§ 435.48 Contract provisions.

The recipient must include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts. The following provisions must also be applied to subcontracts:

(a) Contracts in excess of the simplified acquisition threshold must contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.

(b) All contracts in excess of the simplified acquisition threshold must contain termination by the recipient, including the manner by which termination will be effected and the basis for settlement. In addition, such contracts must describe conditions under which the contract may be terminated for default as well as conditions where the contract contains defective performance.

§ 435.49 Contract cancellation.

Contracts may be canceled by the recipient at any time for default or defective performance, in whole or in part. Any such cancellation of a contract must be in accordance with the terms and conditions of the contract and with the provisions of Executive Order 12549, “Debarment and Suspension” (3 CFR, 1986 Comp., p. 189 and 3 CFR, 1989 Comp., p. 235).

§ 435.50 Contract termination.

Contracts may be terminated by the recipient at any time, in whole or in part, for convenience of the government. Any such termination of a contract must be in accordance with the terms and conditions of the contract and with the provisions of Executive Order 12549, “Debarment and Suspension” (3 CFR, 1986 Comp., p. 189 and 3 CFR, 1989 Comp., p. 235).