

## SECTION I CONTRACT CLAUSES

### I.1 GENERAL

Orders under the Basic Contract may include additional clauses to those enumerated in this Basic Contract, such as: (1) optional FAR clauses; (2) agency supplemental clauses; (3) alternate FAR clauses; and (4) order-specific clauses. Such additional clauses are not limited to those associated only with Section I of the Uniform Contract Format in FAR 52.3.

The clauses relating to the Davis-Bacon Act (Section B.9) and the Service Contract Act (Section B.10) shall be included in an individual Order by the OCO if they are deemed applicable to the Order.

The clauses in I.2 apply at the Order level, as applicable, depending upon the contract type of the Order, or as specifically referenced in the applicable Order.

### I.2 FAR 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at these addresses:

<http://acqnet.gov/far/index.html>  
<http://acqnet.gov/gsam/gsam.html>

CLAUSE NO.	TITLE	DATE	FP	COST	TM
52.202-1	DEFINITIONS	JUL 2004	x	x	x
52.203-3	GRATUITIES	APR 1984	x	x	x
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984	x	x	x
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	SEP 2006	x	x	
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995	x	x	x
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997	x	x	x
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997	x	x	x
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	SEP 2005	x	x	x
52.204-2	SECURITY REQUIREMENTS	AUG 1996	x	x	x
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000	x	x	x

CLAUSE NO.	TITLE	DATE	FP	COST	TM
52.204-7	CENTRAL CONTRACTOR REGISTRATION	JUL 2006	x	x	x
52.204-9	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL	JAN 2006	x	x	x
52.207-3	RIGHT OF FIRST REFUSAL OF EMPLOYMENT	NOV 1991	x	x	x
52.207-5	OPTION TO PURCHASE EQUIPMENT	FEB 1995	x	x	x
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	SEP 2006	x	x	x
52.211-5	MATERIALS REQUIREMENTS	AUG 2000	x	x	
52.211-11*	LIQUIDATED DAMAGES – SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT	SEP 2000	x		
52.211-15	DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS	SEP 1990	x	x	x
52.214-35	SUBMISSION OF OFFERS IN U.S. CURRENCY	APR 1991	x	x	x
52.215-2	AUDIT AND RECORDS —NEGOTIATION	JUN 1999	x	x	x
52.215-2	ALTERNATE II	APR 1998		x	
52.215-2	ALTERNATE III	JUN 1999	x	x	x
52.215-8	ORDER OF PRECEDENCE – UNIFORM CONTRACT FORMAT	OCT 1997	x	x	x
52.215-9	CHANGES OR ADDITIONS TO MAKE-OR-BUY PROGRAM	OCT 1997	x	x	x
52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	OCT 1997	x	x	x
52.215-11	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS	OCT 1997	x	x	x
52.215-12	SUBCONTRACTOR COST OR PRICING DATA	OCT 1997	x	x	x
52.215-13	SUBCONTRACTOR COST OR PRICING DATA – MODIFICATIONS	OCT 1997	x	x	x
52.215-14	INTEGRITY OF UNIT PRICES	OCT 1997	x	x	x
52.215-15	PENSION ADJUSTMENTS AND ASSET REVERSIONS	OCT 2004	x	x	x
52.215-16	FACILITIES CAPITAL COST OF MONEY	JUN 2003	x	x	x
52.215-18	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS	JUL 2005	x	x	x
52.215-21	REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA-MODIFICATIONS	OCT 1997	x	x	x
52.215.21	ALTERNATE I	OCT 1997	x	x	x
52.215-21	ALTERNATE II	OCT 1997	x	x	x
52.215-21	ALTERNATE III	OCT 1997	x	x	x
52.215-21	ALTERNATE IV	OCT 1997	x	x	x
52.216-4	ECONOMIC PRICE ADJUSTMENT – LABOR AND MATERIAL	JAN 1997	x		x
52.216-5*	PRICE REDETERMINATION – PROSPECTIVE	OCT 1997	x		x
52.216-6*	PRICE REDETERMINATION—RETROACTIVE	OCT 1997	x		x
52.216-7*	ALLOWABLE COST AND PAYMENT	DEC 2002		x	x
52.216-8	FIXED FEE	MAR 1997		x	x

