

Federal Acquisition Regulation

51.101

upon the contractor in excess of financial protection reasonably available;

(5) A statement that the contractor is complying with applicable Government safety requirements;

(6) A statement of whether the indemnification should be extended to subcontractors; and

(7) A description of any significant changes in the contractor's insurance coverage (see 50.403-1(b)) occurring since submission of the indemnification request.

(b) Approval of a request to include the indemnification clause in a contract shall be by a Memorandum of Decision executed by the appropriate official specified in 50.201(d).

(c) When use of the indemnification clause is approved under paragraph (b) above, the definition of unusually hazardous or nuclear risks (see subparagraph (a)(2) above) shall be incorporated into the contract, along with the clause.

(d) When approval is (1) authorized in the Memorandum of Decision and (2) justified by the circumstances, the contracting officer may approve the contractor's written request to provide for indemnification of subcontractors, using the same procedures as those required for contractors.

50.403-3 Contract clause.

The contracting officer shall insert the clause at 52.250-1, Indemnification Under Public Law 85-804, in contracts whenever the approving official determines that the contractor shall be indemnified against unusually hazardous or nuclear risks (also see 50.403-2(c)). In cost-reimbursement contracts, the contracting officer shall use the clause with its Alternate I.

PART 51—USE OF GOVERNMENT SOURCES BY CONTRACTORS

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51.204 Use of interagency fleet management system (IFMS) vehicles and related services.

51.205 Contract clause.

AUTHORITY: 40 U.S.C. 486(c); 10 U.S.C. Chapter 137; and 42 U.S.C. 2473(c).

SOURCE: 48 FR 42476, Sept. 19, 1983, unless otherwise noted.

51.000 Scope of part.

This part prescribes policies and procedures for the use by contractors of Government supply sources and interagency motor pool vehicles and related services.

Subpart 51.1—Contractor Use of Government Supply Sources

51.100 Scope of subpart.

This subpart prescribes policies and procedures for the use of Government supply sources (see 51.102(c)) by contractors. In this subpart, the terms *contractors* and *contracts* include *subcontractors* and *subcontracts*.

51.101 Policy.

(a) If it is in the Government's interest, and if supplies or services required in the performance of a Government contract are available from Government supply sources, contracting officers may authorize contractors to use these sources in performing—

(1) Government cost-reimbursement contracts;

(2) Other types of negotiated contracts when the agency determines that a substantial dollar portion of the contractor's contracts are of a Government cost-reimbursement nature; or

(3) A contract under the Javits-Wagner-O'Day Act (41 U.S.C. 46, *et seq.*) if: