREEMENTS AND COORDINATION

SUBPART 225.9–CUSTOMS AND DUTIES

SUBPART 225.10–ADDITIONAL FOREIGN ACQUISITION REGULATIONS

SUBPART 225.11–SOLICITATION PROVISIONS AND CONTRACT CLAUSES

SUBPART 225.70–AUTHORIZATION ACTS, APPROPRIATIONS ACTS, AND OTHER STATUTORY RESTRICTIONS ON FOREIGN ACQUISITION

SUBPART 225.71–OTHER RESTRICTIONS ON FOREIGN ACQUISITION

SUBPART 225.72–REPORTING CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES

SUBPART 225.73–ACQUISITIONS FOR FOREIGN MILITARY SALES

SUBPART 225.74–DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES

SUBPART 225.75–BALANCE OF PAYMENTS PROGRAM

SUBPART 225.76–SECONDARY ARAB BOYCOTT OF ISRAEL

SUBPART 225.77–ACQUISITIONS IN SUPPORT OF OPERATIONS IN IRAQ OR AFGHANISTAN

SUBPART 225.78–ACQUISITIONS IN SUPPORT OF GEOGRAPHIC COMBATANT COMMAND’S THEATER SECURITY COOPERATION EFFORTS

PART 226—OTHER SOCIOECONOMIC PROGRAMS

SUBPART 226.1—INDIAN INCENTIVE PROGRAM

**SUBPART 226.3—HISTORICALLY BLACK COLLEGES AND UNIVERSITIES
AND MINORITY INSTITUTIONS**

SUBPART 226.71—PREFERENCE FOR LOCAL AND SMALL BUSINESS

SUBCHAPTER E—GENERAL CONTRACTING REQUIREMENTS

PART 227—PATENTS, DATA, AND COPYRIGHTS

SUBPART 227.3—PATENT RIGHTS UNDER GOVERNMENT CONTRACTS

SUBPART 227.4—RIGHTS IN DATA AND COPYRIGHTS

**SUBPART 227.6—FOREIGN LICENSE AND TECHNICAL ASSISTANCE
AGREEMENTS**

SUBPART 227.70—INFRINGEMENT CLAIMS, LICENSES, AND ASSIGNMENTS

SUBPART 227.71—RIGHTS IN TECHNICAL DATA

**SUBPART 227.72—RIGHTS IN COMPUTER SOFTWARE AND COMPUTER
SOFTWARE DOCUMENTATION**

PART 228—BONDS AND INSURANCE

SUBPART 228.1—BONDS

SUBPART 228.3—INSURANCE

PART 229—TAXES

SUBPART 229.1—GENERAL

SUBPART 229.4—CONTRACT CLAUSES

SUBPART 229.70—SPECIAL PROCEDURES FOR OVERSEAS CONTRACTS

PART 230—COST ACCOUNTING STANDARDS ADMINISTRATION

SUBPART 230.2—CAS PROGRAM REQUIREMENTS

PART 231—CONTRACT COST PRINCIPLES AND PROCEDURES

SUBPART 231.1—APPLICABILITY

SUBPART 231.2—CONTRACTS WITH COMMERCIAL ORGANIZATIONS

SUBPART 231.3—CONTRACTS WITH EDUCATIONAL INSTITUTIONS

Defense Federal Acquisition Regulation Supplement

Table of Contents

**SUBPART 231.6—CONTRACTS WITH STATE, LOCAL, AND FEDERALLY
RECOGNIZED INDIAN TRIBAL GOVERNMENTS**

SUBPART 231.7—CONTRACTS WITH NONPROFIT ORGANIZATIONS

PART 232—CONTRACT FINANCING

SUBPART 232.0

SUBPART 232.1—NON-COMMERCIAL ITEM PURCHASE FINANCING

SUBPART 232.2—COMMERCIAL ITEM PURCHASE FINANCING

SUBPART 232.3—LOAN GUARANTEES FOR DEFENSE PRODUCTION

SUBPART 232.4—ADVANCE PAYMENTS FOR NON-COMMERCIAL ITEMS

SUBPART 232.5—PROGRESS PAYMENTS BASED ON COSTS

SUBPART 232.6—CONTRACT DEBTS

SUBPART 232.7—CONTRACT FUNDING

SUBPART 232.8—ASSIGNMENT OF CLAIMS

SUBPART 232.9—PROMPT PAYMENT

SUBPART 232.10—PERFORMANCE-BASED PAYMENTS

SUBPART 232.11—ELECTRONIC FUNDS TRANSFER

**SUBPART 232.70—ELECTRONIC SUBMISSION AND PROCESSING OF
PAYMENT REQUESTS AND RECEIVING REPORTS**

SUBPART 232.71—LEVIES ON CONTRACT PAYMENTS

PART 233—PROTESTS, DISPUTES, AND APPEALS

SUBPART 233.1—PROTESTS

SUBPART 233.2—DISPUTES AND APPEALS

SUBCHAPTER F—SPECIAL CATEGORIES OF CONTRACTING

PART 234—MAJOR SYSTEM ACQUISITION

SUBPART 234.0

SUBPART 234.2—EARNED VALUE MANAGEMENT SYSTEM

SUBPART 234.70—ACQUISITION OF MAJOR WEAPON SYSTEMS AS

COMMERCIAL ITEMS

SUBPART 234.71—COST AND SOFTWARE DATA REPORTING
PART 235—RESEARCH AND DEVELOPMENT CONTRACTING

SUBPART 235.0

PART 236—CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

SUBPART 236.1—GENERAL

**SUBPART 236.2—SPECIAL ASPECTS OF CONTRACTING FOR
CONSTRUCTION**

SUBPART 236.5—CONTRACT CLAUSES

SUBPART 236.6—ARCHITECT-ENGINEER SERVICES

**SUBPART 236.7—STANDARD AND OPTIONAL FORMS FOR CONTRACTING
FOR CONSTRUCTION, ARCHITECT-ENGINEER SERVICES, AND
DISMANTLING, DEMOLITION, OR REMOVAL OF IMPROVEMENTS**

PART 237—SERVICE CONTRACTING

SUBPART 237.1—SERVICE CONTRACTS—GENERAL

SUBPART 237.2—ADVISORY AND ASSISTANCE SERVICES

SUBPART 237.5—MANAGEMENT OVERSIGHT OF SERVICE CONTRACTS

SUBPART 237.70—MORTUARY SERVICES

SUBPART 237.71—LAUNDRY AND DRY CLEANING SERVICES

SUBPART 237.72—EDUCATIONAL SERVICE AGREEMENTS

**SUBPART 237.73—SERVICES OF STUDENTS AT RESEARCH AND
DEVELOPMENT LABORATORIES**

SUBPART 237.74—SERVICES AT INSTALLATIONS BEING CLOSED

**SUBPART 237.75—ACQUISITION AND MANAGEMENT OF INDUSTRIAL
RESOURCES**

SUBPART 237.76—CONTINUATION OF ESSENTIAL CONTRACTOR SERVICES

PART 238—FEDERAL SUPPLY SCHEDULE CONTRACTING

PART 239—ACQUISITION OF INFORMATION TECHNOLOGY

SUBPART 239.1—GENERAL

SUBPART 239.70—EXCHANGE OR SALE OF INFORMATION TECHNOLOGY

SUBPART 239.71—SECURITY AND PRIVACY FOR COMPUTER SYSTEMS

SUBPART 239.72—STANDARDS

SUBPART 239.74—TELECOMMUNICATIONS SERVICES

PART 240—RESERVED

PART 241—ACQUISITION OF UTILITY SERVICES

SUBPART 241.1—GENERAL

SUBPART 241.2—ACQUIRING UTILITY SERVICES

SUBPART 241.5—SOLICITATION PROVISION AND CONTRACT CLAUSES

SUBCHAPTER G—CONTRACT MANAGEMENT

PART 242—CONTRACT ADMINISTRATION AND AUDIT SERVICES

SUBPART 242.0

SUBPART 242.2—CONTRACT ADMINISTRATION SERVICES

SUBPART 242.3—CONTRACT ADMINISTRATION OFFICE FUNCTIONS

SUBPART 242.5—POSTAWARD ORIENTATION

SUBPART 242.6—CORPORATE ADMINISTRATIVE CONTRACTING OFFICER

SUBPART 242.7—INDIRECT COST RATES

SUBPART 242.8—DISALLOWANCE OF COSTS

SUBPART 242.11—PRODUCTION SURVEILLANCE AND REPORTING

SUBPART 242.12—NOVATION AND CHANGE-OF-NAME AGREEMENTS

SUBPART 242.14—TRAFFIC AND TRANSPORTATION MANAGEMENT

SUBPART 242.15—CONTRACTOR PERFORMANCE INFORMATION

SUBPART 242.70—CONTRACTOR BUSINESS SYSTEMS

SUBPART 242.71—VOLUNTARY REFUNDS

Defense Federal Acquisition Regulation Supplement

Table of Contents

SUBPART 242.72—CONTRACTOR MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM

SUBPART 242.73—CONTRACTOR INSURANCE/PENSION REVIEW

SUBPART 242.74—TECHNICAL REPRESENTATION AT CONTRACTOR FACILITIES

SUBPART 242.75—CONTRACTOR ACCOUNTING SYSTEMS AND RELATED CONTROLS

PART 243—CONTRACT MODIFICATIONS

SUBPART 243.1—GENERAL

SUBPART 243.2—CHANGE ORDERS

PART 244—SUBCONTRACTING POLICIES AND PROCEDURES

SUBPART 244.1—GENERAL

SUBPART 244.2—CONSENT TO SUBCONTRACTS

SUBPART 244.3—CONTRACTORS' PURCHASING SYSTEMS REVIEWS

SUBPART 244.4—SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS

PART 245—GOVERNMENT PROPERTY

SUBPART 245.1—GENERAL

SUBPART 245.2—SOLICITATION AND EVALUATION PROCEDURES

SUBPART 245.3—AUTHORIZING THE USE AND RENTAL OF GOVERNMENT PROPERTY

SUBPART 245.4—TITLE TO GOVERNMENT PROPERTY

SUBPART 245.5—SUPPORT GOVERNMENT PROPERTY ADMINISTRATION

SUBPART 245.6—REPORTING, REUTILIZATION, AND DISPOSAL

SUBPART 245.70—PLANT CLEARANCE FORMS

PART 246—QUALITY ASSURANCE

SUBPART 246.1—GENERAL

SUBPART 246.2—CONTRACT QUALITY REQUIREMENTS

SUBPART 246.3—CONTRACT CLAUSES

Defense Federal Acquisition Regulation Supplement

Table of Contents

SUBPART 246.4–GOVERNMENT CONTRACT QUALITY ASSURANCE

SUBPART 246.5–ACCEPTANCE

SUBPART 246.6–MATERIAL INSPECTION AND RECEIVING REPORTS

SUBPART 246.7–WARRANTIES

PART 247–TRANSPORTATION

SUBPART 247.0

**SUBPART 247.2–CONTRACTS FOR TRANSPORTATION OR FOR
TRANSPORTATION-RELATED SERVICES**

SUBPART 247.3–TRANSPORTATION IN SUPPLY CONTRACTS

SUBPART 247.5–OCEAN TRANSPORTATION BY U.S.-FLAG VESSELS

PART 248–VALUE ENGINEERING

PART 249–TERMINATION OF CONTRACTS

SUBPART 249.1–GENERAL PRINCIPLES

SUBPART 249.5–CONTRACT TERMINATION CLAUSES

SUBPART 249.70–SPECIAL TERMINATION REQUIREMENTS

**PART 250–EXTRAORDINARY CONTRACTUAL ACTIONS AND THE SAFETY
ACT**

SUBPART 250.1–EXTRAORDINARY CONTRACTUAL ACTIONS

PART 251–USE OF GOVERNMENT SOURCES BY CONTRACTORS

SUBPART 251.1–CONTRACTOR USE OF GOVERNMENT SUPPLY SOURCES

**SUBPART 251.2–CONTRACTOR USE OF INTERAGENCY FLEET
MANAGEMENT SYSTEM (IFMS) VEHICLES**

SUBCHAPTER H–CLAUSES AND FORMS

PART 252–SOLICITATION PROVISIONS AND CONTRACT CLAUSES

SUBPART 252.1–INSTRUCTIONS FOR USING PROVISIONS AND CLAUSES

SUBPART 252.2–TEXT OF PROVISIONS AND CLAUSES

PART 253–FORMS

SUBPART 253.3–ILLUSTRATION OF FORMS

APPENDICES

APPENDIX A—ARMED SERVICES BOARD OF CONTRACT APPEALS

Part 1—Charter

Part 2—Rules

APPENDIX B—RESERVED

APPENDIX C—RESERVED

APPENDIX D—RESERVED

APPENDIX E—RESERVED

APPENDIX F—MATERIAL INSPECTION AND RECEIVING REPORT

Part 1—Introduction.

Part 2—Contract Quality Assurance on Shipments Between Contractors.

Part 3—Preparation of the DD Form 250 and DD Form 250c.

Part 4—Distribution of DD Form 250 and DD Form 250c.

Part 5—Preparation of the DD Form 250-1 (Loading Report).

Part 6—Preparation of the DD Form 250-1 (Discharge Report).

Part 7—Distribution of the DD Form 250-1.

APPENDIX G—RESERVED

APPENDIX H—DEBARMENT AND SUSPENSION PROCEDURES

**APPENDIX I—POLICY AND PROCEDURES FOR THE DOD PILOT
MENTOR-PROTEGE PROGRAM**

Defense Federal Acquisition Regulation Supplement

Part 201—Federal Acquisition Regulations System

TABLE OF CONTENTS *(Revised March 30, 2012)*

SUBPART 201.1—PURPOSE, AUTHORITY, ISSUANCE

- 201.104 Applicability.
- 201.105 Issuance.
- 201.105-3 Copies.
- 201.107 Certifications.
- 201.109 Statutory acquisition-related dollar thresholds – adjustment for inflation.
- 201.170 Peer reviews.

SUBPART 201.2—ADMINISTRATION

- 201.201 Maintenance of the FAR.
- 201.201-1 The two councils.
- 201.201-70 Maintenance of Procedures, Guidance, and Information.

SUBPART 201.3—AGENCY ACQUISITION REGULATIONS

- 201.301 Policy.
- 201.303 Publication and codification.
- 201.304 Agency control and compliance procedures.

SUBPART 201.4—DEVIATIONS FROM THE FAR

- 201.402 Policy.
- 201.403 Individual deviations.
- 201.404 Class deviations.

SUBPART 201.6—CAREER DEVELOPMENT, CONTRACTING AUTHORITY, AND RESPONSIBILITIES

- 201.602 Contracting officers.
- 201.602-2 Responsibilities.
- 201.602-70 Contract clause.
- 201.603 Selection, appointment, and termination of appointment.
- 201.603-2 Selection.
- 201.603-3 Appointment.
- 201.670 Appointment of property administrators and plant clearance officers.

SUBPART 201.1—PURPOSE, AUTHORITY, ISSUANCE
(Revised March 30, 2012)

201.104 Applicability.

The FAR and the Defense Federal Acquisition Regulation Supplement (DFARS) also apply to purchases and contracts by DoD contracting activities made in support of foreign military sales or North Atlantic Treaty Organization cooperative projects without regard to the nature or sources of funds obligated, unless otherwise specified in this regulation.

201.105 Issuance.

201.105-3 Copies.

The DFARS and the DFARS Procedures, Guidance, and Information (PGI) are available electronically via the World Wide Web at <http://www.acq.osd.mil/dpap/dars/index.htm>.

201.107 Certifications.

In accordance with section 29 of the Office of Federal Procurement Policy Act (41 U.S.C. 1304), a new requirement for a certification by a contractor or offeror may not be included in the DFARS unless—

(1) The certification requirement is specifically imposed by statute; or

(2) Written justification for such certification is provided to the Secretary of Defense by the Under Secretary of Defense (Acquisition, Technology, and Logistics), and the Secretary of Defense approves in writing the inclusion of such certification requirement.

201.109 Statutory acquisition-related dollar thresholds – adjustment for inflation.

(a) Section 814(b) of the National Defense Authorization Act for Fiscal Year 2012 (Pub. L. 112-81) requires that the threshold established in 10 U.S.C. 2253(a)(2) for the acquisition of right-hand drive passenger sedans be included in the list of dollar thresholds that are subject to adjustment for inflation in accordance with the requirements of 41 U.S.C. 1908, and is adjusted pursuant to such provisions, as appropriate.

(d) A matrix showing the most recent escalation adjustments of statutory acquisition-related dollar thresholds is available at [PGI 201.109](#).

201.170 Peer reviews.

(a) *DoD peer reviews.*

(1) The Office of the Director, Defense Procurement and Acquisition Policy, will organize teams of reviewers and facilitate peer reviews for solicitations and contracts, as follows using the procedures at [PGI 201.170](#)—

(i) Preaward peer reviews for competitive procurements will be conducted in three phases for all solicitations valued at \$1 billion or more;

Defense Federal Acquisition Regulation Supplement

Part 201—Federal Acquisition Regulations System

(ii) Preaward peer reviews for noncompetitive procurements will be conducted in two phases for new contract actions valued at \$500 million or more; and

(iii) Postaward peer reviews will be conducted for all contracts for services valued at \$1 billion or more.

