

13.004 Legal effect of quotations.

(a) A quotation is not an *offer* and, consequently, cannot be accepted by the Government to form a binding contract. Therefore, issuance by the Government of an order in response to a supplier's quotation does not establish a contract. The order is an *offer* by the Government to the supplier to buy certain *supplies* or services upon specified terms and conditions. A contract is established when the supplier accepts the *offer*.

(b) When appropriate, the *contracting officer may* ask the supplier to indicate acceptance of an order by notification to the Government, preferably *in writing*, as defined at 2.101. In other circumstances, the supplier *may* indicate acceptance by furnishing the *supplies* or services ordered or by proceeding with the work to the point where substantial performance has occurred.

(c) If the Government issues an order resulting from a quotation, the Government *may* (by written notice to the supplier, at any time before acceptance occurs) withdraw, amend, or cancel its *offer*. (See 13.302-4 for procedures on termination or cancellation of *purchase orders*.)

Parent topic: Part 13 - Simplified Acquisition Procedures