<b>CLAUSE NO.</b>	<b>TITLE</b>	<b>DATE</b>	<b>FP</b>	<b>COST</b>	<b>TM</b>
52.216-10	INCENTIVE FEE	MAR 1997		x	x
52.216-11*	COST CONTRACT-NO FEE	APR 1984		x	x
52.216-12	COST-SHARING CONTRACT—NO FEE	APR 1984		x	
52.216-16*	INCENTIVE PRICE REVISION – FIRM TARGET	OCT 1997	x		x
52.216-16	ALTERNATE I	APR 1984	x		x
52.216-17*	INCENTIVE PRICE REVISION – SUCCESSIVE TARGETS	OCT 1997	x		x
52.216-17	ALTERNATE I	APR 1984	x		x
52.217-2	CANCELLATION UNDER MULTI-YEAR CONTRACTS	OCT 1997	x		
52.217-8*	OPTION TO EXTEND SERVICES	NOV 1999	x	x	x
52.219-4	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS.	JUL 2005	x	x	x
52.219-6	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE	JUN 2003	x	x	x
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	MAY 2004	x	x	x
52.219-14	LIMITATIONS ON SUBCONTRACTING	DEC 1996	x	x	x
52.219-16	LIQUIDATED DAMAGES – SUBCONTRACTING PLAN	JAN 1999	x	x	x
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES	FEB 1997	x	x	x
52.222-2*	PAYMENT FOR OVERTIME PREMIUMS	JUL 1990		x	
52.222-3	CONVICT LABOR	JUN 2003	x	x	x
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999	x	x	x
52.222-26	EQUAL OPPORTUNITY	APR 2002	x	x	x
52.222-29	NOTIFICATION OF VISA DENIAL	JUN 2003	x	x	x
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	<b>SEP 2006</b>	x	x	x
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998	x	x	x
52.222-36	ALTERNATE I	JUN 1998	x	x	x
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	<b>SEP 2006</b>	x	x	x
52.223-3*	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA	JAN 1997	x	x	x
52.223-3*	ALTERNATE I	JUL 1995	x	x	x
52.223-5	POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION. ALTERNATE I	AUG 2003	x	x	x
52.223-5	ALTERNATE I	AUG 2003	x	x	x
52.223-5	ALTERNATE II	AUG 2003	x	x	x
52.223-6	DRUG-FREE WORKPLACE	MAY 2001	x	x	x
52.223-10	WASTE REDUCTION PROGRAM	AUG 2000	x	x	
52.223-12	REFRIGERATION EQUIPMENT AND AIR CONDITIONERS	MAY 1995	x	x	x