(2) To facilitate planning for peer reviews, the military departments and defense agencies shall provide a rolling annual forecast of acquisitions that will be subject to DoD peer reviews at the end of each quarter (i.e., March 31; June 30; September 30; December 31), to the Deputy Director, Defense Procurement and Acquisition Policy (Contract Policy and International Contracting) via email to peerreviews@osd.mil.

(b) *Component peer reviews.* The military departments and defense agencies shall establish procedures for—

(1) Preaward peer reviews of solicitations for competitive procurements valued at less than \$1 billion;

(2) Preaward peer reviews for noncompetitive procurements valued at less than \$500 million; and

(3) Postaward peer reviews of all contracts for services valued at less than \$1 billion.

Defense Federal Acquisition Regulation Supplement

Part 203—Improper Business Practices and Personal Conflicts of Interest

TABLE OF CONTENTS (Revised March 30, 2012)

203.070 Reporting of violations and suspected violations.

SUBPART 203.1—SAFEGUARDS

203.104 Procurement integrity.

203.104-4 Disclosure, protection, and marking of contractor bid or proposal information and source selection information.

203.170 Business practices.

203.171 Senior DoD officials seeking employment with defense contractors.

203.171-1 Scope.

203.171-2 Definition.

203.171-3 Policy.

203.171-4 Solicitation provision and contract clause.

SUBPART 203.5—OTHER IMPROPER BUSINESS PRACTICES

203.502-2 Subcontractor kickbacks.

203.570 Prohibition on persons convicted of fraud or other defense-contract-related felonies.

203.570-1 Scope.

203.570-2 Prohibition period.

203.570-3 Contract clause.

SUBPART 203.7—VOIDING AND RESCINDING CONTRACTS

203.703 Authority.

SUBPART 203.8—LIMITATIONS ON THE PAYMENT OF FUNDS TO INFLUENCE FEDERAL TRANSACTIONS

203.806 Processing suspected violations.

SUBPART 203.9—WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR EMPLOYEES

203.900 Scope of subpart.

203.903 Policy.

203.904 Procedures for filing complaints.

203.905 Procedures for investigating complaints.

203.906 Remedies.

203.970 Contract clause.

SUBPART 203.10—CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT

203.1003 Requirements.

203.1004 Contract clauses.

Defense Federal Acquisition Regulation Supplement

Part 203—Improper Business Practices and Personal Conflicts of Interest

**SUBPART 203.8—LIMITATIONS ON THE PAYMENT OF FUNDS TO
INFLUENCE FEDERAL TRANSACTIONS**

(Added March 30, 2012)

203.806 Processing suspected violations.

Report suspected violations to the address at [PGI 203.8\(a\)](#).

SUBPART 204.12—ANNUAL REPRESENTATIONS AND CERTIFICATIONS
(Revised March 30, 2012)

204.1202 Solicitation provision.

When using the provision at FAR 52.204-8, Annual Representations and Certifications—

(1) Use the provision with [252.204-7007](#), Alternate A, Annual Representations and Certifications; and

(2) Do not include separately in the solicitation the following provisions, which are included in DFARS [252.204-7007](#):

(i) [252.209-7001](#), Disclosure of Ownership or Control by the Government of a Terrorist Country.

(ii) [252.209-7002](#), Disclosure of Ownership or Control by a Foreign Government.

(iii) [252.209-7003](#), Reserve Officer Training Corps and Military Recruiting on Campus—Representation.

(iv) [252.216-7008](#), Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government—Representation.

(v) [252.225-7000](#), Buy American Act—Balance of Payments Program Certificate.

(vi) [252.225-7020](#), Trade Agreements Certificate.

(vii) [252.225-7022](#), Trade Agreements Certificate—Inclusion of Iraqi End Products.

(viii) [252.225-7031](#), Secondary Arab Boycott of Israel.

(ix) [252.225-7035](#), Buy American Act—Free Trade Agreements—Balance of Payments Program Certificate.

(x) [252.225-7042](#), Authorization to Perform.

(xi) [252.229-7012](#), Tax Exemptions (Italy)—Representation.

(xii) [252.229-7013](#), Tax Exemptions (Spain)—Representation.

(xiii) [252.247-7022](#), Representation of Extent of Transportation by Sea.

TABLE OF CONTENTS
(Revised March 30, 2012)

SUBPART 209.1—RESPONSIBLE PROSPECTIVE CONTRACTORS

209.101	Definitions.
209.104	Standards.
209.104-1	General standards.
209.104-4	Subcontractor responsibility.
209.104-70	Solicitation provisions.
209.105	Procedures.
209.105-1	Obtaining information.
209.105-2	Determinations and documentation.
209.105-2-70	Inclusion of determination of contractor fault in Federal Awardee Performance and Integrity Information System (FAPIIS).
209.106	Preaward surveys.

SUBPART 209.2—QUALIFICATIONS REQUIREMENTS

209.202	Policy.
209.270	Aviation and ship critical safety items.
209.270-1	Scope.
209.270-2	Definitions.
209.270-3	Policy.
209.270-4	Procedures.
209.270-5	Contract clause.

SUBPART 209.4—DEBARMENT, SUSPENSION, AND INELIGIBILITY

209.402	Policy.
209.403	Definitions.
209.405	Effect of listing.
209.405-2	Restrictions on subcontracting.
209.406	Debarment.
209.406-1	General.
209.406-2	Causes for debarment.
209.406-3	Procedures.
209.407	Suspension.
209.407-3	Procedures.
209.409	Solicitation provision and contract clause.
209.470	Reserve Officer Training Corps and military recruiting on campus.
209.470-1	Definition.
209.470-2	Policy.
209.470-3	Procedures.
209.470-4	Solicitation provision and contract clause.
209.471	Congressional Medal of Honor.

SUBPART 209.5—ORGANIZATIONAL AND CONSULTANT CONFLICTS OF INTEREST

209.505	General rules.
209.505-4	Obtaining access to proprietary information.
209.570	Limitations on contractors acting as lead system integrators.
209.570-1	Definitions.
209.570-2	Policy.

Defense Federal Acquisition Regulation Supplement

Part 209—Contractor Qualifications

209.570-3	Procedures.
209.570-4	Solicitation provision and contract clause.
209.571	Organizational conflicts of interest in major defense acquisition programs.
209.571-0	Scope of subpart.
209.571-1	Definitions.
209.571-2	Applicability.
209.571-3	Policy.
209.571-4	Mitigation.
209.571-5	Lead system integrators.
209.571-6	Identification of organizational conflicts of interest.
209.571-7	Systems engineering and technical assistance contracts.
209.571-8	Solicitation provision and contract clause.

SUBPART 209.4—DEBARMENT, SUSPENSION, AND INELIGIBILITY
(Revised March 30, 2012)

209.402 Policy.

(d) The suspension and debarment procedures in Appendix H are to be followed by all debarring and suspending officials.

(e) The department or agency shall provide a copy of Appendix H, Debarment and Suspension Procedures, to contractors at the time of their suspension or when they are proposed for debarment, and upon request to other interested parties.

209.403 Definitions.

“Debarring and suspending official.”

(1) For DoD, the designees are—

Army—Commander, U.S. Army Legal Services Agency

Navy/Marine Corps—The Assistant General Counsel (Acquisition Integrity)

Air Force—Deputy General Counsel (Contractor Responsibility)

Defense Advanced Research Projects Agency—The Director

Defense Information Systems Agency—The General Counsel

Defense Logistics Agency—The Special Assistant for Contracting Integrity

Defense Intelligence Agency—The Senior Procurement Executive

National Geospatial Intelligence Agency—The General Counsel

Defense Threat Reduction Agency—The Director

National Security Agency—The Senior Acquisition Executive

Missile Defense Agency—The General Counsel

Overseas installations—as designated by the agency head

(2) Overseas debarring and suspending officials—

(i) Are authorized to debar or suspend contractors located within the official's geographic area of responsibility under any delegation of authority they receive from their agency head.

(ii) Debar or suspend in accordance with the procedures in FAR Subpart 9.4 or under modified procedures approved by the agency head based on consideration of the laws or customs of the foreign countries concerned.

Defense Federal Acquisition Regulation Supplement

Part 209—Contractor Qualifications

(iii) In addition to the bases for debarment in FAR 9.406-2, may consider the following additional bases—

(A) The foreign country concerned determines that a contractor has engaged in bid-rigging, price-fixing, or other anti-competitive behavior; or

(B) The foreign country concerned declares the contractor to be formally debarred, suspended, or otherwise ineligible to contract with that foreign government or its instrumentalities.

(3) The Defense Logistics Agency Special Assistant for Contracting Integrity is the exclusive representative of the Secretary of Defense to suspend and debar contractors from the purchase of Federal personal property under the Federal Property Management Regulations (41 CFR 101-45.6) and the Defense Materiel Disposition Manual (DoD 4160.21-M).

209.405 Effect of listing.

(a) Under 10 U.S.C. 2393(b), when a department or agency determines that a compelling reason exists for it to conduct business with a contractor that is debarred or suspended from procurement programs, it must provide written notice of the determination to the General Services Administration (GSA), GSA Suspension and Debarment Official, Office of Acquisition Policy, 1275 First Street, N.E., Washington, DC 20417. Examples of compelling reasons are—

(i) Only a debarred or suspended contractor can provide the supplies or services;

(ii) Urgency requires contracting with a debarred or suspended contractor;

(iii) The contractor and a department or agency have an agreement covering the same events that resulted in the debarment or suspension and the agreement includes the department or agency decision not to debar or suspend the contractor; or

(iv) The national defense requires continued business dealings with the debarred or suspended contractor.

(b)(i) The Procurement Cause and Treatment Code "H" annotation in the GSA List of Parties Excluded from Federal Procurement and Nonprocurement Programs identifies contractor facilities where no part of a contract or subcontract may be performed because of a violation of the Clean Air Act (42 U.S.C. 7606) or the Clean Water Act (33 U.S.C. 1368).

(ii) Under the authority of Section 8 of Executive Order 11738, the agency head may grant an exemption permitting award to a contractor using a Code "H" ineligible facility if the agency head determines that such an exemption is in the paramount interest of the United States.

(A) The agency head may delegate this exemption authority to a level no lower than a general or flag officer or a member of the Senior Executive Service.

(B) The official granting the exemption—

Defense Federal Acquisition Regulation Supplement

Part 209—Contractor Qualifications

(1) Shall promptly notify the Environmental Protection Agency suspending and debarring official of the exemption and the corresponding justification; and

(2) May grant a class exemption only after consulting with the Environmental Protection Agency suspending and debarring official.

(C) Exemptions shall be for a period not to exceed one year. The continuing necessity for each exemption shall be reviewed annually and, upon the making of a new determination, may be extended for periods not to exceed one year.

(D) All exemptions must be reported annually to the Environmental Protection Agency suspending and debarring official.

(E) See [PGI 209.405](#) for additional procedures and information.

209.405-2 Restrictions on subcontracting.

(a) The contracting officer shall not consent to any subcontract with a firm, or a subsidiary of a firm, that is identified by the Secretary of Defense as being owned or controlled by the government of a terrorist country unless the agency head states in writing the compelling reasons for the subcontract.

209.406 Debarment.

209.406-1 General.

(a)(i) When the debarring official decides that debarment is not necessary, the official may require the contractor to enter into a written agreement which includes—

(A) A requirement for the contractor to establish, if not already established, and to maintain the standards of conduct and internal control systems prescribed by FAR subpart 3.10; and

(B) Other requirements the debarring official considers appropriate.

(ii) Before the debarring official decides not to suspend or debar in the case of an indictment or conviction for a felony, the debarring official must determine that the contractor has addressed adequately the circumstances that gave rise to the misconduct, and that appropriate standards of ethics and integrity are in place and are working.

209.406-2 Causes for debarment.

(1) Any person shall be considered for debarment if criminally convicted of intentionally affixing a label bearing a “Made in America” inscription to any product sold in or shipped to the United States or its outlying areas that was not made in the United States or its outlying areas (10 U.S.C. 2410f).

(i) The debarring official will make a determination concerning debarment not later than 90 days after determining that a person has been so convicted.

Defense Federal Acquisition Regulation Supplement

Part 209—Contractor Qualifications

(ii) In cases where the debarring official decides not to debar, the debarring official will report that decision to the Director of Defense Procurement and Acquisition Policy, who will notify Congress within 30 days after the decision is made.

(2) Any contractor that knowingly provides compensation to a former DoD official in violation of section 847 of the National Defense Authorization Act for Fiscal Year 2008 may face suspension and debarment proceedings in accordance with 41 U.S.C. 2105(c)(1)(C).

209.406-3 Procedures.

Refer all matters appropriate for consideration by an agency debarring and suspending official as soon as practicable to the appropriate debarring and suspending official identified in [209.403](#). Any person may refer a matter to the debarring and suspending official. Follow the procedures at [PGI 209.406-3](#).

209.407 Suspension.

209.407-3 Procedures.

Refer all matters appropriate for consideration by an agency debarring and suspending official as soon as practicable to the appropriate debarring and suspending official identified in [209.403](#). Any person may refer a matter to the debarring and suspending official. Follow the procedures at [PGI 209.407-3](#).

209.409 Solicitation provision and contract clause.

Use the clause at [252.209-7004](#), Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country, in solicitations and contracts with a value of \$150,000 or more.

209.470 Reserve Officer Training Corps and military recruiting on campus.

209.470-1 Definition.

"Institution of higher education," as used in this section, means an institution that meets the requirements of 20 U.S.C. 1001 and includes all subelements of such an institution.

209.470-2 Policy.

(a) Except as provided in paragraph (b) of this subsection, 10 U.S.C. 983 prohibits DoD from providing funds by contract or grant to an institution of higher education if the Secretary of Defense determines that the institution has a policy or practice that prohibits or in effect prevents—

(1) The Secretary of a military department from maintaining, establishing, or operating a unit of the Senior Reserve Officer Training Corps (ROTC) at that institution;

(2) A student at that institution from enrolling in a unit of the Senior ROTC at another institution of higher education;

Defense Federal Acquisition Regulation Supplement

Part 209—Contractor Qualifications

(3) The Secretary of a military department or the Secretary of Transportation from gaining entry to campuses, or access to students on campuses, for purposes of military recruiting; or

(4) Military recruiters from accessing certain information pertaining to students enrolled at that institution.

(b) The prohibition in paragraph (a) of this subsection does not apply to an institution of higher education if the Secretary of Defense determines that—

(1) The institution has ceased the policy or practice described in paragraph (a) of this subsection; or

(2) The institution has a long-standing policy of pacifism based on historical religious affiliation.

209.470-3 Procedures.

If the Secretary of Defense determines that an institution of higher education is ineligible to receive DoD funds because of a policy or practice described in [209.470-2\(a\)](#)—

(a) The Secretary of Defense will list the institution on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs published by the General Services Administration (also see FAR 9.404 and 32 CFR Part 216); and

(b) DoD components—

(1) Shall not solicit offers from, award contracts to, or consent to subcontracts with the institution;

(2) Shall make no further payments under existing contracts with the institution; and

(3) Shall terminate existing contracts with the institution.

209.470-4 Solicitation provision and contract clause.

(a) Use the provision at [252.209-7003](#), Reserve Officer Training Corps and Military Recruiting on Campus—Representation, in all solicitations with institutions of higher education.

(b) Use the clause at [252.209-7005](#), Reserve Officer Training Corps and Military Recruiting on Campus, in all solicitations and contracts with institutions of higher education.

209.471 Congressional Medal of Honor.

In accordance with Section 8118 of Pub. L. 105-262, do not award a contract to, extend a contract with, or approve the award of a subcontract to any entity that, within the preceding 15 years, has been convicted under 18 U.S.C. 704 of the unlawful manufacture or sale of the Congressional Medal of Honor. Any entity so convicted will be listed as ineligible on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs published by the General Services Administration.

Defense Federal Acquisition Regulation Supplement

Part 212—Acquisition of Commercial Items

TABLE OF CONTENTS (Revised March 30, 2012)

SUBPART 212.1—ACQUISITION OF COMMERCIAL ITEMS - GENERAL

212.102 Applicability.

SUBPART 212.2—SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL ITEMS

212.207 Contract type.

212.211 Technical data.

212.212 Computer software.

212.270 Major weapon systems as commercial items.

212.271 Limitation on acquisition of right-hand drive passenger sedans.

SUBPART 212.3—SOLICITATION PROVISIONS AND CONTRACT CLAUSES FOR THE ACQUISITION OF COMMERCIAL ITEMS

212.301 Solicitation provisions and contract clauses for the acquisition of commercial items.

212.302 Tailoring of provisions and clauses for the acquisition of commercial items.

SUBPART 212.5—APPLICABILITY OF CERTAIN LAWS TO THE ACQUISITION OF COMMERCIAL ITEMS

212.503 Applicability of certain laws to Executive Agency contracts for the acquisition of commercial items.

212.504 Applicability of certain laws to subcontracts for the acquisition of commercial items.

212.570 Applicability of certain laws to contracts and subcontracts for the acquisition of commercially available off-the-shelf items.

SUBPART 212.6—STREAMLINED PROCEDURES FOR EVALUATION AND SOLICITATION FOR COMMERCIAL ITEMS

212.602 Streamlined evaluation of offers.

SUBPART 212.70—PILOT PROGRAM FOR TRANSITION TO FOLLOW-ON CONTRACTING AFTER USE OF OTHER TRANSACTION AUTHORITY

212.7000 Scope.

212.7001 Definitions.

212.7002 Pilot program.

212.7002-1 Contracts under the program.

