

3.3.1-25 Mandatory Information for Electronic Funds Transfer (EFT) Payment - Central Contractor Registration (CCR) (February 2003)

(a) Method of payment. For any payment to be made after June 1, 2001, the Contractor shall provide EFT information to the CCR database. Payments by the TSA under this contract, including invoice and contract financing payments, will be made by EFT, except as provided in paragraph (a)(1). If payment is made by EFT, the TSA may, at its option, also forward the associated payment information by electronic transfer. As used in this clause, the term "EFT" refers to the funds transfer and may also include the information transfer.

(1) In the event the TSA is unable to release one or more payments by EFT, the Contractor agrees to either:

(i) Accept payment by check or some other mutually agreeable method of payment; or

(ii) Request the TSA to extend the payment due date until such time as the TSA can make payment by EFT (but see paragraph (d) of this clause).

(b) Mandatory submission of Contractor's EFT information.

(1) The Contractor is required, as a condition to any payment under this contract, to provide the Central Contractor Registration (CCR) database with the information required in the CCR to make payment by EFT. The Contractor may register to the CCR online at www.ccr.gov, or call the CCR Assistance Center toll free at (888)-227-2423 and request the necessary registration forms. The Contractor must have a DUNS number to begin registration. To obtain a DUNS number, call Dun & Bradstreet, Inc. at (800) 234-3867. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

(2) If the Contractor has identified multiple payment receiving points (i.e., more than one remittance address and/or EFT information set) in the CCR database, and the Contractor has not notified the TSA of the payment receiving point applicable to this contract, the TSA shall make payment to the first payment receiving point (EFT information set or remittance address as applicable) listed in the CCR database.

(c) Mechanisms for EFT payment. The TSA may make payment by EFT through either an Automated Clearing House (ACH) subject to the banking laws of the United States or the Federal Reserve Wire Transfer System at the TSA's option. The rules governing Federal payments through the ACH are contained in 31 CFR part 210.

(d) Suspension of payment.

(1) Notwithstanding the provisions of any other clause of this contract, the TSA is not required to make any payment under this contract until after the correct EFT payment information from the Contractor has been provided to the CCR database. No invoice or contract financing request shall be deemed to be valid, as defined by the Prompt Payment Act, until correct EFT information is received into the CCR database.

(2) Changes made to an existing record in the CCR database will become effective not later than the 30th day after receipt in the CCR database. However, the Contractor may request that no further payments be made until the changed EFT information is implemented into the CCR database. If such suspension would result in a late payment under the Prompt Payment clause of this contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.

(e) Contractor EFT arrangements. The Contractor shall designate a single financial agent capable of receiving and processing the electronic funds transfer using the EFT methods described in paragraph (c) of this clause. The Contractor shall pay all fees and charges for receipt and processing of transfers.

(f) Liability for uncompleted or erroneous transfers.

(1) If an uncompleted or erroneous transfer occurs because the TSA failed to use the Contractor-provided EFT information in the CCR database in the correct manner, the TSA remains responsible for

- (i) making a correct payment,
- (ii) paying any prompt payment penalty due, and
- (iii) recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because Contractor-provided EFT information in the CCR database was incorrect, or was revised within 30 days at the time of TSA release of the EFT payment transaction instruction to the Federal Reserve System, and:

- (i) If the funds are no longer under the control of the payment office, the TSA is deemed to have made payment and the Contractor is responsible for recovery of any erroneously directed funds; or
- (ii) If the funds remain under the control of the payment office, the TSA retains the right to either make payment by mail or suspend the payment in accordance with paragraph (d) of this clause.

(g) EFT and prompt payment.

(1) A payment shall be deemed to have been made in a timely manner in accordance with the Prompt Payment clause of this contract if, in the EFT payment transaction instruction given to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(2) When payment cannot be made by EFT because of incorrect EFT information provided by the Contractor to the CCR database, no interest penalty is due after the date of the uncompleted or erroneous payment transaction, provided that

notice of the defective EFT information is issued to the Contractor within 7 days after the TSA is notified of the defective EFT information.

(h) EFT and assignment of claims. If the Contractor assigns the proceeds of this contract as provided for in the Assignment of Claims clause of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall register in the CCR database and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information, which shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the TSA, is incorrect EFT information within the meaning of paragraph (d) of this clause.

(i) Liability for change of EFT information by financial agent. The Contractor agrees that the Contractor's financial agent may notify the TSA of a change to the routing transit number, Contractor account number, or account type. The TSA shall use the changed data in accordance with paragraph (d)(2) of this clause. The Contractor agrees that the information provided by the agent is deemed to be correct information as if it were provided by the Contractor. The Contractor agrees that the agent's notice of changed EFT data is deemed to be a request by the Contractor in accordance with paragraph (d)(2) that no further payments be made until the changed EFT information is implemented by the payment office. The TSA is not liable for errors resulting from changes to EFT information made by the Contractor's financial agent.

(End of clause)

PRESCRIPTION

Shall be used in RFI/RFP's and all awards (in accordance with 31 U.S.C. 3332), except for: (a) credit card purchases; (b) contracts awarded outside the U.S. and Puerto Rico; (c) contracts denominated and paid in other than U.S. dollars; (d) classified contracts; (e) contracts executed by deployed Contracting Officers; (f) contracts where the TSA does not expect to make more than one payment to the same recipient within a one-year period; (g) contracts awarded for services or supplies that are of such unusual and compelling urgency that the TSA would be seriously injured unless payment is made by a method other than EFT; or (h) contracts awarded to individuals whom determine, at his or her sole discretion, that payment by EFT would impose a hardship due to a physical or mental disability, or a geographic, language or literacy barrier, or would impose a financial hardship.