<b>CLAUSE NO.</b>	<b>TITLE</b>	<b>DATE</b>	<b>FP</b>	<b>COST</b>	<b>TM</b>
52.223-14	TOXIC CHEMICAL RELEASE REPORTING	AUG 2003	x	x	x
52.224-1	PRIVACY ACT NOTIFICATION	APR 1984	x	x	x
52.224-2	PRIVACY ACT	APR 1984	x	x	x
52.225-1	BUY AMERICAN ACT –SUPPLIES	JUN 2003	x	x	x
52.225-3	BUY AMERICAN ACT – FREE TRADE AGREEMENTS – ISRALI TRADE ACT	JUN 2006	x	x	x
52.225-5	TRADE AGREEMENTS	JUN 2006	x	x	
52.225-8	DUTY-FREE ENTRY	FEB 2000	x	x	x
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	FEB 2006	x	x	
52.225-14	INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT	FEB 2000	x	x	x
52.227-1	AUTHORIZATION AND CONSENT	JUL 1995	x	x	
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	AUG 1996	x	x	
52.227-3	PATENT INDEMNITY	APR 1984	x	x	
52.227-3*	ALTERNATE I	APR 1984	x	x	
52.227-3*	ALTERNATE II	APR 1984	x	x	
52.227-5*	WAIVER OF INDEMNITY	APR 1984	x	x	
52.227-9	REFUND OF ROYALTIES	APR 1984	x		
52.227-10	FILING OF PATENT APPLICATIONS – CLASSIFIED SUBJECT MATTER	APR 1984	x	x	
52.227-11	PATENT RIGHTS – RETENTION BY THE CONTRACTOR (SHORT FORM)	JUN 1997	x	x	
52.227-12	PATENT RIGHTS – RETENTION BY THE CONTRACTOR (LONG FORM)	JAN 1997	x	x	
52.227-13	PATENT RIGHTS – ACQUISITION BY THE GOVERNMENT	JAN 1997	x	x	
52.227-14	RIGHTS IN DATA—GENERAL	JUN 1987	x	x	x
52.227-14	ALTERNATE I	JUN 1987	x	x	x
52.227-14*	ALTERNATE II	JUN 1987	x	x	x
52.227-14*	ALTERNATE III	JUN 1987	x	x	x
52.227-14	ALTERNATE IV	JUN 1987	x	x	x
52.227-14*	ALTERNATE V	JUN 1987	x	x	x
52.227-16	ADDITIONAL DATA REQUIREMENTS	JUN 1987	x	x	
52.227-17	RIGHTS IN DATA-SPECIAL WORKS	JUN 1987	x	x	x
52.227-19	COMMERCIAL COMPUTER SOFTWARE – RESTRICTED RIGHTS	JUN 1987	x		
52.227-21*	TECHNICAL DATA DECLARATION, REVISION, AND WITHHOLDING OF PAYMENT—MAJOR SYSTEMS	JAN 1997	x	x	x
52.227-22	MAJOR SYSTEM – MINIMUM RIGHTS	JUN 1987	x	x	x
52.227-23*	RIGHTS TO PROPOSAL DATA (TECHNICAL)	JUN 1987	x	x	x
52.228-3	WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT)	APR 1984	x	x	x
52.228-4	WORKERS' COMPENSATION AND WAR-HAZARD INSURANCE OVERSEAS	APR 1984	x	x	x
52.228-5	INSURANCE - WORK ON A GOVERNMENT INSTALLATION	JAN 1997	x		
52.228-7	INSURANCE – LIABILITY TO THIRD PERSONS	MAR 1996		x	

