

Research and Development), in solicitations and contracts for research and development when a fixed-price contract is contemplated and the contract amount is expected to exceed the simplified acquisition threshold, except those with educational or nonprofit institutions on a no-profit basis. The contracting officer may use the clause when the contract amount is at or below the simplified acquisition threshold, if appropriate (e.g., if the contracting officer believes that key personnel essential to the work may be devoted to other programs).

(c)(1) *Construction*. The contracting officer shall insert the clause at 52.249-10, Default (Fixed-Price Construction), in solicitations and contracts for construction, when a fixed-price contract is contemplated and the contract amount is expected to exceed the simplified acquisition threshold. The contracting officer may use the clause when the contract amount is at or below the simplified acquisition threshold, if appropriate (e.g., if completion dates are essential).

(2) *Dismantling and demolition*. If the contract is for dismantling, demolition, or removal of improvements, the contracting officer shall use the clause with its *Alternate I*.

(3) *National emergencies*. If the contract is to be awarded during a period of national emergency, the contracting officer may use the clause (i) with its *Alternate II* when a fixed-price contract for construction is contemplated, or (ii) with its *Alternate III* when a contract for dismantling, demolition, or removal of improvements is contemplated.

[48 FR 42447, Sept. 19, 1983, as amended at 60 FR 34760, July 3, 1995]

49.505 Other termination clauses.

(a) *Personal service contracts*. The contracting officer shall insert the clause at 52.249-12, Termination (Personal Services), in solicitations and contracts for personal services (see Part 37).

(b) *Excusable delays*. The contracting officer shall insert the clause at 52.249-14, Excusable Delays, in solicitations and contracts for supplies, services, construction, and research and development on a fee basis, when a cost-re-

imbursement contract is contemplated. The contracting officer shall also insert the clause in time-and-material contracts, and labor-hour contracts.

(c) *Communication service contracts*. This regulation does not prescribe a clause for the cancellation or termination of orders under communication service contracts with common carriers because of special agency requirements that apply to these services. An appropriate clause, however, shall be prescribed at agency level, within those agencies contracting for these services.

[48 FR 42447, Sept. 19, 1983, as amended at 72 FR 27389, May 15, 2007; 75 FR 34291, June 16, 2010]

Subpart 49.6—Contract Termination Forms and Formats

49.601 Notice of termination for convenience.

(See 49.402-3(g) for notice of termination for default.)

49.601-1 Telegraphic notice.

(a) *Complete termination*. The following telegraphic notice is suggested for use if a supply contract is being completely terminated for convenience. If appropriately modified, the notice may be used for other than supply contracts.

DATE _____
XYZ Corporation
New York, NY 12345

Contract No. _____ is completely terminated under clause _____, effective _____ [insert "immediately" or "on _____, 20____", or "as soon as you have delivered, including prior deliveries, the following items:" (list)]. Immediately stop all work, terminate subcontracts, and place no further orders except to the extent [insert if applicable "necessary to complete items not terminated or"] that you or a subcontractor wish to retain and continue for your own account any work-in-process or other materials. Telegraph similar instructions to all subcontractors and suppliers. Detailed instructions follow.

Contracting Officer

(b) *Partial termination*. The following telegraphic notice is suggested for use if a supply contract is being partially