

# 5246.703 Criteria for use of warranties.

Notwithstanding FAR 46.703 and in accordance with 10 U.S.C. 8688, contracts for new construction shipbuilding, for which funds are expended from the Shipbuilding and Conversion, Navy account, shall require, as a condition of the contract, that the work performed under the contract is covered by a warranty for a period of at least one year.

(S-90) Waiver. If the contracting officer for a contract covered by the requirement for a new shipbuilding contract warranty determines that a limited liability of warranted work is in the best interest of the Government, the contracting officer may agree to limit the liability of the work performed under the contract to a level that the contracting officer determines is sufficient to protect the interests of the Government and is in keeping with historical levels of warranted work on similar vessels.

**Parent topic:** [Subpart 5246.7 - WARRANTIES](#)