<b>CLAUSE NO.</b>	<b>TITLE</b>	<b>DATE</b>	<b>FP</b>	<b>COST</b>	<b>TM</b>
52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR 2003	x		x
52.229-4	FEDERAL, STATE, AND LOCAL TAXES (STATE AND LOCAL ADJUSTMENTS)	APR 2003	x		x
52.229-6	TAXES – FOREIGN FIXED-PRICE CONTRACTS	JUN 2003	x		x
52.229-8*	TAXES – FOREIGN COST-REIMBURSEMENT CONTRACTS	MAR 1990		x	
52.229-10*	STATE OF NEW MEXICO GROSS RECEIPTS AND COMPENSATING TAX	APR 2003		x	x
52.232-1	PAYMENTS	APR 1984	x		
52.232-7*	PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS	AUG 2005			x
52.232-7	ALTERNATE I	MAR 2000			x
52.232-7	ALTERNATE II	FEB 2002			x
52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB 2002	x		x
52.232-9	LIMITATION ON WITHHOLDING OF PAYMENTS	APR 1984	x	x	x
52.232-11	EXTRAS	APR 1984	x		
52.232-12*	ADVANCE PAYMENTS	MAY 2001	x	x	x
52.232-12	ALTERNATE I	APR 1984	x	x	x
52.232-12*	ALTERNATE II	MAY 2001		x	
52.232-16*	PROGRESS PAYMENTS	APR 2003	x		
52.232-16	ALTERNATE I	MAR 2000	x		
52.232-17	INTEREST	JUN 1996	x	x	x
52.232-18	AVAILABILITY OF FUNDS	APR 1984	x	x	x
52.232-19	AVAILABILITY OF FUNDS FOR THE NEXT FISCAL YEAR	APR 1984	x	x	
52.232-20	LIMITATION OF COST	APR 1984		x	
52.232-22	LIMITATION OF FUNDS	APR 1984		x	
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986	x	x	x
52.232-23	ALTERNATE I	APR 1984	x	x	x
52.232-25	PROMPT PAYMENT	OCT 2003	x	x	x
52.232-25	ALTERNATE I	FEB 2002		x	x
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER-CENTRAL CONTRACTOR REGISTRATION	OCT 2003	x	x	x
52.232-36	PAYMENT BY THIRD PARTY	MAY 1999	x	x	x
52.232-37	MULTIPLE PAYMENT ARRANGEMENTS.	MAY 1999	x	x	x
52.233-1	DISPUTES	JUL 2002	x	x	x
52.233-1	ALTERNATE I	DEC 1991	x	x	x
52.233-3	PROTEST AFTER AWARD	AUG 1996	x		x
52.233-3	ALTERNATE I	JUN 1985		x	
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT 2004	x	x	x
52.237-2	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION	APR 1984	x	x	x
52.237-3	CONTINUITY OF SERVICES	JAN 1991	x	x	
52.237-9	WAIVER OF LIMITATION ON SEVERANCE PAYMENTS TO FOREIGN NATIONALS	AUG 2003		x	x
52.237-10	IDENTIFICATION OF UNCOMPENSATED OVERTIME	OCT 1997	x	x	x

CLAUSE NO.	TITLE	DATE	FP	COST	TM
52.239-1	PRIVACY OR SECURITY SAFEGUARDS	AUG 1996	x	x	x
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984	x	x	x
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	MAY 2001		x	x
52.242-4	CERTIFICATION OF FINAL INDIRECT COSTS	JAN 1997		x	x
52.242-13	BANKRUPTCY	JUL 1995	x	x	x
52.243-1	CHANGES – FIXED-PRICE ALTERNATE I	AUG 1987	x		
52.243-1	ALTERNATE I	APR 1984	x		
52.243-1	ALTERNATE II	APR 1984	x		
52.243-1	ALTERNATE III	APR 1984	x		
52.243-2	CHANGES – COST REIMBURSEMENT	AUG 1987		x	
52.243-2	ALTERNATE I	APR 1984		x	
52.243-2	ALTERNATE II	APR 1984		x	
52.243-2	ALTERNATE V	APR 1984		x	
52.243-3	CHANGES – TIME-AND-MATERIALS OR LABOR-HOURS	SEPT 2000			x
52.243-6	CHANGE ORDER ACCOUNTING	APR 1984	x	x	
52.243-7*	NOTIFICATION OF CHANGES	APR 1984	x	x	x
52.244-2*	SUBCONTRACTS	AUG 1998	x	x	x
52.244-2	ALTERNATE I	JAN 2006		x	
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996	x	x	
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	SEP 2006	x	x	x
52.245-1	PROPERTY RECORDS	APR 1984	x	x	x
52.245-2	GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS)	MAY 2004	x		
52.245-2	ALTERNATE I	APR 1984	x		
52.245-4	GOVERNMENT-FURNISHED PROPERTY (SHORT FORM).	JUN 2003	x		x
52.245-5	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND-MATERIAL, OR LABOR-HOUR CONTRACTS)	MAY 2004		x	x
52.245-18	SPECIAL TEST EQUIPMENT	FEB 1993	x	x	
52.245-19	GOVERNMENT PROPERTY FURNISHED “AS IS”	APR 1984	x	x	x
52.246-4	INSPECTION OF SERVICES – FIXED PRICE	AUG 1996	x		x
52.246-5	INSPECTION OF SERVICES – COST REIMBURSEMENT	APR 1984		x	
52.246-19*	WARRANTY OF SYSTEMS AND EQUIPMENT UNDER PERFORMANCE SPECIFICATIONS OR DESIGN CRITERIA.	MAY 2001	x		
52.246-19	ALTERNATE I	APR 1984	x		
52.246-19	ALTERNATE II	APR 1984	x		
52.246-19	ALTERNATE III	APR 1984	x		
52.246-20*	WARRANTY OF SERVICES	MAY 2001	x		
52.246-23	LIMITATION OF LIABILITY	FEB 1997	x	x	
52.246-24	LIMITATION OF LIABILITY – HIGH VALUE ITEMS	FEB 1997	x	x	
52.246-25	LIMITATION OF LIABILITY – SERVICES	FEB 1997	x	x	x
52.247-1*	COMMERCIAL BILL OF LADING NOTATIONS	FEB 2006	x	x	x
52.247-63*	PREFERENCE FOR U.S.-FLAG AIR CARRIERS	JUNE 2003	x	x	x