212.7002-2 Subcontracts under the program.

212.7002-3 Thresholds.

212.7003 Technical data and computer software.

SUBPART 212.71—PILOT PROGRAM FOR ACQUISITION OF MILITARY-PURPOSE NONDEVELOPMENTAL ITEMS

212.7100 Scope.

212.7101 Definitions.

212.7102 Pilot program.

212.7102-1 Contracts under the program.

212.7102-2 Reporting requirements.

Defense Federal Acquisition Regulation Supplement

Part 212—Acquisition of Commercial Items

212.7102-3 Sunset of the pilot authority.
212.7103 Solicitation provision.

**SUBPART 212.2—SPECIAL REQUIREMENTS FOR THE ACQUISITION OF
COMMERCIAL ITEMS**
(Revised March 30, 2012)

212.207 Contract type.

(b) In accordance with section 805 of the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110-181), use of time-and-materials and labor-hour contracts for the acquisition of commercial items is authorized only for the following:

(i) Services acquired for support of a commercial item, as described in paragraph (5) of the definition of “commercial item” at FAR 2.101 (41 U.S.C. 103).

(ii) Emergency repair services.

(iii) Any other commercial services only to the extent that the head of the agency concerned approves a written determination by the contracting officer that—

(A) The services to be acquired are commercial services as defined in paragraph (6) of the definition of “commercial item” at FAR 2.101 (41 U.S.C. 103);

(B) If the services to be acquired are subject to FAR 15.403-1(c)(3)(ii), the offeror of the services has submitted sufficient information in accordance with that subsection;

(C) Such services are commonly sold to the general public through use of time-and-materials or labor-hour contracts; and

(D) The use of a time-and-materials or labor-hour contract type is in the best interest of the Government.

212.211 Technical data.

The DoD policy for acquiring technical data for commercial items is at [227.7102](#).

212.212 Computer software.

(1) Departments and agencies shall identify and evaluate, at all stages of the acquisition process (including concept refinement, concept decision, and technology development), opportunities for the use of commercial computer software and other non-developmental software in accordance with Section 803 of the National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417).

(2) See Subpart [208.74](#) when acquiring commercial software or software maintenance. See [227.7202](#) for policy on the acquisition of commercial computer software and commercial computer software documentation.

212.270 Major weapon systems as commercial items.

The DoD policy for acquiring major weapon systems as commercial items is in Subpart [234.70](#).

212.271 Limitation on acquisition of right-hand drive passenger sedans.

Defense Federal Acquisition Regulation Supplement

Part 212—Acquisition of Commercial Items

10 U.S.C. 2253(a)(2) limits the authority to purchase right-hand drive passenger sedans to a cost of not more than \$40,000 per vehicle.

SUBPART 216.2—FIXED-PRICE CONTRACTS

(Revised March 30, 2012)

216.203 Fixed-price contracts with economic price adjustment.

216.203-4 Contract clauses.

(1) Generally, use the clauses at FAR 52.216-2, Economic Price Adjustment--Standard Supplies, FAR 52.216-3, Economic Price Adjustment--Semistandard Supplies, and FAR 52.216-4, Economic Price Adjustment--Labor and Material, only when—

- (i) The total contract price exceeds the simplified acquisition threshold; and
- (ii) Delivery or performance will not be completed within 6 months after contract award.

(2) Follow the procedures at [PGI 216.203-4](#) when using an economic price adjustment clause based on cost indexes of labor or material.

216.203-4-70 Additional clauses.

(a) *Price adjustment for basic steel, aluminum, brass, bronze, or copper mill products.*

(1) (i) The price adjustment clause at [252.216-7000](#), Economic Price Adjustment--Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products, may be used in fixed-price supply solicitations and contracts for basic steel, aluminum, brass, bronze, or copper mill products, such as sheets, plates, and bars, when an established catalog or market price exists for the particular product being acquired.

(ii) The 10 percent figure in paragraph (d)(1) of the clause shall not be exceeded unless approval is obtained at a level above the contracting officer.

(2) Use the price adjustment provision at [252.216-7007](#), Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products—Representation, in solicitations that include the clause at [252.216-7000](#), Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products.

(b) *Price adjustment for nonstandard steel items.*

(1) The price adjustment clause at [252.216-7001](#), Economic Price Adjustment--Nonstandard Steel Items, may be used in fixed-price supply contracts when—

- (i) The contractor is a steel producer and actually manufactures the standard steel mill item referred to in the “base steel index” definition of the clause; and
- (ii) The items being acquired are nonstandard steel items made wholly or in part of standard steel mill items.

(2) When this clause is included in invitations for bids, omit Note 6 of the clause and all references to Note 6.

Defense Federal Acquisition Regulation Supplement

Part 216—Types of Contracts

(3) Solicitations shall instruct offerors to complete all blanks in accordance with the applicable notes.

(4) When the clause is to provide for adjustment on a basis other than “established price” (see Note 6 of the clause), that price must be verified.

(5) The 10 percent figure in paragraph (e)(4) of the clause shall not be exceeded unless approval is obtained at a level above the contracting officer.

(c) *Price adjustment for wage rates or material prices controlled by a foreign government.*

(1)(i) The price adjustment clause at [252.216-7003](#), Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government, may be used in fixed-price supply and service solicitations and contracts when—

(A) The contract is to be performed wholly or in part in a foreign country; and

(B) A foreign government controls wage rates or material prices and may, during contract performance, impose a mandatory change in wages or prices of material.

(ii) Verify the base wage rates and material prices prior to contract award and prior to making any adjustment in the contract price.

(2) Use the provision at [252.216-7008](#), Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government—Representation, in solicitations that include the clause DFARS [252.216-7003](#), Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government.

SUBPART 216.5—INDEFINITE-DELIVERY CONTRACTS

(Revised March 30, 2012)

216.501 General.

(a)(i) For items with a shelf-life of less than six months, consider the use of indefinite-delivery type contracts with orders to be placed either—

(A) Directly by the users; or

(B) By central purchasing offices with deliveries direct to users.

(ii) Whenever an indefinite-delivery contract is issued, the issuing office must furnish all ordering offices sufficient information for the ordering office to complete its contract reporting responsibilities under 204.670-2. This data must be furnished to the ordering activity in sufficient time for the activity to prepare its report for the action within three working days of the order.

216.501-1 Definitions.

“Multiple award contract,” as used in this subpart, means—

(1) A multiple award task order contract entered into in accordance with FAR 16.504(c); or

(2) Any other indefinite-delivery, indefinite-quantity contract that an agency enters into with two or more sources under the same solicitation.

216.501-2 General.

(a) See [217.204](#)(e) for limitations on the period for task order or delivery order contracts awarded by DoD pursuant to 10 U.S.C. 2304a.

216.504 Indefinite-quantity contracts.

(c)(1)(ii)(D) *Limitation on single-award contracts.* The authority to make the determination authorized in FAR 16.504(c)(1)(ii)(D)(1) shall not be delegated below the level of the senior procurement executive.

216.505 Ordering.

(1) Departments and agencies shall comply with the review, approval, and reporting requirements established in accordance with Subpart [217.78](#) when placing orders under non-DoD contracts in amounts exceeding the simplified acquisition threshold.

(2) Orders placed under indefinite-delivery contracts may be issued on DD Form 1155, Order for Supplies or Services.

216.505-70 Orders under multiple award contracts.

(a) This subsection—

Defense Federal Acquisition Regulation Supplement

Part 216—Types of Contracts

(1) Implements Section 803 of the National Defense Authorization Act for Fiscal Year 2002 (Pub. L. 107-107) for the acquisition of services, and establishes similar policy for the acquisition of supplies;

(2) Applies to orders for supplies or services exceeding \$150,000 placed under multiple award contracts;

(3) Also applies to orders placed by non-DoD agencies on behalf of DoD; and

(4) Does not apply to orders for architect-engineer services, which shall be placed in accordance with the procedures in FAR Subpart 36.6.

(b) Each order exceeding \$150,000 shall be placed on a competitive basis in accordance with paragraph (c) of this subsection, unless this requirement is waived on the basis of a justification that is prepared and approved in accordance with FAR 8.405-6 and includes a written determination that—

(1) A statute expressly authorizes or requires that the purchase be made from a specified source; or

(2) One of the circumstances described at FAR 16.505(b)(2)(i) through (iv) applies to the order. Follow the procedures at [PGI 216.505-70](#) if FAR 16.505(b)(2)(ii) or (iii) is deemed to apply.

(c) An order exceeding \$150,000 is placed on a competitive basis only if the contracting officer—

(1) Provides a fair notice of the intent to make the purchase, including a description of the supplies to be delivered or the services to be performed and the basis upon which the contracting officer will make the selection, to all contractors offering the required supplies or services under the multiple award contract; and

(2) Affords all contractors responding to the notice a fair opportunity to submit an offer and have that offer fairly considered.

(d) When using the procedures in this subsection—

(1) The contracting officer should keep contractor submission requirements to a minimum;

(2) The contracting officer may use streamlined procedures, including oral presentations;

(3) The competition requirements in FAR Part 6 and the policies in FAR Subpart 15.3 do not apply to the ordering process, but the contracting officer shall consider price or cost under each order as one of the factors in the selection decision; and

(4) The contracting officer should consider past performance on earlier orders under the contract, including quality, timeliness, and cost control.

Defense Federal Acquisition Regulation Supplement

Part 216—Types of Contracts

216.506 Solicitation provisions and contract clauses.

(a) Insert the clause at [252.216-7006](#), Ordering, in lieu of the clause at 52.216-18, Ordering, in solicitations and contracts when a definite-quantity contract, a requirements contract, or an indefinite-quantity contract is contemplated.

(d) If the contract is for the preparation of personal property for shipment or storage (see 247.271-4), substitute paragraph (f) at [252.247-7015](#), Requirements, for paragraph (f) of the clause at FAR 52.216-21, Requirements.

SUBPART 229.4—CONTRACT CLAUSES

(Revised March 30, 2012)

229.402 Foreign contracts.

229.402-1 Foreign fixed-price contracts.

Use the clause at [252.229-7000](#), Invoices Exclusive of Taxes or Duties, in solicitations and contracts when a fixed-price contract will be awarded to a foreign concern.

229.402-70 Additional clauses.

(a) Use the clause at [252.229-7001](#), Tax Relief, in solicitations and contracts when a contract will be awarded to a foreign concern in a foreign country. When contract performance will be in Germany, use the clause with its Alternate I.

(b) Use the clause at [252.229-7002](#), Customs Exemptions (Germany), in solicitations and contracts requiring the import of U.S. manufactured products into Germany.

(c)(1) Use the clause at [252.229-7003](#), Tax Exemptions (Italy), in solicitations and contracts when contract performance will be in Italy.

(2) Use the provision at [252.229-7012](#), Tax Exemptions (Italy)—Representation, in solicitations that contain the clause at [252.229-7003](#), Tax Exemptions (Italy).

(d) Use the clause at [252.229-7004](#), Status of Contractor as a Direct Contractor (Spain), in solicitations and contracts requiring the import into Spain of supplies for construction, development, maintenance, or operation of Spanish-American installations and facilities.

(e) (1) Use the clause at [252.229-7005](#), Tax Exemptions (Spain), in solicitations and contracts when contract performance will be in Spain.

(2) Use the provision at [252.229-7013](#), Tax Exemptions (Spain)—Representation, in solicitations that contain the clause at [252.229-7005](#), Tax Exemptions (Spain).

(f) Use the clause at [252.229-7006](#), Value Added Tax Exclusion (United Kingdom), in solicitations and contracts when contract performance will be in the United Kingdom.

(g) Use the clause at [252.229-7007](#), Verification of United States Receipt of Goods, in solicitations and contracts when contract performance will be in the United Kingdom.

(h) Use the clause at [252.229-7008](#), Relief from Import Duty (United Kingdom), in solicitations issued and contracts awarded in the United Kingdom.

(i) Use the clause at [252.229-7009](#), Relief from Customs Duty and Value Added Tax on Fuel (Passenger Vehicles) (United Kingdom), in solicitations issued and contracts

Defense Federal Acquisition Regulation Supplement

Part 229—Taxes

awarded in the United Kingdom for fuels (gasoline or diesel) and lubricants used in passenger vehicles (excluding taxis).

(j) Use the clause at [252.229-7010](#), Relief from Customs Duty on Fuel (United Kingdom), in solicitations issued and contracts awarded in the United Kingdom that require the use of fuels (gasoline or diesel) and lubricants in taxis or vehicles other than passenger vehicles.

TABLE OF CONTENTS
(Revised March 30, 2012)

SUBPART 252.1—INSTRUCTIONS FOR USING PROVISIONS AND CLAUSES

252.101 Using Part 252.

SUBPART 252.2—TEXT OF PROVISIONS AND CLAUSES

252.201-7000 Contracting Officer's Representative.
252.203-7000 Requirements Relating to Compensation of Former DoD Officials.
252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies.
252.203-7002 Requirement to Inform Employees of Whistleblower Rights.
252.203-7003 Agency Office of the Inspector General.
252.203-7004 Display of Fraud Hotline Poster(s).
252.203-7005 Representation Relating to Compensation of Former DoD Officials.
252.204-7000 Disclosure of Information.
252.204-7001 Commercial and Government Entity (CAGE) Code Reporting.
252.204-7002 Payment for Subline Items Not Separately Priced.
252.204-7003 Control of Government Personnel Work Product.
252.204-7004 Alternate A.
252.204-7005 Oral Attestation of Security Responsibilities.
252.204-7006 Billing Instructions.
252.204-7007 Alternate A, Annual Representations and Certifications.
252.204-7008 Export-Controlled Items.
252.204-7009 Reserved.
252.204-7010 Requirement for Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S.-International Atomic Energy Agency Additional Protocol.
252.204.7011 Alternative Line Item Structure.
252.205-7000 Provision of Information to Cooperative Agreement Holders.
252.206-7000 Domestic Source Restriction.
252.208-7000 Intent to Furnish Precious Metals as Government-Furnished Material.
252.209-7000 Reserved.
252.209-7001 Disclosure of Ownership or Control by the Government of a Terrorist Country.
252.209-7002 Disclosure of Ownership or Control by a Foreign Government.
252.209-7003 Reserve Officer Training Corps and Military Recruiting on Campus—Representation.
252.209-7004 Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country.
252.209-7005 Reserve Officer Training Corps and Military Recruiting on Campus.
252.209-7006 Limitations on Contractors Acting as Lead System Integrators.
252.209-7007 Prohibited Financial Interests for Lead System Integrators.
252.209-7008 Notice of Prohibition Relating to Organizational Conflict of Interest—Major Defense Acquisition Program.
252.209-7009 Organizational Conflict of Interest—Major Defense Acquisition Program.
252.209-7010 Critical Safety Items.
252.211-7000 Acquisition Streamlining.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.211-7001 Availability of Specifications, Standards, and Data Item Descriptions Not Listed in the Acquisition Streamlining and Standardization Information System (ASSIST), and Plans, Drawings, and Other Pertinent Documents.
- 252.211-7002 Availability for Examination of Specifications, Standards, Plans, Drawings, Data Item Descriptions, and Other Pertinent Documents.
- 252.211-7003 Item Identification and Valuation.
- 252.211-7004 Alternate Preservation, Packaging, and Packing.
- 252.211-7005 Substitutions for Military or Federal Specifications and Standards.
- 252.211-7006 Passive Radio Frequency Identification.
- 252.211-7007 Reporting of Government-Furnished Equipment in the DoD Item Unique Identification (IUID) Registry.
- 252.211-7008 Use of Government-Assigned Serial Numbers.
- 252.212-7000 Offeror Representations and Certifications—Commercial Items.
- 252.212-7001 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to Defense Acquisitions of Commercial Items.
- 252.212-7002 Pilot Program for Acquisition of Military-Purpose Nondevelopmental Items.
- 252.215-7000 Pricing Adjustments.
- 252.215-7001 Reserved.
- 252.215-7002 Cost Estimating System Requirements.
- 252.215-7003 Reserved.
- 252.215-7004 Reserved.
- 252.215-7005 Evaluation Factor for Employing or Subcontracting with Members of the Selected Reserve.
- 252.215-7006 Use of Employees or Individual Subcontractors Who are Members of the Selected Reserve.
- 252.216-7000 Economic Price Adjustment--Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products.
- 252.216-7001 Economic Price Adjustment—Nonstandard Steel Items.
- 252.216-7002 Alternate A, Time-and-Materials/Labor-Hour Proposal Requirements – Non-Commercial Item Acquisition with Adequate Price Competition.
- 252.216-7003 Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government.
- 252.216.7004 Award Fee Reduction or Denial for Jeopardizing the Health or Safety of Government Personnel.
- 252.216-7005 Award-Fee Contracts.
- 252.216-7006 Ordering
- 252.216-7007 Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products—Representation.
- 252.216-7008 Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government—Representation.
- 252.217-7000 Exercise of Option to Fulfill Foreign Military Sales Commitments.
- 252.217-7001 Surge Option.
- 252.217-7002 Offering Property for Exchange.
- 252.217-7003 Changes.
- 252.217-7004 Job Orders and Compensation.
- 252.217-7005 Inspection and Manner of Doing Work.
- 252.217-7006 Title.
- 252.217-7007 Payments.
- 252.217-7008 Bonds.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

