231.205–71 Cost of remedy for use or inclusion of counterfeit electronic parts and suspect counterfeit electronic parts.


(b) The costs of counterfeit electronic parts or suspect counterfeit electronic parts and the cost of rework or corrective action that may be required to remedy the use or inclusion of such parts are unallowable, unless—

(1) The contractor has an operational system to detect and avoid counterfeit parts and suspect counterfeit electronic parts that has been reviewed and approved by DoD pursuant to 244.303;

(2) The counterfeit electronic parts or suspect counterfeit electronic parts are Government-furnished property as defined in FAR 45.101; and

(3) The contractor provides timely (i.e., within 60 days after the contractor becomes aware) notice to the Government.

(79 FR 26106, May 6, 2014)

Subpart 231.6—Contracts With State, Local, and Federally Recognized Indian Tribal Governments

231.603 Requirements.

Under 10 U.S.C. 2249, the costs cited in 231.205–23(a) are unallowable.


Subpart 231.7—Contracts With Nonprofit Organizations

231.703 Requirements.

Under 10 U.S.C. 2249, the costs cited in 231.205–22(a) are unallowable.


PART 232—CONTRACT FINANCING

Sec.

232.001 Definitions.

232.006 Reduction or suspension of contract payments upon finding of fraud.

232.006–3 Reporting.