PGI 208.7004-7 Termination for default.

- (1) When the acquiring department terminates a contract for default, it will ask the requiring department if the supplies or services to be terminated are still required so that repurchase action can be started.
- (2) The requiring department will not deobligate funds on a contract terminated for default until receipt of a settlement modification or other written evidence from the acquiring department authorizing release of funds.
- (3) On the repurchase action, the acquiring department will not exceed the unliquidated funds on the defaulted contract without receiving additional funds from the requiring department.

Parent topic: PGI 208.7004 Procedures.