<b>CLAUSE NO.</b>	<b>TITLE</b>	<b>DATE</b>	<b>FP</b>	<b>COST</b>	<b>TM</b>
52.247-67*	SUBMISSION OF TRANSPORTATION DOCUMENTS FOR AUDIT	FEB 2006	x	x	x
52.248-1*	VALUE ENGINEERING	FEB 2000	x	x	
52.248-1	ALTERNATE I	APR 1984	x	x	x
52.248-1	ALTERNATE II	FEB 2000	x	x	x
52.248-1	ALTERNATE III	APR 1984	x	x	x
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	MAY 2004	x		x
52.249-4	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (SERVICES) (SHORT FORM).	APR 1984	x		
52.249-6	TERMINATION (COST-REIMBURSEMENT)	MAY 2004		x	
52.249-6	ALTERNATE IV	SEP 1996			x
52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR 1984	x		
52.249-14	EXCUSABLE DELAYS	APR 1984		x	x
52.251-1	GOVERNMENT SUPPLY SOURCES	APR 1984	x	x	x
52.251-2	INTERAGENCY FLEET MANAGEMENT SYSTEM VEHICLES AND RELATED SERVICES	JAN 1991		x	
52.253-1	COMPUTER GENERATED FORMS	JAN 1991	x	x	x

*(Note: Clause numbers followed by an asterisk (\*) require fill-ins by the OCO if determined applicable and incorporated into the Order.)*

(End of Clause)

### **I.3 GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL (GSAM), INCORPORATED BY REFERENCE**

<b>CLAUSE #</b>	<b>CLAUSE TITLE</b>	<b>DATE</b>
552.215-70	EXAMINATION OF RECORDS BY GSA	FEB 1996
552.233-70	PROTESTS FILED DIRECTLY WITH THE GENERAL SERVICES ADMINISTRATION	MAR 2000

### **I.4 FAR 52.216-18 ORDERING (OCT 1995)**

(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 Schedule. Such orders may be issued in accordance with Section F.3.

(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, this contract shall control.

(c) If mailed, a delivery order or task order is considered “issued” when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized by the Schedule.

#### **I.5 FAR 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)**

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the ACO within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall--

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

(End of clause)

#### **I.6 FAR 52.216-19 ORDER LIMITATIONS (OCT 1995)**

(a) *Minimum order.* When the Government requires supplies or services covered by this contract in an amount of less than \$100,000 the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) *Maximum order.* The Contractor is not obligated to honor:



- (1) Any order for a single item in excess of \$1 Billion;
- (2) Any order for a combination of items in excess of \$1 Billion;
- (3) A series of orders from the same ordering office within 10 days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (*i.e.*, includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within three (3) work days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

(End of clause)

#### **I.7 FAR 52.216-22 INDEFINITE QUANTITY (OCT 1995)**

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 60 months following the expiration of the basic contract ordering period.

