## **Subpart 5149.4 - Termination for Default**

Parent topic: Part 5149 - Termination of Contracts

## 5149.401 General.

See AFARS 5142.1503-90(b) for the requirement to prepare a contractor past performance assessment report for all contracts or orders immediately upon termination for default.

## 5149.402 Termination of fixed-price contracts for default.

## 5149.402-3 Procedure for default.

- (e)(4) Contracting officers should not terminate for default any contract with a small business firm to whom a Certificate of Competency was issued, or to whom loans were made with the Small Business Administration's participation, without prior written approval of the HCA.
- (f)(6) When unliquidated progress payments, advance payments, guaranteed loans, or anticipated excess repurchase costs are involved, the Contracting officer must –
- (A) Obtain from the Contracting officer a statement of the value of the inventory that may be available for offset against the outstanding financing; and
- (B) Identify and state the approximate amount of the excess acquisition costs applicable.