252.217-7009	Default.
252.217-7010	Performance.
252.217-7011	Access to Vessel.
252.217-7012	Liability and Insurance.
252.217-7013	Guarantees.
252.217-7014	Discharge of Liens.
252.217-7015	Safety and Health.
252.217-7016	Plant Protection.
252.217-7017	Reserved.
252.217-7018	Reserved.
252.217-7019	Reserved.
252.217-7020	Reserved.
252.217-7021	Reserved.
252.217-7022	Reserved.
252.217-7023	Reserved.
252.217-7024	Reserved.
252.217-7025	Reserved.
252.217-7026	Identification of Sources of Supply.
252.217-7027	Contract Definitization.
252.217-7028	Over and Above Work.
252.219-7000	Reserved.
252.219-7001	Reserved.
252.219-7002	Reserved.
252.219-7003	Small Business Subcontracting Plan (DoD Contracts).
252.219-7004	Small Business Subcontracting Plan (Test Program).
252.219-7005	Reserved.
252.219-7006	Reserved.
252.219-7007	Reserved.
252.219-7008	Reserved.
252.219-7009	Section 8(a) Direct Award.
252.219-7010	Alternate A.
252.219-7011	Notification to Delay Performance.
252.222-7000	Restrictions on Employment of Personnel.
252.222-7001	Right of First Refusal of Employment—Closure of Military Installations.
252.222-7002	Compliance with Local Labor Laws (Overseas).
252.222-7003	Permit from Italian Inspectorate of Labor.
252.222-7004	Compliance with Spanish Social Security Laws and Regulations.
252.222-7005	Prohibition on Use of Nonimmigrant Aliens—Guam.
252.222-7006	Restrictions on the Use of Mandatory Arbitration Agreements
252.223-7000	Reserved.
252.223-7001	Hazard Warning Labels.
252.223-7002	Safety Precautions for Ammunition and Explosives.
252.223-7003	Change in Place of Performance—Ammunition and Explosives.
252.223-7004	Drug-Free Work Force.
252.223-7005	Reserved.
252.223-7006	Prohibition on Storage and Disposal of Toxic and Hazardous Materials.
252.223-7007	Safeguarding Sensitive Conventional Arms, Ammunition, and Explosives.
252.225-7000	Buy American Act—Balance of Payments Program Certificate.
252.225-7001	Buy American Act and Balance of Payments Program.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.225-7002 Qualifying Country Sources as Subcontractors.
- 252.225-7003 Report of Intended Performance Outside the United States and Canada—Submission with Offer.
- 252.225-7004 Report of Intended Performance Outside the United States and Canada—Submission after Award.
- 252.225-7005 Identification of Expenditures in the United States.
- 252.225-7006 Quarterly Reporting of Actual Contract Performance Outside the United States.
- 252.225-7007 Prohibition on Acquisition of United States Munitions List Items from Communist Chinese Military Companies.
- 252.225-7008 Restriction on Acquisition of Specialty Metals.
- 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals.
- 252.225-7010 Commercial Derivative Military Article—Specialty Metals Compliance Certificate.
- 252.225-7011 Restriction on Acquisition of Supercomputers.
- 252.225-7012 Preference for Certain Domestic Commodities.
- 252.225-7013 Duty-Free Entry.
- 252.225-7014 Reserved.
- 252.225-7015 Restriction on Acquisition of Hand or Measuring Tools.
- 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings.
- 252.225-7017 Photovoltaic Devices.
- 252.225-7018 Photovoltaic Devices—Certificate.
- 252.225-7019 Restriction on Acquisition of Anchor and Mooring Chain.
- 252.225-7020 Trade Agreements Certificate.
- 252.225-7021 Trade Agreements.
- 252.225-7022 Trade Agreements Certificate—Inclusion of Iraqi End Products.
- 252.225-7023 Preference for Products or Services from Iraq or Afghanistan.
- 252.225-7024 Requirement for Products or Services from Iraq or Afghanistan.
- 252.225-7025 Restriction on Acquisition of Forgings.
- 252.225-7026 Acquisition Restricted to Products or Services from Iraq or Afghanistan.
- 252.225-7027 Restriction on Contingent Fees for Foreign Military Sales.
- 252.225-7028 Exclusionary Policies and Practices of Foreign Governments.
- 252.225-7029 Reserved.
- 252.225-7030 Restriction on Acquisition of Carbon, Alloy, and Armor Steel Plate.
- 252.225-7031 Secondary Arab Boycott of Israel.
- 252.225-7032 Waiver of United Kingdom Levies—Evaluation of Offers.
- 252.225-7033 Waiver of United Kingdom Levies.
- 252.225-7034 Reserved.
- 252.225-7035 Buy American Act--Free Trade Agreements—Balance of Payments Program Certificate.
- 252.225-7036 Buy American Act--Free Trade Agreements—Balance of Payments Program.
- 252.225-7037 Evaluation of Offers for Air Circuit Breakers.
- 252.225-7038 Restriction on Acquisition of Air Circuit Breakers.
- 252.225-7039 Contractors Performing Private Security Functions.
- 252.225-7040 Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States.
- 252.225-7041 Correspondence in English.
- 252.225-7042 Authorization to Perform.
- 252.225-7043 Antiterrorism/Force Protection Policy for Defense Contractors Outside the United States.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.225-7044 Balance of Payments Program—Construction Material.
- 252.225-7045 Balance of Payments Program—Construction Material Under Trade Agreements.
- 252.226-7000 Notice of Historically Black College or University and Minority Institution Set-Aside.
- 252.226-7001 Utilization of Indian Organizations and Indian-Owned Economic Enterprises—DoD Contracts
- 252.227-7000 Non-Estoppel.
- 252.227-7001 Release of Past Infringement.
- 252.227-7002 Readjustment of Payments.
- 252.227-7003 Termination.
- 252.227-7004 License Grant.
- 252.227-7005 License Term.
- 252.227-7006 License Grant—Running Royalty.
- 252.227-7007 License Term—Running Royalty.
- 252.227-7008 Computation of Royalties.
- 252.227-7009 Reporting and Payment of Royalties.
- 252.227-7010 License to Other Government Agencies.
- 252.227-7011 Assignments.
- 252.227-7012 Patent License and Release Contract.
- 252.227-7013 Rights in Technical Data—Noncommercial Items.
- 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation.
- 252.227-7015 Technical Data—Commercial Items.
- 252.227-7016 Rights in Bid or Proposal Information.
- 252.227-7017 Identification and Assertion of Use, Release, or Disclosure Restrictions.
- 252.227-7018 Rights in Noncommercial Technical Data and Computer Software—Small Business Innovation Research (SBIR) Program.
- 252.227-7019 Validation of Asserted Restrictions—Computer Software.
- 252.227-7020 Rights in Special Works.
- 252.227-7021 Rights in Data—Existing Works.
- 252.227-7022 Government Rights (Unlimited).
- 252.227-7023 Drawings and Other Data to Become Property of Government.
- 252.227-7024 Notice and Approval of Restricted Designs.
- 252.227-7025 Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends.
- 252.227-7026 Deferred Delivery of Technical Data or Computer Software.
- 252.227-7027 Deferred Ordering of Technical Data or Computer Software.
- 252.227-7028 Technical Data or Computer Software Previously Delivered to the Government.
- 252.227-7029 Reserved.
- 252.227-7030 Technical Data—Withholding of Payment.
- 252.227-7031 Reserved.
- 252.227-7032 Rights in Technical Data and Computer Software (Foreign).
- 252.227-7033 Rights in Shop Drawings.
- 252.227-7034 Reserved.
- 252.227-7035 Reserved.
- 252.227-7036 Reserved.
- 252.227-7037 Validation of Restrictive Markings on Technical Data.
- 252.227-7038 Patent Rights—Ownership by the Contractor (Large Business).
- 252.227-7039 Patents—Reporting of Subject Inventions.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.228-7000 Reimbursement for War-Hazard Losses.
- 252.228-7001 Ground and Flight Risk.
- 252.228-7002 Reserved.
- 252.228-7003 Capture and Detention.
- 252.228-7004 Bonds or Other Security.
- 252.228-7005 Accident Reporting and Investigation Involving Aircraft, Missiles, and Space Launch Vehicles.
- 252.228-7006 Compliance with Spanish Laws and Insurance.
- 252.229-7000 Invoices Exclusive of Taxes or Duties.
- 252.229-7001 Tax Relief.
- 252.229-7002 Customs Exemptions (Germany).
- 252.229-7003 Tax Exemptions (Italy).
- 252.229-7004 Status of Contractor as a Direct Contractor (Spain).
- 252.229-7005 Tax Exemptions (Spain).
- 252.229-7006 Value Added Tax Exclusion (United Kingdom).
- 252.229-7007 Verification of United States Receipt of Goods.
- 252.229-7008 Relief from Import Duty (United Kingdom).
- 252.229-7009 Relief From Customs Duty and Value Added Tax on Fuel (Passenger Vehicles) (United Kingdom).
- 252.229-7010 Relief from Customs Duty on Fuel (United Kingdom).
- 252.229-7011 Reporting of Foreign Taxes—U.S. Assistance Programs.
- 252.229-7012 Tax Exemptions (Italy)—Representation.
- 252.229-7013 Tax Exemptions (Spain)—Representation.
- 252.231-7000 Supplemental Cost Principles.
- 252.232-7000 Advance Payment Pool.
- 252.232-7001 Disposition of Payments.
- 252.232-7002 Progress Payments for Foreign Military Sales Acquisitions.
- 252.232-7003 Electronic Submission of Payment Requests and Receiving Reports.
- 252.232-7004 DoD Progress Payment Rates.
- 252.232-7005 Reimbursement of Subcontractor Advance Payments—DoD Pilot Mentor-Protege Program.
- 252.232-7006 Reserved.
- 252.232-7007 Limitation of Government's Obligation.
- 252.232-7008 Assignment of Claims (Overseas).
- 252.232-7009 Mandatory Payment by Governmentwide Commercial Purchase Card.
- 252.232-7010 Levies on Contract Payments.
- 252.232-7011 Payments in Support of Emergencies and Contingency Operations.
- 252.233-7000 Reserved.
- 252.233-7001 Choice of Law (Overseas).
- 252.234-7001 Notice of Earned Value Management System.
- 252.234-7002 Earned Value Management System.
- 252.234-7003 Notice of Cost and Software Data Reporting System.
- 252.234-7004 Cost and Software Data Reporting System.
- 252.235-7000 Indemnification Under 10 U.S.C. 2354—Fixed Price.
- 252.235-7001 Indemnification Under 10 U.S.C. 2354—Cost Reimbursement.
- 252.235-7002 Animal Welfare.
- 252.235-7003 Frequency Authorization.
- 252.235-7004 Protection of Human Subjects.
- 252.235-7005 Reserved.
- 252.235-7006 Reserved.
- 252.235-7007 Reserved.
- 252.235-7008 Reserved.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.235-7009 Reserved.
- 252.235-7010 Acknowledgement of Support and Disclaimer.
- 252.235-7011 Final Scientific or Technical Report.
- 252.236-7000 Modification Proposals—Price Breakdown.
- 252.236-7001 Contract Drawings and Specifications.
- 252.236-7002 Obstruction of Navigable Waterways.
- 252.236-7003 Payment for Mobilization and Preparatory Work.
- 252.236-7004 Payment for Mobilization and Demobilization.
- 252.236-7005 Airfield Safety Precautions.
- 252.236-7006 Cost Limitation.
- 252.236-7007 Additive or Deductive Items.
- 252.236-7008 Contract Prices—Bidding Schedules.
- 252.236-7009 Option for Supervision and Inspection Services.
- 252.236-7010 Overseas Military Construction—Preference for United States Firms.
- 252.236-7011 Overseas Architect-Engineer Services—Restriction to United States Firms.
- 252.236-7012 Military Construction on Kwajalein Atoll—Evaluation Preference.
- 252.236-7013 Requirement for Competition Opportunity for American Steel Producers, Fabricators, and Manufacturers.
- 252.237-7000 Notice of Special Standards of Responsibility.
- 252.237-7001 Compliance with Audit Standards.
- 252.237-7002 Award to Single Offeror.
- 252.237-7003 Requirements.
- 252.237-7004 Area of Performance.
- 252.237-7005 Performance and Delivery.
- 252.237-7006 Subcontracting.
- 252.237-7007 Termination for Default.
- 252.237-7008 Group Interment.
- 252.237-7009 Permits.
- 252.237-7010 Prohibition on Interrogation of Detainees by Contractor Personnel.
- 252.237-7011 Preparation History.
- 252.237-7012 Instruction to Offerors (Count-of-Articles).
- 252.237-7013 Instruction to Offerors (Bulk Weight).
- 252.237-7014 Loss or Damage (Count-of-Articles).
- 252.237-7015 Loss or Damage (Weight of Articles).
- 252.237-7016 Delivery Tickets.
- 252.237-7017 Individual Laundry.
- 252.237-7018 Special Definitions of Government Property.
- 252.237-7019 Training for Contractor Personnel Interacting with Detainees.
- 252.237-7020 Reserved.
- 252.237-7021 Reserved.
- 252.237-7022 Services at Installations Being Closed.
- 252.237-7023 Continuation of Essential Contractor Services.
- 252.237-7024 Notice of Continuation of Essential Contractor Services.
- 252.239-7000 Protection Against Compromising Emanations.
- 252.239-7001 Information Assurance Contractor Training and Certification.
- 252.239-7002 Access.
- 252.239-7003 Reserved.
- 252.239-7004 Orders for Facilities and Services.
- 252.239-7005 Rates, Charges, and Services.
- 252.239-7006 Tariff Information.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.239-7007 Cancellation or Termination of Orders.
- 252.239-7008 Reuse Arrangements.
- 252.239-7009 Reserved.
- 252.239-7010 Reserved.
- 252.239-7011 Special Construction and Equipment Charges.
- 252.239-7012 Title to Telecommunication Facilities and Equipment.
- 252.239-7013 Obligation of the Government.
- 252.239-7014 Term of Agreement.
- 252.239-7015 Continuation of Communication Service Authorizations.
- 252.239-7016 Telecommunications Security Equipment, Devices, Techniques, and Services.

- 252.241-7000 Superseding Contract.
- 252.241-7001 Government Access.
- 252.242-7000 Reserved.
- 252.242-7001 Reserved.
- 252.242-7002 Reserved.
- 252.242-7003 Application for U.S. Government Shipping Documentation/Instructions.

- 252.242-7004 Material Management and Accounting System.
- 252.242-7005 Contractor Business Systems.
- 252.242-7006 Accounting System Administration.
- 252.243-7000 Reserved.
- 252.243-7001 Pricing of Contract Modifications.
- 252.243-7002 Requests for Equitable Adjustment.
- 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DoD Contracts).

- 252.244-7001 Contractor Purchasing System Administration.
- 252.245-7000 Government-Furnished Mapping, Charting, and Geodesy Property.
- 252.245-7001 Tagging, Labeling, and Marking of Government-Furnished Property
- 252.245-7002 Reporting Loss of Government Property.
- 252.245-7003 Contractor Property Management System Administration.
- 252.245-7004 Reporting, Reutilization, and Disposal.
- 252.246-7000 Material Inspection and Receiving Report.
- 252.246-7001 Warranty of Data.
- 252.246-7002 Warranty of Construction (Germany).
- 252.246-7003 Notification of Potential Safety Issues.
- 252.246-7004 Safety of Facilities, Infrastructure, and Equipment for Military Operations.

- 252.246-7005 Notice of Warranty Tracking of Serialized Items.
- 252.246-7006 Warranty Tracking of Serialized Items.
- 252.247-7000 Hardship Conditions.
- 252.247-7001 Price Adjustment.
- 252.247-7002 Revision of Prices.
- 252.247-7003 Pass-Through of Motor Carrier Fuel Surcharge Adjustment to the Cost Bearer.

- 252.247-7004 Indefinite Quantities—Fixed Charges.
- 252.247-7005 Indefinite Quantities—No Fixed Charges.
- 252.247-7006 Removal of Contractor's Employees.
- 252.247-7007 Liability and Insurance.
- 252.247-7008 Evaluation of Bids.
- 252.247-7009 Award.
- 252.247-7010 Scope of Contract.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- 252.247-7011 Period of Contract.
- 252.247-7012 Ordering Limitation.
- 252.247-7013 Contract Areas of Performance.
- 252.247-7014 Demurrage.
- 252.247-7015 Requirements.
- 252.247-7016 Contractor Liability for Loss or Damage.
- 252.247-7017 Erroneous Shipments.
- 252.247-7018 Subcontracting.
- 252.247-7019 Drayage.
- 252.247-7020 Additional Services.
- 252.247-7021 Returnable Containers Other Than Cylinders.
- 252.247-7022 Representation of Extent of Transportation by Sea.
- 252.247-7023 Transportation of Supplies by Sea.
- 252.247-7024 Notification of Transportation of Supplies by Sea.
- 252.247-7025 Reflagging or Repair Work.
- 252.247-7026 Evaluation Preference for Use of Domestic Shipyards—Applicable to Acquisition of Carriage by Vessel for DoD Cargo in the Coastwise or Noncontiguous Trade.
- 252.247-7027 Riding Gang Member Requirements.
- 252.249-7000 Special Termination Costs.
- 252.249-7001 Reserved.
- 252.249-7002 Notification of Anticipated Contract Termination or Reduction.
- 252.251-7000 Ordering From Government Supply Sources.
- 252.251-7001 Use of Interagency Fleet Management System (IFMS) Vehicles and Related Services.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(Revised March 30, 2012)

252.204-7000 Disclosure of Information.