(End of clause)

**I.8 FAR 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)**

(a) The Government may extend the term of this contract by written notice to the Contractor within 90 days of the expiration of the contract; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 180 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 10 years.

(End of clause)

**I.9 FAR 52.232-32 PERFORMANCE-BASED PAYMENTS (FEB 2002)**

(a) Amount of payments and limitations on payments. Subject to such other limitations and conditions as are specified in this contract and this clause, the amount of payments and limitations on payments shall be specified in the contract's description of the basis for payment.

(b) Contractor request for performance-based payment. The Contractor may submit requests for payment of performance-based payments not more frequently than monthly, in a form and manner acceptable to the Contracting Officer. Unless otherwise authorized by the Contracting Officer, all performance-based payments in any period for which payment is being requested shall be included in a single request, appropriately itemized and totaled. The Contractor's request shall contain the information and certification detailed in paragraphs (l) and (m) of this clause.

(c) Approval and payment of requests.

(1) The Contractor shall not be entitled to payment of a request for performance-based payment prior to successful accomplishment of the event or performance criterion for which payment is requested. The Contracting Officer shall determine whether the event or performance criterion for which payment is requested has been successfully accomplished in accordance with the terms of the contract. The Contracting Officer may, at any time, require the Contractor to substantiate the successful performance of any event or performance criterion which has been or is represented as being payable.

(2) A payment under this performance-based payment clause is a contract financing payment under the Prompt Payment clause of this contract and not subject to the interest penalty provisions of the Prompt Payment Act. The designated payment office will pay approved requests on the 30th [Contracting Officer insert day as prescribed by agency head; if not prescribed, insert "30th"] day after receipt of the request for performance-

based payment. However, the designated payment office is not required to provide payment if the Contracting Officer requires substantiation as provided in paragraph (c)(1) of this clause, or inquires into the status of an event or performance criterion, or into any of the conditions listed in paragraph (e) of this clause, or into the Contractor certification. The payment period will not begin until the Contracting Officer approves the request.

(3) The approval by the Contracting Officer of a request for performance-based payment does not constitute an acceptance by the Government and does not excuse the Contractor from performance of obligations under this contract.

(d) Liquidation of performance-based payments.

(1) Performance-based finance amounts paid prior to payment for delivery of an item shall be liquidated by deducting a percentage or a designated dollar amount from the delivery payment. If the performance-based finance payments are on a delivery item basis, the liquidation amount for each such line item shall be the percent of that delivery item price that was previously paid under performance-based finance payments or the designated dollar amount. If the performance-based finance payments are on a whole contract basis, liquidation shall be by either predesignated liquidation amounts or a liquidation percentage.

(2) If at any time the amount of payments under this contract exceeds any limitation in this contract, the Contractor shall repay to the Government the excess. Unless otherwise determined by the Contracting Officer, such excess shall be credited as a reduction in the unliquidated performance-based payment balance(s), after adjustment of invoice payments and balances for any retroactive price adjustments.

(e) Reduction or suspension of performance-based payments. The Contracting Officer may reduce or suspend performance-based payments, liquidate performance-based payments by deduction from any payment under the contract, or take a combination of these actions after finding upon substantial evidence any of the following conditions:

(1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (h) and (i) of this clause).

(2) Performance of this contract is endangered by the Contractor's—

- (i) Failure to make progress; or
- (ii) Unsatisfactory financial condition.

(3) The Contractor is delinquent in payment of any subcontractor or supplier under this contract in the ordinary course of business.

(f) Title.

(1) Title to the property described in this paragraph (f) shall vest in the Government. Vestiture shall be immediately upon the date of the first performance-based payment under this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

(2) "Property," as used in this clause, includes all of the following described items acquired or produced by the Contractor that are or should be allocable or properly chargeable to this contract under sound and generally accepted accounting principles and practices:

- (i) Parts, materials, inventories, and work in process;
- (ii) Special tooling and special test equipment to which the Government is to acquire title under any other clause of this contract;
- (iii) Nondurable (i.e., noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment and other similar manufacturing aids, title to which would not be obtained as special tooling under paragraph (f)(2)(ii) of this clause; and
- (iv) Drawings and technical data, to the extent the Contractor or subcontractors are required to deliver them to the Government by other clauses of this contract.

(3) Although title to property is in the Government under this clause, other applicable clauses of this contract (e.g., the termination or special tooling clauses) shall determine the handling and disposition of the property.

(4) The Contractor may sell any scrap resulting from production under this contract, without requesting the Contracting Officer's approval, provided that any significant reduction in the value of the property to which the Government has title under this clause is reported in writing to the Contracting Officer.

(5) In order to acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Contractor must obtain the Contracting Officer's advance approval of the action and the terms. If approved, the basis for payment (the events or performance criteria) to which the property is related shall be deemed to be not in compliance with the terms of the contract and not payable (if the property is part of or needed for performance), and the Contractor shall refund the related performance-based payments in accordance with paragraph (d) of this clause.

(6) When the Contractor completes all of the obligations under this contract, including liquidation of all performance-based payments, title shall vest in the Contractor for all property (or the proceeds thereof) not—

- (i) Delivered to, and accepted by, the Government under this contract; or

(ii) Incorporated in supplies delivered to, and accepted by, the Government under this contract and to which title is vested in the Government under this clause.

(7) The terms of this contract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this clause.

(g) Risk of loss. Before delivery to and acceptance by the Government, the Contractor shall bear the risk of loss for property, the title to which vests in the Government under this clause, except to the extent the Government expressly assumes the risk. If any property is damaged, lost, stolen, or destroyed, the basis of payment (the events or performance criteria) to which the property is related shall be deemed to be not in compliance with the terms of the contract and not payable (if the property is part of or needed for performance), and the Contractor shall refund the related performance-based payments in accordance with paragraph (d) of this clause.

(h) Records and controls. The Contractor shall maintain records and controls adequate for administration of this clause. The Contractor shall have no entitlement to performance-based payments during any time the Contractor's records or controls are determined by the Contracting Officer to be inadequate for administration of this clause.

(i) Reports and Government access. The Contractor shall promptly furnish reports, certificates, financial statements, and other pertinent information requested by the Contracting Officer for the administration of this clause and to determine that an event or other criterion prompting a financing payment has been successfully accomplished. The Contractor shall give the Government reasonable opportunity to examine and verify the Contractor's records and to examine and verify the Contractor's performance of this contract for administration of this clause.

(j) Special terms regarding default. If this contract is terminated under the Default clause,

(1) The Contractor shall, on demand, repay to the Government the amount of unliquidated performance-based payments, and (2) title shall vest in the Contractor, on full liquidation of all performance-based payments, for all property for which the Government elects not to require delivery under the Default clause of this contract. The Government shall be liable for no payment except as provided by the Default clause.

(k) Reservation of rights.

(1) No payment or vesting of title under this clause shall—

- (i) Excuse the Contractor from performance of obligations under this contract; or
- (ii) Constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause—

- (i) Shall not be exclusive, but rather shall be in addition to any other rights and remedies provided by law or this contract; and
- (ii) Shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(l) Content of Contractor's request for performance-based payment. The Contractor's request for performance-based payment shall contain the following:

- (1) The name and address of the Contractor;
- (2) The date of the request for performance-based payment;
- (3) The contract number and/or other identifier of the contract or order under which the request is made;
- (4) Such information and documentation as is required by the contract's description of the basis for payment; and
- (5) A certification by a Contractor official authorized to bind the Contractor, as specified in paragraph (m) of this clause.

