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- (d) In the event of a challenge to the representation of a subcontractor, the Contracting Officer will refer the matter to the U.S. Department of the Interior, Bureau of Indian Affairs, Attn: Chief, Division of Contracting and Grants Administration, 1849 C Street NW, MS-2626-MIB, Washington, DC 20240-4000. The BIA will determine the eligibility and will notify the Contracting Officer. No incentive payment will be made—
- (1) Within 50 working days of subcontract award:
  - (2) While a challenge is pending; or
- (3) If a subcontractor is determined to be an ineligible participant.
- (e)(1) The Contractor, on its own behalf or on behalf of a subcontractor at any tier, may request an adjustment under the Indian Incentive Program to the following:
- (i) The estimated cost of a cost-type contract.
- (ii) The target cost of a cost-plus-incentive-fee contract.
- (iii) The target cost and ceiling price of a fixed-price incentive contract.
- (iv) The price of a firm-fixed-price contract.
- (2) The amount of the adjustment that may be made to the contract is 5 percent of the estimated cost, target cost, or firm-fixed price included in the subcontract initially awarded to the Indian organization or Indian-owned economic enterprise.
- (3) The Contractor has the burden of proving the amount claimed and must assert its request for an adjustment prior to completion of contract performance.
- (4) The Contracting Officer, subject to the terms and conditions of the contract and the availability of funds, will authorize an incentive payment of 5 percent of the amount paid to the subcontractor.
- (5) If the Contractor requests and receives an adjustment on behalf of a subcontractor, the Contractor is obligated to pay the subcontractor the adjustment.
- (f) The Contractor shall insert the substance of this clause, including this paragraph (f), in all subcontracts that—
- (1) Are for other than commercial items; and
- (2) Are expected to exceed the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation.

## (End of clause)

[66 FR 47111, Sept. 11, 2001; 66 FR 50504, Oct. 3, 2001]

## 252.227-7000 Non-estoppel.

As prescribed at 227.7009–1, insert the following clause in patent releases, license agreements, and assignments:

### 48 CFR Ch. 2 (10-1-02 Edition)

NON-ESTOPPEL (OCT 1966)

The Government reserves the right at any time to contest the enforceability, validity, scope of, or the title to any patent or patent application herein licensed without waiving or forfeiting any right under this contract.

#### (End of clause)

## 252,227-7001 Release of past infringement.

As prescribed at 227.7009–2(a), insert the following clause in patent releases, license agreements, and assignments:

RELEASE OF PAST INFRINGEMENT (AUG 1984)

The Contractor hereby releases each and every claim and demand which he now has or may hereafter have against the Government for the manufacture or use by or for the Government prior to the effective date of this contract, of any inventions covered by (i) any of the patents and applications for patent identified in this contract, and (ii) any other patent or application for patent owned or hereafter acquired by him, insofar as and only to the extent that such other patent or patent application covers the manufacture, use, or disposition of (description of subject matter).\*

#### (End of clause)

# 252.227-7002 Readjustment of payments.

As prescribed at 227.7009-2(b), insert the following clause in patent releases, license agreements, and assignments:

## READJUSTMENT OF PAYMENTS (OCT 1966)

- (a) If any license, under substantially the same patents and authorizing substantially the same acts which are authorized under this contract, has been or shall hereafter be granted within the United States, on royalty terms which are more favorable to the licensee than those contained herein, the Government shall be entitled to the benefit of such more favorable terms with respect to all royalties accruing under this contract after the date such more favorable terms become effective, and the Contractor shall promptly notify the Secretary in writing of the granting of such more favorable terms.
- (b) In the event any claim of any patent hereby licensed is construed or held invalid by decision of a court of competent jurisdiction, the requirement to pay royalties under this contract insofar as its arises solely by reason of such claim, and any other claim

<sup>\*</sup>Bracketed portions of the clause may be omitted when not appropriate or not encompassed by the release as negotiated.