As prescribed in [204.404-70](#)(a), use the following clause:

DISCLOSURE OF INFORMATION (DEC 1991)

(a) The Contractor shall not release to anyone outside the Contractor's organization any unclassified information, regardless of medium (e.g., film, tape, document), pertaining to any part of this contract or any program related to this contract, unless—

- (1) The Contracting Officer has given prior written approval; or
- (2) The information is otherwise in the public domain before the date of release.

(b) Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. The Contractor shall submit its request to the Contracting Officer at least 45 days before the proposed date for release.

(c) The Contractor agrees to include a similar requirement in each subcontract under this contract. Subcontractors shall submit requests for authorization to release through the prime contractor to the Contracting Officer.

(End of clause)

252.204-7001 Commercial and Government Entity (CAGE) Code Reporting.

As prescribed in [204.7207](#), use the following provision:

COMMERCIAL AND GOVERNMENT ENTITY (CAGE) CODE REPORTING (AUG 1999)

(a) The offeror is requested to enter its CAGE code on its offer in the block with its name and address. The CAGE code entered must be for that name and address. Enter “CAGE” before the number.

(b) If the offeror does not have a CAGE code, it may ask the Contracting Officer to request one from the Defense Logistics Information Service (DLIS). The Contracting Officer will—

(1) Ask the Contractor to complete section B of a DD Form 2051, Request for Assignment of a Commercial and Government Entity (CAGE) Code;

(2) Complete section A and forward the form to DLIS; and

(3) Notify the Contractor of its assigned CAGE code.

(c) Do not delay submission of the offer pending receipt of a CAGE code.

(End of provision)

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

252.204-7002 Payment for Subline Items Not Separately Priced.

As prescribed in [204.7104-1\(b\)\(3\)\(iv\)](#), use the following clause:

PAYMENT FOR SUBLINE ITEMS NOT SEPARATELY PRICED (DEC 1991)

(a) If the schedule in this contract contains any contract subline items or exhibit subline items identified as not separately priced (NSP), it means that the unit price for that subline item is included in the unit price of another, related line or subline item.

(b) The Contractor shall not invoice the Government for any portion of a contract line item or exhibit line item which contains an NSP until—

(1) The Contractor has delivered the total quantity of all related contract subline items or exhibit subline items; and

(2) The Government has accepted them.

(c) This clause does not apply to technical data.

(End of clause)

252.204-7003 Control of Government Personnel Work Product.

As prescribed in [204.404-70\(b\)](#), use the following clause:

CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR 1992)

The Contractor's procedures for protecting against unauthorized disclosure of information shall not require Department of Defense employees or members of the Armed Forces to relinquish control of their work products, whether classified or not, to the Contractor.

(End of clause)

252.204-7004 Alternate A, Central Contractor Registration.

ALTERNATE A, CENTRAL CONTRACTOR REGISTRATION (SEP 2007)

As prescribed in [204.1104](#), substitute the following paragraph (a) for paragraph (a) of the clause at FAR 52.204-7:

(a) *Definitions.* As used in this clause--

“Central Contractor Registration (CCR) database” means the primary Government repository for contractor information required for the conduct of business with the Government.

“Commercial and Government Entity (CAGE) code” means—

(1) A code assigned by the Defense Logistics Information Service (DLIS) to identify a commercial or Government entity; or

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(2) A code assigned by a member of the North Atlantic Treaty Organization that DLIS records and maintains in the CAGE master file. This type of code is known as an “NCAGE code.”

“Data Universal Numbering System (DUNS) number” means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

“Data Universal Numbering System +4 (DUNS+4) number” means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see Subpart 32.11 of the Federal Acquisition Regulation) for the same parent concern.

“Registered in the CCR database” means that—

(1) The Contractor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the CCR database;

(2) The Contractor’s CAGE code is in the CCR database; and

(3) The Government has validated all mandatory data fields, to include validation of the Taxpayer Identification Number (TIN) with the Internal Revenue Service, and has marked the records “Active.” The Contractor will be required to provide consent for TIN validation to the Government as part of the CCR registration process.

252.204-7005 Oral Attestation of Security Responsibilities.

As prescribed in [204.404-70\(c\)](#), use the following clause:

ORAL ATTESTATION OF SECURITY RESPONSIBILITIES (NOV 2001)

(a) Contractor employees cleared for access to Top Secret (TS), Special Access Program (SAP), or Sensitive Compartmented Information (SCI) shall attest orally that they will conform to the conditions and responsibilities imposed by law or regulation on those granted access. Reading aloud the first paragraph of Standard Form 312, Classified Information Nondisclosure Agreement, in the presence of a person designated by the Contractor for this purpose, and a witness, will satisfy this requirement. Contractor employees currently cleared for access to TS, SAP, or SCI may attest orally to their security responsibilities when being briefed into a new program or during their annual refresher briefing. There is no requirement to retain a separate record of the oral attestation.

(b) If an employee refuses to attest orally to security responsibilities, the Contractor shall deny the employee access to classified information and shall submit a report to the Contractor’s security activity.

(End of clause)

252.204-7006 Billing Instructions.

As prescribed in [204.7109](#), use the following clause:

BILLING INSTRUCTIONS (OCT 2005)

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

When submitting a request for payment, the Contractor shall—

- (a) Identify the contract line item(s) on the payment request that reasonably reflect contract work performance; and
- (b) Separately identify a payment amount for each contract line item included in the payment request.

(End of clause)

252.204-7007 Alternate A, Annual Representations and Certifications.

As prescribed in [204.1202](#), use the following provision:

ALTERNATE A, ANNUAL REPRESENTATIONS AND CERTIFICATIONS (MAR 2012)

Substitute the following paragraphs (d) and (e) for paragraph (d) of the provision at FAR 52.204-8:

(d)(1) The following representations or certifications in ORCA are applicable to this solicitation as indicated:

(i) [252.209-7001](#), Disclosure of Ownership or Control by the Government of a Terrorist Country. Applies to all solicitations expected to result in contracts of \$150,000 or more.

(ii) [252.209-7003](#), Reserve Officer Training Corps and Military Recruiting on Campus—Representation. Applies to all solicitations with institutions of higher education.

(iii) [252.216-7008](#), Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government. Applies to solicitations for fixed-price supply and service contracts when the contract is to be performed wholly or in part in a foreign country, and a foreign government controls wage rates or material prices and may during contract performance impose a mandatory change in wages or prices of materials.

(iv) [252.225-7042](#), Authorization to Perform. Applies to all solicitations when performance will be wholly or in part in a foreign country.

(v) [252.229-7012](#), Tax Exemptions (Italy)—Representation. Applies to solicitations and contracts when contract performance will be in Italy.

(vi) [252.229-7013](#), Tax Exemptions (Spain)—Representation. Applies to solicitations and contracts when contract performance will be in Spain.

(vii) [252.247-7022](#), Representation of Extent of Transportation by Sea. Applies to all solicitations except those for direct purchase of ocean transportation services or those with an anticipated value at or below the simplified acquisition threshold.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(2) The following representations or certifications in ORCA are applicable to this solicitation as indicated by the Contracting Officer: *[Contracting Officer check as appropriate.]*

___ (i) [252.209-7002](#), Disclosure of Ownership or Control by a Foreign Government.

___ (ii) [252.225-7000](#), Buy American Act—Balance of Payments Program Certificate.

___ (iii) [252.225-7020](#), Trade Agreements Certificate.

___ Use with Alternate I.

___ (iv) [252.225-7022](#), Trade Agreements Certificate—Inclusion of Iraqi End Products.

___ (v) [252.225-7031](#), Secondary Arab Boycott of Israel.

___ (vi) [252.225-7035](#), Buy American Act—Free Trade Agreements—Balance of Payments Program Certificate.

___ Use with Alternate I.

___ Use with Alternate II.

___ Use with Alternate III.

(e) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <https://www.acquisition.gov/>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically that apply to this solicitation as indicated in FAR 52.204-8(c) and paragraph (d) of this provision have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer, and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below *[offeror to insert changes, identifying change by provision number, title, date]*. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR/DFARS Provision #	Title	Date	Change

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

(End of provision)

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

252.204-7008 Export-Controlled Items.

As prescribed in [204.7304](#), use the following clause:

EXPORT-CONTROLLED ITEMS (APR 2010)

(a) *Definition.* “Export-controlled items,” as used in this clause, means items subject to the Export Administration Regulations (EAR) (15 CFR Parts 730-774) or the International Traffic in Arms Regulations (ITAR) (22 CFR Parts 120-130). The term includes:

(1) “Defense items,” defined in the Arms Export Control Act, 22 U.S.C. 2778(j)(4)(A), as defense articles, defense services, and related technical data, and further defined in the ITAR, 22 CFR Part 120.

(2) “Items,” defined in the EAR as “commodities”, “software”, and “technology,” terms that are also defined in the EAR, 15 CFR 772.1.

(b) The Contractor shall comply with all applicable laws and regulations regarding export-controlled items, including, but not limited to, the requirement for contractors to register with the Department of State in accordance with the ITAR. The Contractor shall consult with the Department of State regarding any questions relating to compliance with the ITAR and shall consult with the Department of Commerce regarding any questions relating to compliance with the EAR.

(c) The Contractor's responsibility to comply with all applicable laws and regulations regarding export-controlled items exists independent of, and is not established or limited by, the information provided by this clause.

(d) Nothing in the terms of this contract adds, changes, supersedes, or waives any of the requirements of applicable Federal laws, Executive orders, and regulations, including but not limited to—

(1) The Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, *et seq.*);

(2) The Arms Export Control Act (22 U.S.C. 2751, *et seq.*);

(3) The International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.*);

(4) The Export Administration Regulations (15 CFR Parts 730-774);

(5) The International Traffic in Arms Regulations (22 CFR Parts 120-130);
and

(6) Executive Order 13222, as extended;

(e) The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(End of clause)

252.204-7009 Reserved.

252.204-7010 Requirement for Contractor to Notify DoD if the Contractor's Activities are Subject to Reporting Under the U.S.-International Atomic Energy Agency Additional Protocol.

As prescribed in [204.470-3](#), use the following clause:

REQUIREMENT FOR CONTRACTOR TO NOTIFY DOD IF THE
CONTRACTOR'S ACTIVITIES ARE SUBJECT TO REPORTING UNDER THE
U.S.-INTERNATIONAL ATOMIC ENERGY AGENCY ADDITIONAL PROTOCOL
(JAN 2009)

(a) If the Contractor is required to report any of its activities in accordance with Department of Commerce regulations (15 CFR Part 781 *et seq.*) or Nuclear Regulatory Commission regulations (10 CFR Part 75) in order to implement the declarations required by the U.S.-International Atomic Energy Agency Additional Protocol (U.S.-IAEA AP), the Contractor shall—

(1) Immediately provide written notification to the following DoD Program Manager:

[Contracting Officer to insert Program Manager's name, mailing address, e-mail address, telephone number, and facsimile number];

(2) Include in the notification—

(i) Where DoD contract activities or information are located relative to the activities or information to be declared to the Department of Commerce or the Nuclear Regulatory Commission; and

(ii) If or when any current or former DoD contract activities and the activities to be declared to the Department of Commerce or the Nuclear Regulatory Commission have been or will be co-located or located near enough to one another to result in disclosure of the DoD activities during an IAEA inspection or visit; and

(3) Provide a copy of the notification to the Contracting Officer.

(b) After receipt of a notification submitted in accordance with paragraph (a) of this clause, the DoD Program Manager will—

(1) Conduct a security assessment to determine if and by what means access may be granted to the IAEA; or

(2) Provide written justification to the component or agency treaty office for a national security exclusion, in accordance with DoD Instruction 2060.03, Application of the National Security Exclusion to the Agreements Between the United States of America and the International Atomic Energy Agency for the Application of Safeguards in the United States of America. DoD will notify the Contractor if a national security exclusion is applied at the Contractor's location to prohibit access by the IAEA.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(c) If the DoD Program Manager determines that a security assessment is required—

(1) DoD will, at a minimum—

(i) Notify the Contractor that DoD officials intend to conduct an assessment of vulnerabilities to IAEA inspections or visits;

(ii) Notify the Contractor of the time at which the assessment will be conducted, at least 30 days prior to the assessment;

(iii) Provide the Contractor with advance notice of the credentials of the DoD officials who will conduct the assessment; and

(iv) To the maximum extent practicable, conduct the assessment in a manner that does not impede or delay operations at the Contractor's facility; and

(2) The Contractor shall provide access to the site and shall cooperate with DoD officials in the assessment of vulnerabilities to IAEA inspections or visits.

(d) Following a security assessment of the Contractor's facility, DoD officials will notify the Contractor as to—

(1) Whether the Contractor's facility has any vulnerabilities where potentially declarable activities under the U.S.-IAEA AP are taking place;

(2) Whether additional security measures are needed; and

(3) Whether DoD will apply a national security exclusion.

(e) If DoD applies a national security exclusion, the Contractor shall not grant access to IAEA inspectors.

(f) If DoD does not apply a national security exclusion, the Contractor shall apply managed access to prevent disclosure of program activities, locations, or information in the U.S. declaration.

(g) The Contractor shall not delay submission of any reports required by the Department of Commerce or the Nuclear Regulatory Commission while awaiting a DoD response to a notification provided in accordance with this clause.

(h) The Contractor shall incorporate the substance of this clause, including this paragraph (h), in all subcontracts that are subject to the provisions of the U.S.-IAEA AP.

(End of clause)

252.204-7011 Alternative Line Item Structure.

As prescribed in [204.7109\(b\)](#), insert the following provision:

ALTERNATIVE LINE ITEM STRUCTURE (SEP 2011)

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(a) Line items are the basic structural elements in a solicitation or contract that provide for the organization of contract requirements to facilitate pricing, delivery, inspection, acceptance and payment. Line items are organized into contract line items, subline items, and exhibit line items. Separate line items should be established to account for separate pricing, identification (see section [211.274](#) of the Defense Federal Acquisition Regulation Supplement), deliveries, or funding. The Government recognizes that the line item structure in this solicitation may not conform to every offeror's practices. Failure to correct these issues can result in difficulties in accounting for deliveries and processing payments. Therefore, offerors are invited to propose an alternative line item structure for items on which bids, proposals, or quotes are requested in this solicitation to ensure that the resulting contract structure is economically and administratively advantageous to the Government and the Contractor.

(b) If an alternative line item structure is proposed, the structure must be consistent with subpart [204.71](#) of the Defense Federal Acquisition Regulation Supplement and PGI [204.71](#). A sample line item structure and a proposed alternative structure are as follows:

Solicitation:

ITEM NO.	SUPPLIES/SERVICE	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	Computer, Desktop with CPU, Monitor, Keyboard and Mouse	20	EA		

Alternative line item structure offer where monitors are shipped separately:

ITEM NO.	SUPPLIES/SERVICE	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	Computer, Desktop with CPU, Keyboard and Mouse	20	EA		
0002	Monitor	20	EA		

(End of provision)

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(Revised March 30, 2012)

252.209-7000 Reserved.

252.209-7001 Disclosure of Ownership or Control by the Government of a Terrorist Country.

As prescribed in [209.104-70](#)(a), use the following provision:

DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (JAN 2009)

(a) *Definitions.* As used in this provision—

(1) “Government of a terrorist country” includes the state and the government of a terrorist country, as well as any political subdivision, agency, or instrumentality thereof.

(2) “Terrorist country” means a country determined by the Secretary of State, under section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(i)(A)), to be a country the government of which has repeatedly provided support for acts of international terrorism. As of the date of this provision, terrorist countries subject to this provision include: Cuba, Iran, Sudan, and Syria.

(3) “Significant interest” means—

(i) Ownership of or beneficial interest in 5 percent or more of the firm’s or subsidiary’s securities. Beneficial interest includes holding 5 percent or more of any class of the firm’s securities in “nominee shares,” “street names,” or some other method of holding securities that does not disclose the beneficial owner;

(ii) Holding a management position in the firm, such as a director or officer;

(iii) Ability to control or influence the election, appointment, or tenure of directors or officers in the firm;

(iv) Ownership of 10 percent or more of the assets of a firm such as equipment, buildings, real estate, or other tangible assets of the firm; or

(v) Holding 50 percent or more of the indebtedness of a firm.

(b) *Prohibition on award.* In accordance with 10 U.S.C. 2327, no contract may be awarded to a firm or a subsidiary of a firm if the government of a terrorist country has a significant interest in the firm or subsidiary or, in the case of a subsidiary, the firm that owns the subsidiary, unless a waiver is granted by the Secretary of Defense.

(c) *Disclosure.* If the government of a terrorist country has a significant interest in the Offeror or a subsidiary of the Offeror, the Offeror shall disclose such interest in an attachment to its offer. If the Offeror is a subsidiary, it shall also disclose any significant interest the government of a terrorist country has in any firm that owns or controls the subsidiary. The disclosure shall include—

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

- (1) Identification of each government holding a significant interest; and
- (2) A description of the significant interest held by each government.