(m) Content of Contractor's certification. As required in paragraph (l)(5) of this clause, the Contractor shall make the following certification in each request for performance-based payment:

I certify to the best of my knowledge and belief that—

- (1) This request for performance-based payment is true and correct; this request (and attachments) has been prepared from the books and records of the Contractor, in accordance with the contract and the instructions of the Contracting Officer;
- (2) (Except as reported in writing on (TO BE DETERMINED AT THE ORDER LEVEL), all payments to subcontractors and suppliers under this contract have been paid, or will be paid, currently, when due in the ordinary course of business;
- (3) There are no encumbrances (except as reported in writing on (TO BE DETERMINED AT THE ORDER LEVEL), against the property acquired or produced for, and allocated or properly chargeable to, the contract which would affect or impair the Government's title;
- (4) There has been no materially adverse change in the financial condition of the Contractor since the submission by the Contractor to the Government of the most recent written information dated \_\_\_\_\_; and

(5) After the making of this requested performance-based payment, the amount of all payments for each deliverable item for which performance-based payments have been requested will not exceed any limitation in the contract, and the amount of all payments under the contract will not exceed any limitation in the contract.

(End of clause)

#### **I.10 FAR 52.237-3 CONTINUITY OF SERVICES (JAN 1991)**

(a) The Contractor recognizes that the services under this contract are vital to the Government and must be continued without interruption and that, upon contract expiration, a successor, either the Government or another contractor, may continue them. The Contractor agrees to—

(1) Furnish phase-in training; and

(2) Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

(b) The Contractor shall, upon the Contracting Officer's written notice, (1) furnish phase-in, phase-out services for up to 90 days after this contract expires and (2) negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the Contracting Officer's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.

(c) The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

(d) The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (*i.e.*, costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract.

(End of clause)

#### **I.11 FAR 52.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)**

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of “(DEVIATION)” after the date of the clause.

(b) The use in this solicitation or contract of any GSAM (48 CFR Chapter 5) clause with an authorized deviation is indicated by the addition of “(DEVIATION)” after the name of the regulation.

(End of clause)

#### **I.12 GSAM 552.203-71 RESTRICTION ON ADVERTISING (SEP 1999)**

The Contractor shall not refer to this contract in commercial advertising or similar promotions in such a manner as to state or imply that the product or service provided is endorsed or preferred by the White House, the Executive Office of the President, or any other element of the Federal Government, or is considered by these entities to be superior to other products or services. Any advertisement by the Contractor, including price-off coupons, that refers to a military resale activity shall contain the following statement: “This advertisement is neither paid for nor sponsored, in whole or in part, by any element of the United States Government.”

(End of clause)

#### **I.13 GSAM 552.232-72 FINAL PAYMENT (SEP 1999)**

Before final payment is made, the Contractor shall furnish the Contracting Officer with a release of all claims against the Government relating to this contract, other than claims in stated amounts that are specifically excepted by the Contractor from the release. If the Contractor’s claim to amounts payable under the contract has been assigned under the Assignment of Claims Act of 1940, as amended (31 U.S.C. 3727, 41 U.S.C. 15), a release may also be required of the assignee.

(End of clause)

#### **I.14 GSAM 552.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (SEP 1999)**

(a) *Deviations to FAR clauses.*

(1) This solicitation or contract indicates any authorized deviation to a Federal Acquisition Regulation (48 CFR Chapter 1) clause by the addition of “(DEVIATION)” after the date of the clause, if the clause is not published in the General Services Administration Acquisition Regulation (48 CFR Chapter 5).

(2) This solicitation indicates any authorized deviation to a Federal Acquisition Regulation (FAR) clause that is published in the General Services Administration Acquisition Regulation by the addition of “(DEVIATION (FAR clause no.))” after the date of the clause.



(b) *Deviations to GSAR clauses.* This solicitation indicates any authorized deviation to a General Services Administration Acquisition Regulation clause by the addition of “(DEVIATION)” after the date of the clause.

(c) *“Substantially the same as” clauses.* Changes in wording of clauses prescribed for use on a “substantially the same as” basis are not considered deviations.

(End of clause)

(END OF SECTION I)