

## **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 head of the contracting activity.

(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 administrative 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.

**Parent topic:** [5149.402 Termination of fixed-price contracts for default.](#)