(End of provision)

252.209-7002 Disclosure of Ownership or Control by a Foreign Government.
As prescribed in [209.104-70\(b\)](#), use the following provision:

DISCLOSURE OF OWNERSHIP OR CONTROL BY A FOREIGN GOVERNMENT (JUN 2010)

(a) *Definitions.* As used in this provision—

(1) “Effectively owned or controlled” means that a foreign government or any entity controlled by a foreign government has the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the Offeror’s officers or a majority of the Offeror’s board of directors by any means, e.g., ownership, contract, or operation of law (or equivalent power for unincorporated organizations).

(2) “Entity controlled by a foreign government”—

(i) Means—

(A) Any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government; or

(B) Any individual acting on behalf of a foreign government.

(ii) Does not include an organization or corporation that is owned, but is not controlled, either directly or indirectly, by a foreign government if the ownership of that organization or corporation by that foreign government was effective before October 23, 1992.

(3) “Foreign government” includes the state and the government of any country (other than the United States and its outlying areas) as well as any political subdivision, agency, or instrumentality thereof.

(4) “Proscribed information” means—

(i) Top Secret information;

(ii) Communications security (COMSEC) material, excluding controlled cryptographic items when unkeyed or utilized with unclassified keys;

(iii) Restricted Data as defined in the U.S. Atomic Energy Act of 1954, as amended;

(iv) Special Access Program (SAP) information; or

(v) Sensitive Compartmented Information (SCI).

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(b) *Prohibition on award.* No contract under a national security program may be awarded to an entity controlled by a foreign government if that entity requires access to proscribed information to perform the contract, unless the Secretary of Defense or a designee has waived application of 10 U.S.C. 2536(a).

(c) *Disclosure.* The Offeror shall disclose any interest a foreign government has in the Offeror when that interest constitutes control by a foreign government as defined in this provision. If the Offeror is a subsidiary, it shall also disclose any reportable interest a foreign government has in any entity that owns or controls the subsidiary, including reportable interest concerning the Offeror's immediate parent, intermediate parents, and the ultimate parent. Use separate paper as needed, and provide the information in the following format:

Offeror's Point of Contact for Questions about Disclosure
(Name and Phone Number with Country Code, City Code
and Area Code, as applicable)

Name and Address of Offeror

Name and Address of Entity Controlled by a Foreign Government	Description of Interest, Ownership Percentage, and Identification of Foreign Government
--	---

(End of provision)

252.209-7003 Reserve Officer Training Corps and Military Recruiting on Campus—Representation.

As prescribed in [209.470-4\(a\)](#), use the following provision:

RESERVE OFFICER TRAINING CORPS AND MILITARY RECRUITING ON CAMPUS—REPRESENTATION (MAR 2012)

(a) *Definition.* "Institution of higher education," as used in this provision, is defined in the clause at [252.209-7005](#), Reserve officer Training Corps and Military Recruiting on Campus.

(b) *Limitation on contract award.* Except as provided in paragraph (c) of this provision, an institution of higher education is ineligible for contract award if the Secretary of Defense determines that the institution has a current policy or practice (regardless of when implemented) that prohibits or in effect prevents—

(1) The Secretary of a military department from maintaining, establishing, or operating a unit of the Senior Reserve Officer Training Corps (ROTC) (in accordance with 10 U.S.C. 654 and other applicable Federal laws) at that institution;

(2) A student at that institution from enrolling in a unit of the Senior ROTC at another institution of higher education;

(3) The Secretary of a military department or the Secretary of Transportation from gaining entry to campuses, or access to students (who are 17 years of age or older) on campuses, for purposes of military recruiting; or

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(4) Military recruiters from accessing, for purposes of military recruiting, the following information pertaining to students (who are 17 years of age or older) enrolled at that institution:

- (i) Name.
- (ii) Address.
- (iii) Telephone number.
- (iv) Date and place of birth.
- (v) Educational level.
- (vi) Academic major.
- (vii) Degrees received.
- (viii) Most recent educational institution enrollment.

(c) *Exception.* The limitation in paragraph (b) of this provision does not apply to an institution of higher education if the Secretary of Defense determines that the institution has a long-standing policy of pacifism based on historical religious affiliation.

(d) *Representation.* By submission of its offer, the offeror represents that the institution does not have any policy or practice described in paragraph (b) of this clause, unless the Secretary of Defense has determined that the institution has a long-standing policy of pacifism based on historical religious affiliation.

(End of provision)

252.209-7004 Subcontracting with Firms That Are Owned or Controlled by the Government of a Terrorist Country.

As prescribed in [209.409](#), use the following clause:

SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY (DEC 2006)

(a) Unless the Government determines that there is a compelling reason to do so, the Contractor shall not enter into any subcontract in excess of \$30,000 with a firm, or a subsidiary of a firm, that is identified in the Excluded Parties List System as being ineligible for the award of Defense contracts or subcontracts because it is owned or controlled by the government of a terrorist country.

(b) A corporate officer or a designee of the Contractor shall notify the Contracting Officer, in writing, before entering into a subcontract with a party that is identified, on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs, as being ineligible for the award of Defense contracts or subcontracts because it is owned or controlled by the government of a terrorist country. The notice must include the name of the proposed subcontractor and the compelling reason(s) for doing business

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

with the subcontractor notwithstanding its inclusion on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

(End of clause)

252.209-7005 Reserve Officer Training Corps and Military Recruiting on Campus.

As prescribed in [209.470-4\(b\)](#), use the following clause:

RESERVE OFFICER TRAINING CORPS AND MILITARY RECRUITING ON CAMPUS (MAR 2012)

(a) *Definition.* "Institution of higher education," as used in this clause, means an institution that meets the requirements of 20 U.S.C. 1001 and includes all subelements of such an institution.

(b) *Limitation.* Except as provided in paragraph (c) of this clause, the Contractor shall not, during performance of this contract, have any policy or practice that prohibits or in effect prevents—

(1) The Secretary of a military department from maintaining, establishing, or operating a unit of the Senior Reserve Officer Training Corps (ROTC) (in accordance with 10 U.S.C. 654 and other applicable Federal laws) at that institution;

(2) A student at that institution from enrolling in a unit of the Senior ROTC at another institution of higher education;

(3) The Secretary of a military department or the Secretary of Transportation from gaining entry to campuses, or access to students (who are 17 years of age or older) on campuses, for purposes of military recruiting; or

(4) Military recruiters from accessing, for purposes of military recruiting, the following information pertaining to students (who are 17 years of age or older) enrolled at that institution:

- (i) Name.
- (ii) Address.
- (iii) Telephone number.
- (iv) Date and place of birth.
- (v) Educational level.
- (vi) Academic major.
- (vii) Degrees received.
- (viii) Most recent educational institution enrollment.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(c) *Exception.* The limitation in paragraph (b) of this clause does not apply to an institution of higher education if the Secretary of Defense determines that—

(1) The institution has ceased the policy or practice described in paragraph (b) of this clause; or

(2) The institution has a long-standing policy of pacifism based on historical religious affiliation.

(d) Notwithstanding any other clause of this contract, if the Secretary of Defense determines that the Contractor misrepresented its policies and practices at the time of contract award or has violated the prohibition in paragraph (b) of this clause—

(1) The Contractor will be ineligible for further payments under this and any other contracts with the Department of Defense; and

(2) The Government will terminate this contract for default for the Contractor's material failure to comply with the terms and conditions of award.

(End of clause)

252.209-7006 Limitations on Contractors Acting as Lead System Integrators. As prescribed in [209.570-4\(a\)](#), use the following provision:

LIMITATIONS ON CONTRACTORS ACTING AS LEAD SYSTEM INTEGRATORS (JAN 2008)

(a) *Definitions.* “Lead system integrator,” “lead system integrator with system responsibility,” and “lead system integrator without system responsibility,” as used in this provision, have the meanings given in the clause of this solicitation entitled “Prohibited Financial Interests for Lead System Integrators” (DFARS [252.209-7007](#)).

(b) *General.* Unless an exception is granted, no contractor performing lead system integrator functions in the acquisition of a major system by the Department of Defense may have any direct financial interest in the development or construction of any individual system or element of any system of systems.

(c) *Representations.*

(1) The offeror represents that it does does not propose to perform this contract as a lead system integrator with system responsibility.

(2) The offeror represents that it does does not propose to perform this contract as a lead system integrator without system responsibility.

(3) If the offeror answered in the affirmative in paragraph (c)(1) or (2) of this provision, the offeror represents that it does does not have any direct financial interest as described in paragraph (b) of this provision with respect to the system(s), subsystem(s), system of systems, or services described in this solicitation.

(d) If the offeror answered in the affirmative in paragraph (c)(3) of this provision, the offeror should contact the Contracting Officer for guidance on the possibility of submitting a mitigation plan and/or requesting an exception.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(e) If the offeror does have a direct financial interest, the offeror may be prohibited from receiving an award under this solicitation, unless the offeror submits to the Contracting Officer appropriate evidence that the offeror was selected by a subcontractor to serve as a lower-tier subcontractor through a process over which the offeror exercised no control.

(f) This provision implements the requirements of 10 U.S.C. 2410p, as added by Section 807 of the National Defense Authorization Act for Fiscal Year 2007 (Pub. L. 109-364).

(End of provision)

252.209-7007 Prohibited Financial Interests for Lead System Integrators.
As prescribed in [209.570-4\(b\)](#), use the following clause:

PROHIBITED FINANCIAL INTERESTS FOR LEAD SYSTEM INTEGRATORS (JUL 2009)

(a) *Definitions.* As used in this clause—

(1) “Lead system integrator” includes “lead system integrator with system responsibility” and “lead system integrator without system responsibility.”

(2) “Lead system integrator with system responsibility” means a prime contractor for the development or production of a major system, if the prime contractor is not expected at the time of award to perform a substantial portion of the work on the system and the major subsystems.

(3) “Lead system integrator without system responsibility” means a prime contractor under a contract for the procurement of services, the primary purpose of which is to perform acquisition functions closely associated with inherently governmental functions (see section 7.503(d) of the Federal Acquisition Regulation) with respect to the development or production of a major system.

(b) *Limitations.* The Contracting Officer has determined that the Contractor meets the definition of lead system integrator with without system responsibility. Unless an exception is granted, the Contractor shall not have any direct financial interest in the development or construction of any individual system or element of any system of systems while performing lead system integrator functions in the acquisition of a major system by the Department of Defense under this contract.

(c) *Agreement.* The Contractor agrees that during performance of this contract it will not acquire any direct financial interest as described in paragraph (b) of this clause, or, if it does acquire or plan to acquire such interest, it will immediately notify the Contracting Officer. The Contractor further agrees to provide to the Contracting Officer all relevant information regarding the change in financial interests so that the Contracting Officer can determine whether an exception applies or whether the Contractor will be allowed to continue performance on this contract. If a direct financial interest cannot be avoided, eliminated, or mitigated to the Contracting Officer’s satisfaction, the Contracting Officer may terminate this contract for default for the Contractor’s material failure to comply with the terms and conditions of award or

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

may take other remedial measures as appropriate in the Contracting Officer's sole discretion.

(d) Notwithstanding any other clause of this contract, if the Contracting Officer determines that the Contractor misrepresented its financial interests at the time of award or has violated the agreement in paragraph (c) of this clause, the Government may terminate this contract for default for the Contractor's material failure to comply with the terms and conditions of award or may take other remedial measures as appropriate in the Contracting Officer's sole discretion.

(e) This clause implements the requirements of 10 U.S.C. 2410p, as added by Section 807 of the National Defense Authorization Act for Fiscal Year 2007 (Pub. L. 109-364), and Section 802 of the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110-181).

(End of clause)

252.209-7008, Notice of Prohibition Relating to Organizational Conflict of Interest—Major Defense Acquisition Program.

As prescribed in [209.571-8\(a\)](#), use the following provision:

NOTICE OF PROHIBITION RELATING TO ORGANIZATIONAL CONFLICT OF INTEREST—MAJOR DEFENSE ACQUISITION PROGRAM (DEC 2010)

(a) *Definitions.* “Major subcontractor” is defined in the clause at [252.209-7009](#), **Organizational Conflict of Interest—Major Defense Acquisition Program.**

(b) This solicitation is for the performance of systems engineering and technical assistance for a major defense acquisition program or a pre-major defense acquisition program.

(c) *Prohibition.* As required by paragraph (b)(3) of section 207 of the Weapons System Acquisition Reform Act of 2009 (Pub. L. 111-23), if awarded the contract, the contractor or any affiliate of the contractor is prohibited from participating as a prime contractor or a major subcontractor in the development or production of a weapon system under the major defense acquisition program or pre-major defense acquisition program, unless the offeror submits, and the Government approves, an Organizational Conflict of Interest Mitigation Plan.

(d) *Request for an exception.* If the offeror requests an exception to the prohibition of paragraph (c) of this provision, then the offeror shall submit an Organizational Conflict of Interest Mitigation Plan with its offer for evaluation.

(e) *Incorporation of Organizational Conflict of Interest Mitigation Plan in contract.* If the apparently successful offeror submitted an acceptable Organizational Conflict of Interest Mitigation Plan, and the head of the contracting activity determines that DoD needs the domain experience and expertise of the highly qualified, apparently successful offeror in accordance with FAR 209.571-7(c), then the Contracting Officer will incorporate the Organizational Conflict of Interest Mitigation Plan into the resultant contract, and paragraph (d) of the clause at [252.209-7009](#) will become applicable.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(End of provision)

252.209-7009, Organizational Conflict of Interest—Major Defense Acquisition Program.

As prescribed in [209.571-8\(b\)](#), use the following clause:

ORGANIZATIONAL CONFLICT OF INTEREST— MAJOR DEFENSE ACQUISITION PROGRAM (DEC 2010)

(a) *Definition.*

“Major subcontractor,” as used in this clause, means a subcontractor that is awarded a subcontract that equals or exceeds—

(1) Both the cost or pricing data threshold and 10 percent of the value of the contract under which the subcontracts are awarded; or

(2) \$50 million.

(b) This contract is for the performance of systems engineering and technical assistance for a major defense acquisition program or a pre-major defense acquisition program.

(c) *Prohibition.* Except as provided in paragraph (d) of this clause, as required by paragraph (b)(3) of section 207 of the Weapons System Acquisition Reform Act of 2009 (Pub. L. 111-23), the Contractor or any affiliate of the Contractor is prohibited from participating as a prime contractor or major subcontractor in the development or production of a weapon system under the major defense acquisition program or pre-major defense acquisition program.

(d) *Organizational Conflict of Interest Mitigation Plan.* If the Contractor submitted an acceptable Organizational Conflict of Interest Mitigation Plan that has been incorporated into this contract, then the prohibition in paragraph (c) of this clause does not apply. The Contractor shall comply with the Organizational Conflict of Interest Mitigation Plan. Compliance with the Organizational Conflict of Interest Mitigation Plan is a material requirement of the contract. Failure to comply may result in the Contractor or any affiliate of the Contractor being prohibited from participating as a contractor or major subcontractor in the development or production of a weapon system under the program, in addition to any other remedies available to the Government for noncompliance with a material requirement of a contract.

(End of clause)

252.209-7010 Critical Safety Items.

As prescribed in [209.270-5](#), use the following clause:

CRITICAL SAFETY ITEMS (AUG 2011)

(a) *Definitions.*

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

“Aviation critical safety item” means a part, an assembly, installation equipment, launch equipment, recovery equipment, or support equipment for an aircraft or aviation weapon system if the part, assembly, or equipment contains a characteristic any failure, malfunction, or absence of which could cause—

- (i) A catastrophic or critical failure resulting in the loss of, or serious damage to, the aircraft or weapon system;
- (ii) An unacceptable risk of personal injury or loss of life; or
- (iii) An uncommanded engine shutdown that jeopardizes safety.

“Design control activity” means—

- (i) With respect to an aviation critical safety item, the systems command of a military department that is specifically responsible for ensuring the airworthiness of an aviation system or equipment, in which an aviation critical safety item is to be used; and
- (ii) With respect to a ship critical safety item, the systems command of a military department that is specifically responsible for ensuring the seaworthiness of a ship or ship equipment, in which a ship critical safety item is to be used.

“Ship critical safety item” means any ship part, assembly, or support equipment containing a characteristic, the failure, malfunction, or absence of which could cause—

- (i) A catastrophic or critical failure resulting in loss of, or serious damage to, the ship; or
- (ii) An unacceptable risk of personal injury or loss of life.

(b) *Identification of critical safety items.* One or more of the items being procured under this contract is an aviation or ship critical safety item. The following items have been designated aviation critical safety items or ship critical safety items by the designated design control activity:

(Insert additional lines as necessary)

(c) *Heightened quality assurance surveillance.* Items designated in paragraph (b) of this clause are subject to heightened, risk-based surveillance by the designated quality assurance representative.

(End of clause)

252.209-7998 Representation Regarding Conviction of a Felony Criminal

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

Violation under any Federal or State Law.

See [Class Deviation 2012-O0007](#), Prohibition Against Contracting with Corporations that Have a Felony Conviction, dated March 9, 2012. Contracting officers shall include the provision at 252.209-7998 in all solicitations that will use funds made available by Division H of the Consolidated Appropriations Act, 2012, including solicitations for acquisition of commercial items under FAR part 12, and shall apply the restrictions included in the deviation. This deviation is effective beginning March 9, 2012, and remains in effect until incorporated in the FAR or DFARS or otherwise rescinded.

