46.805 Contract clauses.

(a) *Contracts that exceed the simplified acquisition threshold.* The *contracting officer shall* insert the appropriate clause or combination of clauses specified in paragraphs (a)(1) through (a)(5) of this section in *solicitations* and contracts when the contract amount is expected to be in excess of the *simplified acquisition threshold* and the contract is subject to the requirements of this subpart as indicated in 46.801:

(1) In contracts requiring delivery of end items that are not *high-value items*, insert the clause at 52.246-23, Limitation of Liability.

(2) In contracts requiring delivery of *high-value items*, insert the clause at 52.246-24, Limitation of Liability-High Value Items.

(3) In contracts requiring delivery of both *high-value items* and other end items, insert both clauses prescribed in (a)(1) and (a)(2) of this section, AlternateI of the clause at 52.246-24, and identify clearly in the contract schedule the *line items* designated as *high-value items*.

(4) In contracts requiring the performance of services, insert the clause at 52.246-25, Limitation of Liability-Services.

(5) In contracts requiring both the performance of services and the delivery of end items, insert the clause prescribed in paragraph (a)(4) of this section and the appropriate clause or clauses prescribed in paragraph (a)(1), (2), or (3) of this section, and identify clearly in the contract schedule any high-value *line items*.

(b) *Acquisitions at or below the simplified acquisition threshold.* The clauses prescribed by paragraph (a) of this section are not required for contracts at or below the *simplified acquisition threshold*. However, in response to a contractor's specific request, the *contracting officer may* insert the clauses prescribed in paragraph (a)(1) or (a)(4) of this section in a contract at or below the *simplified acquisition threshold* and *may* obtain any price reduction that is appropriate.

Parent topic: Subpart 46.8 - Contractor Liability for Loss of or Damage to Property of the Government