

**Subpart 1446.7—Warranties**

**1446.704 Authority for use of warranties.**

The CCO is authorized to make the written determination to use a warranty in an acquisition.

**1446.708 Warranties of data.**

Warranties of data shall only be used after consultation with the SOL.

**PART 1447 [RESERVED]**

**PART 1448—VALUE ENGINEERING**

**Subpart 1448.1—Policies and Procedures**

Sec.

1448.102 Policies.

AUTHORITY: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

SOURCE: 75 FR 19829, Apr. 15, 2010, unless otherwise noted.

**Subpart 1448.1—Policies and Procedures**

**1448.102 Policies.**

The HCA shall establish procedures for processing and evaluating VECP's as prescribed in FAR Subpart 48.1 and 369 DM, Value Engineering.

**PART 1449—TERMINATION OF CONTRACTS**

**Subpart 1449.1—General Principles**

Sec.

1449.106 Fraud or other criminal conduct.

1449.107 Audit of prime contract settlement proposals and subcontract settlements.

1449.111 Review of proposed settlements.

**Subpart 1449.4—Termination for Default**

1449.402 Termination of fixed-price contracts for default.

1449.402-3 Procedure for default.

AUTHORITY: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

SOURCE: 75 FR 19829, Apr. 15, 2010, unless otherwise noted.

**Subpart 1449.1—General Principles**

**1449.106 Fraud or other criminal conduct.**

When fraud or other criminal conduct is suspected, the CO will submit a report documenting the incident to the BPC for transmittal to the OIG. Informational copies will be forwarded to the HCA and the Director, PAM.

**1449.107 Audit of prime contract settlement proposals and subcontract settlements.**

Requests for audits pursuant to FAR 49.107 shall be sent to the Assistant Inspector General for Auditing, in accordance with the procedures in 360 DM 2.3.

**1449.111 Review of proposed settlements.**

All proposed settlement agreements shall be reviewed by the SOL and approved at one level above the CO. Settlement agreements of \$250,000 or more shall be approved by the BPC.

**Subpart 1449.4—Termination for Default**

**1449.402 Termination of fixed-price contracts for default.**

**1449.402-3 Procedure for default.**

In addition to the requirements of FAR 49.402-3(g), the notice of termination shall contain instructions regarding the disposition of any Government property in the possession of the contractor, and, in the case of construction contracts, materials, appliances, and structures that may be on the construction site. The notice shall also contain a statement concerning the liability of the contractor or its surety for any liquidated damages (*See* FAR 49.402-7).

**PART 1450—EXTRAORDINARY CONTRACTUAL ACTIONS AND THE SAFETY ACT**

**Subpart 1450.1—Extraordinary Contractual Actions**

Sec.

§1450.101 General.