252.209-7999 Representation by Corporations Regarding an Unpaid Delinquent Tax Liability or a Felony Conviction under any Federal Law.

See [Class Deviation 2012-O0004](#), Prohibition Against Contracting With Corporations That Have an Unpaid Delinquent Tax Liability or a Felony Conviction under Federal Law, dated January 23, 2012. Contracting officers shall include this provision in all solicitations that will use funds made available by Division A of the Consolidated Appropriations Act, 2012, including solicitations for acquisition of commercial items under FAR part 12, and shall apply the restrictions included in the deviation. This deviation is effective beginning January 23, 2012, and remains in effect until incorporated in the FAR or DFARS or otherwise rescinded.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(Revised March 30, 2012)

252.216-7000 Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products.

As prescribed in [216.203-4-70](#)(a)(1), use the following clause:

ECONOMIC PRICE ADJUSTMENT—BASIC STEEL, ALUMINUM, BRASS, BRONZE, OR COPPER MILL PRODUCTS (MAR 2012)

(a) *Definitions.* As used in this clause—

“Established price” means a price which is an established catalog or market price for a commercial item sold in substantial quantities to the general public.

“Unit price” excludes any part of the price which reflects requirements for preservation, packaging, and packing beyond standard commercial practice.

(b) As represented by the Contractor in its offer, the unit price stated for _____ (*Identify the item*) is not in excess of the Contractor's established price in effect on the date set for opening of bids (or the contract date if this is a negotiated contract) for like quantities of the same item. This price is the net price after applying any applicable standard trade discounts offered by the Contractor from its catalog, list, or schedule price.

(c) The Contractor shall promptly notify the Contracting Officer of the amount and effective date of each decrease in any established price.

(1) Each corresponding contract unit price shall be decreased by the same percentage that the established price is decreased.

(2) This decrease shall apply to items delivered on or after the effective date of the decrease in the Contractor's established price.

(3) This contract shall be modified accordingly.

(d) If the Contractor's established price is increased after the date set for opening of bids (or the contract date if this is a negotiated contract), upon the Contractor's written request to the Contracting Officer, the corresponding contract unit price shall be increased by the same percentage that the established price is increased, and this contract shall be modified accordingly, provided—

(1) The aggregate of the increases in any contract unit price under this contract shall not exceed 10 percent of the original contract unit price;

(2) The increased contract unit price shall be effective on the effective date of the increase in the applicable established price if the Contractor's written request is received by the Contracting Officer within ten days of the change. If it is not, the effective date of the increased unit price shall be the date of receipt of the request by the Contracting Officer; and

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(3) The increased contract unit price shall not apply to quantities scheduled for delivery before the effective date of the increased contract unit price unless the Contractor's failure to deliver before that date results from causes beyond the control and without the fault or negligence of the Contractor, within the meaning of the Default clause of this contract.

(4) The Contracting Officer shall not execute a modification incorporating an increase in a contract unit price under this clause until the increase is verified.

(e) Within 30 days after receipt of the Contractor's written request, the Contracting Officer may cancel, without liability to either party, any portion of the contract affected by the requested increase and not delivered at the time of such cancellation, except as follows—

(1) The Contractor may, after that time, deliver any items that were completed or in the process of manufacture at the time of receipt of the cancellation notice, provided the Contractor notifies the Contracting Officer of such items within 10 days after the Contractor receives the cancellation notice.

(2) The Government shall pay for those items at the contract unit price increased to the extent provided by paragraph (d) of this clause.

(3) Any standard steel supply item shall be deemed to be in the process of manufacture when the steel for that item is in the state of processing after the beginning of the furnace melt.

(f) Pending any cancellation of this contract under paragraph (e) of this clause, or if there is no cancellation, the Contractor shall continue deliveries according to the delivery schedule of the contract. The Contractor shall be paid for those deliveries at the contract unit price increased to the extent provided by paragraph (d) of this clause.

(End of clause)

252.216-7001 Economic Price Adjustment—Nonstandard Steel Items.

As prescribed in [216.203-4-70\(b\)](#), use the following clause:

ECONOMIC PRICE ADJUSTMENT--NONSTANDARD STEEL ITEMS (JUL 1997)

(a) *Definitions.* As used in this clause—

“Base labor index” means the average of the labor indices for the three months which consist of the month of bid opening (or offer submission) and the months immediately preceding and following that month.

“Base steel index” means the Contractor's established price (see Note 6) including all applicable extras of \$ _____ per _____ (see Note 1) for _____ (see Note 2) on the date set for bid opening (or the date of submission of the offer).

“Current labor index” means the average of the labor indices for the month in which delivery of supplies is required to be made and the month preceding.

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

“Current steel index” means the Contractor's established price (see Note 6) for that item, including all applicable extras in effect ___ days (see Note 3) prior to the first day of the month in which delivery is required.

“Established price” is—

(1) A price which is an established catalog or market price of a commercial item sold in substantial quantities to the general public; and

(2) The net price after applying any applicable standard trade discounts offered by the Contractor from its catalog, list, or schedule price. (But see Note 6.)

“Labor index” means the average straight time hourly earnings of the Contractor's employees in the _____ shop of the Contractor's _____ plant (see Note 4) for any particular month.

“Month” means calendar month. However, if the Contractor's accounting period does not coincide with the calendar month, then that accounting period shall be used in lieu of “month.”

(b) Each contract unit price shall be subject to revision, under the terms of this clause, to reflect changes in the cost of labor and steel. For purpose of this price revision, the proportion of the contract unit price attributable to costs of labor not otherwise included in the price of the steel item identified under the “base steel index” definition in paragraph (a) shall be _____ percent, and the proportion of the contract unit price attributable to the cost of steel shall be _____ percent. (See Note 5.)

(c)(1) Unless otherwise specified in this contract, the labor index shall be computed by dividing the total straight time earnings of the Contractor's employees in the shop identified in paragraph (a) for any given month by the total number of straight time hours worked by those employees in that month.

(2) Any revision in a contract unit price to reflect changes in the cost of labor shall be computed solely by reference to the “base labor index” and the “current labor index.”

(d) Any revision in a contract unit price to reflect changes in the cost of steel shall be computed solely by reference to the “base steel index” and the “current steel index.”

(e)(1) Each contract unit price shall be revised for each month in which delivery of supplies is required to be made.

(2) The revised contract unit price shall apply to the deliveries of those quantities required to be made in that month regardless of when actual delivery is made.

(3) Each revised contract unit price shall be computed by adding—

(i) The adjusted cost of labor (obtained by multiplying _____ percent of the contract unit price by a fraction, of which the numerator shall be the current labor index and the denominator shall be the base labor index);

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(ii) The adjusted cost of steel (obtained by multiplying ____ percent of the contract unit price by a fraction, of which the numerator shall be the current steel index and the denominator shall be the base steel index); and

(iii) The amount equal to ____ percent of the original contract unit price (representing that portion of the unit price which relates neither to the cost of labor nor the cost of steel, and which is therefore not subject to revision (see Note 5)).

(4) The aggregate of the increases in any contract unit price under this contract shall not exceed ten percent of the original contract unit price.

(5) Computations shall be made to the nearest one-hundredth of one cent.

(f)(1) Pending any revisions of the contract unit prices, the Contractor shall be paid the contract unit price for deliveries made.

(2) Within 30 days after final delivery (or such other period as may be authorized by the Contracting Officer), the Contractor shall furnish a statement identifying the correctness of—

(i) The average straight time hourly earnings of the Contractor's employees in the shop identified in paragraph (a) that are relevant to the computations of the “base labor index” and the “current labor index;” and

(ii) The Contractor's established prices (see Note 6), including all applicable extras for like quantities of the item that are relevant to the computation of the “base steel index” and the “current steel index.”

(3) Upon request of the Contracting Officer, the Contractor shall make available all records used in the computation of the labor indices.

(4) Upon receipt of the statement, the Contracting Officer will compute the revised contract unit prices and modify the contract accordingly. No modification to this contract will be made pursuant to this clause until the Contracting Officer has verified the revised established price (see Note 6).

(g)(1) In the event any item of this contract is subject to a total or partial termination for convenience, the month in which the Contractor receives notice of the termination, if prior to the month in which delivery is required, shall be considered the month in which delivery of the terminated item is required for the purposes of determining the current labor and steel indices under paragraphs (c) and (d).

(2) For any item which is not terminated for convenience, the month in which delivery is required under the contract shall continue to apply for determining those indices with respect to the quantity of the non-terminated item.

(3) If this contract is terminated for default, any price revision shall be limited to the quantity of the item which has been delivered by the Contractor and accepted by the Government prior to receipt by the Contractor of the notice of termination.

(h) If the Contractor's failure to make delivery of any required quantity arises out of causes beyond the control and without the fault or negligence of the Contractor, within

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

the meaning of the clause of this contract entitled “Default,” the quantity not delivered shall be delivered as promptly as possible after the cessation of the cause of the failure, and the delivery schedule set forth in this contract shall be amended accordingly.

NOTES:

- 1 Offeror insert the unit price and unit measure of the standard steel mill item to be used in the manufacture of the contract item.
- 2 Offeror identify the standard steel mill item to be used in the manufacture of the contract item.
- 3 Offeror insert best estimate of the number of days required for processing the standard steel mill item in the shop identified under the “labor index” definition.
- 4 Offeror identify the shop and plant in which the standard steel mill item identified under the “base steel index” definition will be finally fabricated or processed into the contract item.
- 5 Offeror insert the same percentage figures for the corresponding blanks in paragraphs (b), (e)(3)(i), and (e)(3)(ii). In paragraph (e)(3)(iii), insert the percentage representing the difference between the sum of the percentages inserted in paragraph (b) and 100 percent.
- 6 In negotiated acquisitions of nonstandard steel items, when there is no “established price” or when it is not desirable to use this price, this paragraph may refer to another appropriate price basis, e.g., an established interplant price.

(End of clause)

252.216-7002 Alternate A, Time-and-Materials/Labor-Hour Proposal Requirements – Non-Commercial Item Acquisition with Adequate Price Competition.

As prescribed in [216.601](#)(e), substitute the following paragraph (c) for paragraph (c) of the provision at FAR 52.216-29:

ALTERNATE A, TIME-AND-MATERIALS/LABOR-HOUR PROPOSAL REQUIREMENTS—NON-COMMERCIAL ITEM ACQUISITION WITH ADEQUATE PRICE COMPETITION (FEB 2007)

(c) The offeror must establish fixed hourly rates using separate rates for each category of labor to be performed by each subcontractor and for each category of labor to be performed by the offeror, and for each category of labor to be transferred between divisions, subsidiaries, or affiliates of the offeror under a common control.

252.216-7003 Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government.

As prescribed in [216.203-4-70](#)(c)(1), use the following clause:

ECONOMIC PRICE ADJUSTMENT—WAGE RATES OR MATERIAL PRICES CONTROLLED BY A FOREIGN GOVERNMENT (MAR 2012)

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

(a) As represented by the Contractor in its offer, the prices set forth in this contract—

(1) Are based on the wage rate(s) or material price(s) established and controlled by the government of the country specified by the Contractor in its offer; and

(2) Do not include contingency allowances to pay for possible increases in wage rates or material prices.

(b) If wage rates or material prices are revised by the government named in paragraph (a) of this clause, the Contracting Officer shall make an equitable adjustment in the contract price and shall modify the contract to the extent that the Contractor's actual costs of performing this contract are increased or decreased, as a direct result of the revision, subject to the following:

(1) For increases in established wage rates or material prices, the increase in contract unit price(s) shall be effective on the same date that the government named in paragraph (a) of this clause increased the applicable wage rate(s) or material price(s), but only if the Contracting Officer receives the Contractor's written request for contract adjustment within 10 days of the change. If the Contractor's request is received later, the effective date shall be the date that the Contracting Officer received the Contractor's request.

(2) For decreases in established wage rates or material prices, the decrease in contract unit price(s) shall be effective on the same date that the government named in paragraph (a) of this clause decreased the applicable wage rate(s) or material price(s). The decrease in contract unit price(s) shall apply to all items delivered on and after the effective date of the government's rate or price decrease.

(c) No modification changing the contract unit price(s) shall be executed until the Contracting Officer has verified the applicable change in the rates or prices set by the government named in paragraph (a) of this clause. The Contractor shall make available its books and records that support a requested change in contract price.

(d) Failure to agree to any adjustment shall be a dispute under the Disputes clause of this contract.

(End of clause)

252.216–7004 Award Fee Reduction or Denial for Jeopardizing the Health or Safety of Government Personnel.

As prescribed in [216.406](#), use the following clause:

AWARD FEE REDUCTION OR DENIAL FOR JEOPARDIZING THE HEALTH OR SAFETY OF GOVERNMENT PERSONNEL (SEP 2011)

(a) *Definitions.* As used in this clause—

“Covered incident”–

(i) Means any incident in which the Contractor, through a criminal, civil, or

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

administrative proceeding that results in a disposition listed in paragraph (a) (ii) of this definition –

(A) Has been determined in the performance of this contract to have caused serious bodily injury or death of any civilian or military personnel of the Government through gross negligence or with reckless disregard for the safety of such personnel; or

(B) Has been determined to be liable for actions of a subcontractor of the Contractor that caused serious bodily injury or death of any civilian or military personnel of the Government through gross negligence or with reckless disregard for the safety of such personnel.

(ii) Includes those incidents that have resulted in any of the following dispositions:

(A) In a criminal proceeding, a conviction.

(B) In a civil proceeding, a finding of fault or liability that results in the payment of a monetary fine, penalty, reimbursement, restitution, or damage of \$5,000 or more.

(C) In an administrative proceeding, a finding of fault and liability that results in –

(1) The payment of a monetary fine or penalty of \$5,000 or more; or

(2) The payment of a reimbursement, restitution, or damages in excess of \$100,000.

(D) In a criminal, civil, or administrative proceeding, a disposition of the matter by consent or compromise with an acknowledgment of fault by the Contractor if the proceeding could have led to any of the outcomes specified in subparagraphs (a)(ii)(A), (a) (ii)(B), or (a)(ii)(C).

(E) In a DoD investigation of the Contractor or its subcontractors at any tier not subject to the jurisdiction of the U.S. courts, a final determination by the Secretary of Defense of Contractor or subcontractor fault (see DFARS [216.405-2-70](#)).

“Serious bodily injury” means a grievous physical harm that results in a permanent disability.

(b) If, in the performance of this contract, the Contractor’s or its subcontractor’s actions cause serious bodily injury or death of civilian or military Government personnel, the Government may reduce or deny the award fee for the relevant award fee period in which the covered incident occurred, including the recovery of all or part of any award fees paid for any previous period during which the covered incident occurred.

(End of clause)

252.216-7005 Award Fee.

As prescribed in [216.406\(e\)\(2\)](#), insert the following clause:

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

AWARD FEE (FEB 2011)

The Contractor may earn award fee from a minimum of zero dollars to the maximum amount stated in the award-fee plan in this contract. In no event will award fee be paid to the Contractor for any evaluation period in which the Government rates the Contractor's overall cost, schedule, and technical performance below satisfactory. The Contracting Officer may unilaterally revise the award-fee plan prior to the beginning of any rating period in order to redirect contractor emphasis.

(End of clause)

252.216-7006 Ordering.

As prescribed in [216.506\(a\)](#), use the following clause:

ORDERING (MAY 2011)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the contract schedule. Such orders may be issued from _____ through _____ *[insert dates]*.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c)(1) If issued electronically, the order is considered "issued" when a copy has been posted to the Electronic Document Access system, and notice has been sent to the Contractor.

(2) If mailed or transmitted by facsimile, a delivery order or task order is considered "issued" when the Government deposits the order in the mail or transmits by facsimile. Mailing includes transmittal by U.S. mail or private delivery services.

(3) Orders may be issued orally only if authorized in the schedule.

(End of Clause)

252.216-7007 Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products—Representation.

As prescribed in [216.203-4-70\(a\)\(2\)](#), use the following provision:

ECONOMIC PRICE ADJUSTMENT—BASIC STEEL, ALUMINUM, BRASS, BRONZE, OR COPPER MILL PRODUCTS—REPRESENTATION (MAR 2012)

(a) *Definitions.* The terms "established price" and "unit price," as used in this provision, have the meaning given in the clause [252.216-7000](#), Economic Price Adjustment--Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products.

(b) By submission of its offer, the offeror represents that the unit price stated in this offer for _____ (*Identify the item*) is not in excess of the offeror's established price in effect on the date set for opening of bids (or the contract date if this

Defense Federal Acquisition Regulation Supplement

Part 252—Solicitation Provisions and Contract Clauses

is to be a negotiated contract) for like quantities of the same item. This price is the net price after applying any applicable standard trade discounts offered by the offeror from its catalog, list, or schedule price.

(End of provision)

252.216-7008 Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government—Representation.

As prescribed in [216.203-4-70\(c\)\(2\)](#), use the following provision:

ECONOMIC PRICE ADJUSTMENT—WAGE RATES OR MATERIAL PRICES CONTROLLED BY A FOREIGN GOVERNMENT—REPRESENTATION (MAR 2012)

(a) By submission of its offer, the offeror represents that the prices set forth in this offer—

(1) Are based on the wage rate(s) or material price(s) established and controlled by the government of _____ (*Offeror insert name of host country*); and

(2) Do not include contingency allowances to pay for possible increases in wage rates or material prices.

(End of provision)

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

(Revised March 30, 2012)

252.229-7000 Invoices Exclusive of Taxes or Duties.

As prescribed in [229.402-1](#), use the following clause:

INVOICES EXCLUSIVE OF TAXES OR DUTIES (JUN 1997)

Invoices submitted in accordance with the terms and conditions of this contract shall be exclusive of all taxes or duties for which relief is available.

(End of clause)

252.229-7001 Tax Relief.

As prescribed in [229.402-70](#)(a), use the following clause:

TAX RELIEF (JUN 1997)

(a) Prices set forth in this contract are exclusive of all taxes and duties from which the United States Government is exempt by virtue of tax agreements between the United States Government and the Contractor's government. The following taxes or duties have been excluded from the contract price:

NAME OF TAX: *(Offeror insert)* RATE (PERCENTAGE): *(Offeror insert)*

(b) The Contractor's invoice shall list separately the gross price, amount of tax deducted, and net price charged.

(c) When items manufactured to United States Government specifications are being acquired, the Contractor shall identify the materials or components intended to be imported in order to ensure that relief from import duties is obtained. If the Contractor intends to use imported products from inventories on hand, the price of which includes a factor for import duties, the Contractor shall ensure the United States Government's exemption from these taxes. The Contractor may obtain a refund of the import duties from its government or request the duty-free import of an amount of supplies or components corresponding to that used from inventory for this contract.

(End of clause)

ALTERNATE I (JUN 1997)

As prescribed in [229.402-70](#)(a), add the following paragraph (d) to the basic clause:

(d) Tax relief will be claimed in Germany pursuant to the provisions of the Agreement Between the United States of America and Germany Concerning Tax Relief to be Accorded by Germany to United States Expenditures in the Interest of Common Defense. The Contractor shall use Abwicklungsschein fuer abgabenbeguenstigte Lieferungen/Leistungen nach dem Offshore Steuerabkommen (Performance Certificate for Tax-Free Deliveries/Performance according to the Offshore Tax Relief Agreement) or other documentary evidence acceptable to the German tax authorities. All purchases made and paid for on a tax-free basis during a 30-day period may be accumulated, totaled, and reported as tax-free.

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

252.229-7002 Customs Exemptions (Germany).

As prescribed in [229.402-70](#)(b), use the following clause:

CUSTOMS EXEMPTIONS (GERMANY) (JUN 1997)

Imported products required for the direct benefit of the United States Forces are authorized to be acquired duty-free by the Contractor in accordance with the provisions of the Agreement Between the United States of America and Germany Concerning Tax Relief to be Accorded by Germany to United States Expenditures in the Interest of Common Defense.

(End of clause)

252.229-7003 Tax Exemptions (Italy).

As prescribed in [229.402-70](#)(c)(1), use the following clause:

TAX EXEMPTIONS (ITALY) (MAR 2012)

(a) As the Contractor represented in its offer, the contract price, including the prices in subcontracts awarded under this contract, does not include taxes from which the United States Government is exempt.

(b) The United States Government is exempt from payment of Imposta Valore Aggiunto (IVA) tax in accordance with Article 72 of the IVA implementing decree on all supplies and services sold to United States Military Commands in Italy.

(1) The Contractor shall include the following information on invoices submitted to the United States Government:

(i) The contract number.

(ii) The IVA tax exemption claimed pursuant to Article 72 of Decree Law 633, dated October 26, 1972.

(iii) The following fiscal code(s): *[Contracting Officer must insert the applicable fiscal code(s) for military activities within Italy: 80028250241 for Army, 80156020630 for Navy, or 91000190933 for Air Force].*

(2)(i) Upon receipt of the invoice, the paying office will include the following certification on one copy of the invoice:

“I certify that this invoice is true and correct and reflects expenditures made in Italy for the Common Defense by the United States Government pursuant to international agreements. The amount to be paid does not include the IVA tax, because this transaction is not subject to the tax in accordance with Article 72 of Decree Law 633, dated October 26, 1972.”

An authorized United States Government official will sign the copy of the invoice containing this certification.

(ii) The paying office will return the certified copy together with payment to the Contractor. The payment will not include the amount of the IVA tax.

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

(iii) The Contractor shall retain the certified copy to substantiate non-payment of the IVA tax.

(3) The Contractor may address questions regarding the IVA tax to the Ministry of Finance, IVA Office, Rome (06) 520741.

(c) In addition to the IVA tax, purchases by the United States Forces in Italy are exempt from the following taxes:

- (1) Imposta di Fabbricazione (Production Tax for Petroleum Products).
- (2) Imposta di Consumo (Consumption Tax for Electrical Power).
- (3) Dazi Doganali (Customs Duties).
- (4) Tassa di Sbarco e d'Imbarco sulle Merci Transportate per Via Aerea e per Via Maritima (Port Fees).
- (5) Tassa de Circolazione sui Veicoli (Vehicle Circulation Tax).
- (6) Imposta di Registro (Registration Tax).
- (7) Imposta di Bollo (Stamp Tax).

(End of clause)

252.229-7004 Status of Contractor as a Direct Contractor (Spain).

As prescribed in [229.402-70](#)(d), use the following clause:

STATUS OF CONTRACTOR AS A DIRECT CONTRACTOR (SPAIN) (JUN 1997)

(a) "Direct Contractor," as used in this clause, means an individual, company, or entity with whom an agency of the United States Department of Defense has executed a written agreement that allows duty-free import of equipment, materials, and supplies into Spain for the construction, development, maintenance, and operation of Spanish-American installations and facilities.

(b) The Contractor is hereby designated as a Direct Contractor under the provisions of Complementary Agreement 5, articles 11, 14, 15, 17, and 18 of the Agreement on Friendship, Defense and Cooperation between the United States Government and the Kingdom of Spain, dated July 2, 1982. The Agreement relates to contracts to be performed in whole or part in Spain, the provisions of which are hereby incorporated into and made a part of this contract by reference.

(c) The Contractor shall apply to the appropriate Spanish authorities for approval of status as a Direct Contractor in order to complete duty-free import of non-Spanish equipment, materials, and supplies represented as necessary for contract performance by the Contracting Officer. Orders for equipment, materials, and supplies placed prior to official notification of such approval shall be at the Contractor's own risk. The Contractor must submit its documentation in sufficient time to permit processing by the appropriate United States and Spanish Government agencies prior to the arrival of

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

the equipment, materials, or supplies in Spain. Seasonal variations in processing times are common, and the Contractor should program its projects accordingly. Any delay or expense arising directly or indirectly from this process shall not excuse untimely performance (except as expressly allowed in other provisions of this contract), constitute a direct or constructive change, or otherwise provide a basis for additional compensation or adjustment of any kind.

(d) To ensure that all duty-free imports are properly accounted for, exported, or disposed of, in accordance with Spanish law, the Contractor shall obtain a written bank letter of guaranty payable to the Treasurer of the United States, or such other authority as may be designated by the Contracting Officer, in the amount set forth in paragraph (g) of this clause, prior to effecting any duty-free imports for the performance of this contract.

(e) If the Contractor fails to obtain the required guaranty, the Contractor agrees that the Contracting Officer may withhold a portion of the contract payments in order to establish a fund in the amount set forth in paragraph (g) of this clause. The fund shall be used for the payment of import taxes in the event that the Contractor fails to properly account for, export, or dispose of equipment, materials, or supplies imported on a duty-free basis.

(f) The amount of the bank letter of guaranty or size of the fund required under paragraph (d) or (e) of this clause normally shall be 5 percent of the contract value. However, if the Contractor demonstrates to the Contracting Officer's satisfaction that the amount retained by the United States Government or guaranteed by the bank is excessive, the amount shall be reduced to an amount commensurate with contingent import tax and duty-free liability. This bank guaranty or fund shall not be released to the Contractor until the Spanish General Directorate of Customs verifies the accounting, export, or disposition of the equipment, material, or supplies imported on a duty-free basis.

(g) The amount required under paragraph (d), (e), or (f) of this clause is *(Contracting Officer insert amount at time of contract award)*.

(h) The Contractor agrees to insert the provisions of this clause, including this paragraph (h), in all subcontracts.

(End of clause)

252.229-7005 Tax Exemptions (Spain).

As prescribed in [229.402-70\(e\)\(1\)](#), use the following clause:

TAX EXEMPTIONS (SPAIN) (MAR 2012)

(a) As the Contractor represented in its offer, the contract price, including the prices in subcontracts awarded under this contract, does not include taxes from which the United States Government is exempt.

(b) In accordance with tax relief agreements between the United States Government and the Spanish Government, and because the incumbent contract arises from the activities of the United States Forces in Spain, the contract will be exempt from the following excise, luxury, and transaction taxes:

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

- (1) Derechos de Aduana (Customs Duties).
- (2) Impuesto de Compensacion a la Importacion (Compensation Tax on Imports).
- (3) Transmisiones Patrimonialias (Property Transfer Tax).
- (4) Impuesto Sobre el Lujo (Luxury Tax).
- (5) Actos Juridicos Documentados (Legal Official Transactions).
- (6) Impuesto Sobre el Trafico de Empresas (Business Trade Tax).
- (7) Impuestos Especiales de Fabricacion (Special Products Tax).
- (8) Impuesto Sobre el Petroleo y Derivados (Tax on Petroleum and its By-Products).
- (9) Impuesto Sobre el Uso de Telefona (Telephone Tax).
- (10) Impuesto General Sobre la Renta de Sociedades y demas Entidades Juridicas (General Corporation Income Tax).
- (11) Impuesto Industrial (Industrial Tax).
- (12) Impuesto de Rentas Sobre el Capital (Capital Gains Tax).
- (13) Plus Vailia (Increase on Real Property).
- (14) Contribucion Territorial Urbana (Metropolitan Real Estate Tax).
- (15) Contribucion Territorial Rustica y Pecuaria (Farmland Real Estate Tax).
- (16) Impuestos de la Diputacion (County Service Charges).
- (17) Impuestos Municipal y Tasas Parafiscales (Municipal Tax and Charges).

(End of clause)

252.229-7006 Value Added Tax Exclusion (United Kingdom)

As prescribed in [229.402-70\(f\)](#), use the follow clause:

VALUE ADDED TAX EXCLUSION (UNITED KINGDOM) (DEC 2011)

The supplies or services identified in this contract are to be delivered at a price exclusive of value added tax under arrangements between the appropriate United States authorities and Her Majesty's Revenue and Customs (HMRC Reference Notice 431, entitled Relief from Customs Duty and/or Value Added Tax on United States Government Expenditures in the United Kingdom). By executing this contract, the Contracting Officer certifies that these supplies or services are being purchased for United States Government official purposes only.

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

(End of clause)

252.229-7007 Verification of United States Receipt of Goods.

As prescribed in [229.402-70\(g\)](#), use the following clause:

VERIFICATION OF UNITED STATES RECEIPT OF GOODS (JUN 1997)

The Contractor shall insert the following statement on all Material Inspection and Receiving Reports (DD Form 250 series) for Contracting Officer approval:

“I certify that the items listed on this invoice have been received by the United States.”

(End of clause)

252.229-7008 Relief from Import Duty (United Kingdom).

As prescribed in [229.402-70\(h\)](#), use the following clause:

RELIEF FROM IMPORT DUTY (UNITED KINGDOM) (DEC 2011)

Any import dutiable articles, components, or raw materials supplied to the United States Government under this contract shall be exclusive of any United Kingdom import duties. Any imported items supplied for which import duty already has been paid will be supplied at a price exclusive of the amount of import duty paid. The Contractor is advised to contact Her Majesty’s Revenue and Customs to obtain a refund upon completion of the contract (Reference HMRC Notice No. 431, entitled “Relief from Customs Duty and/or Value Added Tax on United States Government Expenditures in the United Kingdom”).

(End of clause)

252.229-7009 Relief from Customs Duty and Value Added Tax on Fuel (Passenger Vehicles) (United Kingdom).

As prescribed in [229.402-70\(i\)](#), use the following clause:

RELIEF FROM CUSTOMS DUTY AND VALUE ADDED TAX ON FUEL (PASSENGER VEHICLES) (UNITED KINGDOM) (JUN 1997)

(a) Pursuant to an agreement between the United States Government and Her Majesty’s (HM) Customs and Excise, fuels and lubricants used by passenger vehicles (except taxis) in the performance of this contract will be exempt from customs duty and value added tax. Therefore, the procedures outlined in HM Customs and Excise Notice No. 431B, August 1982, and any amendment thereto, shall be used to obtain relief from both customs duty and value added tax for fuel used under the contract. These procedures shall apply to both loaded and unloaded miles. The unit prices shall be based on the recoupment by the Contractor of customs duty in accordance with the following allowances:

(1) Vehicles (except taxis) with a seating capacity of less than 29, one gallon for every 27 miles.

(2) Vehicles with a seating capacity of 29-53, one gallon for every 13 miles.

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

(3) Vehicles with a seating capacity of 54 or more, one gallon for every 10 miles.

(b) In the event the mileage of any route is increased or decreased within 10 percent, resulting in no change in route price, the customs duty shall be reclaimed from HM Customs and Excise on actual mileage performed.

(End of clause)

252.229-7010 Relief from Customs Duty on Fuel (United Kingdom).

As prescribed in [229.402-70\(j\)](#), use the following clause:

RELIEF FROM CUSTOMS DUTY ON FUEL (UNITED KINGDOM) (JUN 1997)

(a) Pursuant to an agreement between the United States Government and Her Majesty's (HM) Customs and Excise, it is possible to obtain relief from customs duty on fuels and lubricants used in support of certain contracts. If vehicle fuels and lubricants are used in support of this contract, the Contractor shall seek relief from customs duty in accordance with HM Customs Notice No. 431, February 1973, entitled "Relief from Customs Duty and/or Value Added Tax on United States Government Expenditures in the United Kingdom." Application should be sent to the Contractor's local Customs and Excise Office.

(b) Specific information should be included in the request for tax relief, such as the number of vehicles involved, types of vehicles, rating of vehicles, fuel consumption, estimated mileage per contract period, and any other information that will assist HM Customs and Excise in determining the amount of relief to be granted.

(c) Within 30 days after the award of this contract, the Contractor shall provide the Contracting Officer with evidence that an attempt to obtain such relief has been initiated. In the event the Contractor does not attempt to obtain relief within the time specified, the Contracting Officer may deduct from the contract price the amount of relief that would have been allowed if HM Customs and Excise had favorably considered the request for relief.

(d) The amount of any rebate granted by HM Customs and Excise shall be paid in full to the United States Government. Checks shall be made payable to the Treasurer of the United States and forwarded to the Administrative Contracting Officer.

(End of clause)

252.229-7011 Reporting of Foreign Taxes – U.S. Assistance Programs.

As prescribed in [229.170-4](#), use the following clause:

REPORTING OF FOREIGN TAXES – U.S. ASSISTANCE PROGRAMS (SEP 2005)

(a) *Definition.* "Commodities," as used in this clause, means any materials, articles, supplies, goods, or equipment.

(b) Commodities acquired under this contract shall be exempt from all value added taxes and customs duties imposed by the recipient country. This exemption is in

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

addition to any other tax exemption provided through separate agreements or other means.

(c) The Contractor shall inform the foreign government of the tax exemption, as documented in the Letter of Offer and Acceptance, country-to-country agreement, or interagency agreement.

(d) If the foreign government or entity nevertheless imposes taxes, the Contractor shall promptly notify the Contracting Officer and shall provide documentation showing that the foreign government was apprised of the tax exemption in accordance with paragraph (c) of this clause.

(e) The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts for commodities that exceed \$500.

(End of clause)

252.229-7012 Tax Exemptions (Italy)—Representation.

As prescribed in [229.402-70\(c\)\(2\)](#), use the following provision:

TAX EXEMPTIONS (ITALY)—REPRESENTATION (MAR 2012)

(a) *Exemptions.* The United States Government is exempt from payment of—

(1) Imposta Valore Aggiunto (IVA) tax in accordance with Article 72 of the IVA implementing decree on all supplies and services sold to United States Military Commands in Italy; and

(2) The other taxes specified in paragraph (c) of the clause DFARS [252.229-7003](#), Tax Exemptions (Italy).

(b) *Representation.* By submission of its offer, the offeror represents that the offered price, including the prices of subcontracts to be awarded under the contract, does not include the taxes identified herein, or any other taxes from which the United States Government is exempt.

(End of provision)

252.229-7013 Tax Exemptions (Spain)—Representation.

As prescribed in [229.402-70\(e\)\(2\)](#), use the following clause:

TAX EXEMPTIONS (SPAIN)—REPRESENTATION (MAR 2012)

(a) *Exemptions.* In accordance with tax relief agreements between the United States Government and the Spanish Government, and because the resultant contract arises from the activities of the United States Forces in Spain, the contract will be exempt from the excise, luxury, and transaction taxes listed in paragraph (b) of the clause DFARS [252.229-7005](#), Tax Exemptions (Spain).

(b) *Representation.* By submission of its offer, the offeror represents that the offered price, including the prices of subcontracts to be awarded under the contract, does not

Defense Federal Acquisition Regulation Supplement

Part 252-Solicitation Provisions and Contract Clauses

include the taxes identified herein, or any other taxes from which the United States Government is exempt.

(End of provision)