

U.S.C. 131 with a value in excess of \$10 million, and serves or served—

(A) In an Executive Schedule position under subchapter II of chapter 53 of Title 5, United States Code;

(B) In a position in the Senior Executive Service under subchapter VIII of chapter 53 of Title 5, United States Code; or

(C) In a general or flag officer position compensated at a rate of pay for grade O-7 or above under section 201 of Title 37, United States Code; or

(i) Serves or served in DoD in one of the following positions: Program manager, deputy program manager, procuring contracting officer, administrative contracting officer, source selection authority, member of the source selection evaluation board, or chief of a financial or technical evaluation team for a contract in an amount in excess of \$10 million.

(b) The Contractor shall not knowingly provide compensation to a covered DoD official within 2 years after the official leaves DoD service, without first determining that the official has sought and received, or has not received after 30 days of seeking, a written opinion from the appropriate DoD ethics counselor regarding the applicability of post-employment restrictions to the activities that the official is expected to undertake on behalf of the Contractor.

(c) Failure by the Contractor to comply with paragraph (b) of this clause may subject the Contractor to rescission of this contract, suspension, or debarment in accordance with 41 U.S.C. 2105(c).

(End of clause)

[74 FR 2409, Jan. 15, 2009, as amended at 76 FR 58137, Sept. 20, 2011; 78 FR 37990, June 25, 2013]

**252.203-7001 Prohibition on persons convicted of fraud or other defense-contract-related felonies.**

As prescribed in 203.570-3, use the following clause:

**PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-CONTRACT-RELATED FELONIES (DEC 2008)**

(a) *Definitions.* As used in this clause—

(1) *Arising out of a contract with the DoD* means any act in connection with—

(i) Attempting to obtain;

(ii) Obtaining; or

(iii) Performing a contract or first-tier subcontract of any agency, department, or component of the Department of Defense (DoD).

(2) *Conviction of fraud or any other felony* means any conviction for fraud or a felony in violation of state or Federal criminal statutes, whether entered on a verdict or plea,

including a plea of *nolo contendere*, for which sentence has been imposed.

(3) *Date of conviction* means the date judgment was entered against the individual.

(b) Any individual who is convicted after September 29, 1988, of fraud or any other felony arising out of a contract with the DoD is prohibited from serving—

(1) In a management or supervisory capacity on this contract;

(2) On the board of directors of the Contractor;

(3) As a consultant, agent, or representative for the Contractor; or

(4) In any other capacity with the authority to influence, advise, or control the decisions of the Contractor with regard to this contract.

(c) Unless waived, the prohibition in paragraph (b) of this clause applies for not less than 5 years from the date of conviction.

(d) 10 U.S.C. 2408 provides that the Contractor shall be subject to a criminal penalty of not more than \$500,000 if convicted of knowingly—

(1) Employing a person under a prohibition specified in paragraph (b) of this clause; or

(2) Allowing such a person to serve on the board of directors of the contractor or first-tier subcontractor.

(e) In addition to the criminal penalties contained in 10 U.S.C. 2408, the Government may consider other available remedies, such as—

(1) Suspension or debarment;

(2) Cancellation of the contract at no cost to the Government; or

(3) Termination of the contract for default.

(f) The Contractor may submit written requests for waiver of the prohibition in paragraph (b) of this clause to the Contracting Officer. Requests shall clearly identify—

(1) The person involved;

(2) The nature of the conviction and resultant sentence or punishment imposed;

(3) The reasons for the requested waiver; and

(4) An explanation of why a waiver is in the interest of national security.

(g) The Contractor agrees to include the substance of this clause, appropriately modified to reflect the identity and relationship of the parties, in all first-tier subcontracts exceeding the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation, except those for commercial items or components.

(h) Pursuant to 10 U.S.C. 2408(c), defense contractors and subcontractors may obtain information as to whether a particular person has been convicted of fraud or any other felony arising out of a contract with the DoD by contacting The Office of Justice Programs, The Denial of Federal Benefits Office, U.S. Department of Justice, telephone (301) 937-1542;

[www.ojp.usdoj.gov/BJA/grant/DPFC.html](http://www.ojp.usdoj.gov/BJA/grant/DPFC.html).

**252.203-7002**

**48 CFR Ch. 2 (10-1-16 Edition)**

(End of clause)

[56 FR 36479, July 31, 1991, as amended at 58 FR 28471, May 13, 1993; 59 FR 27675, May 27, 1994; 60 FR 61600, Nov. 30, 1995; 62 FR 34128, June 24, 1997; 64 FR 14398, Mar. 25, 1999; 69 FR 74990, Dec. 15, 2004; 73 FR 76972, Dec. 18, 2008]

**252.203-7002 Requirement to Inform Employees of Whistleblower Rights.**

As prescribed in 203.970, use the following clause:

**REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)**

(a) The Contractor shall inform its employees in writing, in the predominant native language of the workforce, of contractor employee whistleblower rights and protections under 10 U.S.C. 2409, as described in subpart 203.9 of the Defense Federal Acquisition Regulation Supplement.

(b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts.

(End of clause)

[74 FR 2411, Jan. 15, 2009, as amended at 78 FR 59854, Sept. 30, 2013]

**252.203-7003 Agency Office of the Inspector General.**

As prescribed in 203.1004(a), use the following clause:

**AGENCY OFFICE OF THE INSPECTOR GENERAL (DEC 2012)**

The agency office of the Inspector General referenced in paragraphs (c) and (d) of FAR clause 52.203-13, Contractor Code of Business Ethics and Conduct, is the DoD Office of Inspector General at the following address:

Department of Defense Office of Inspector General, Investigative Policy and Oversight, Contractor Disclosure Program, 4800 Mark Center Drive, Suite 11H25, Alexandria, VA 22350-1500.  
Toll Free Telephone: 866-429-8011.

(End of clause)

[77 FR 76937, Dec. 31, 2012]

**252.203-7004 Display of Hotline Posters.**

As prescribed in 203.1004(b)(2)(ii), use the following clause:

**DISPLAY OF HOTLINE POSTERS (OCT 2015)**

(a) *Definition. United States*, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) *Display of fraud hotline poster(s)*. (1) The Contractor shall display prominently the DoD fraud hotline poster, prepared by the DoD Office of the Inspector General, in common work areas within business segments performing work in the United States under Department of Defense (DoD) contracts.

(2) If the contract is funded, in whole or in part, by Department of Homeland Security (DHS) disaster relief funds, the DHS fraud hotline poster shall be displayed in addition to the DoD fraud hotline poster. If a display of a DHS fraud hotline poster is required, the Contractor may obtain such poster from:

*[Contracting Officer shall insert the appropriate DHS contact information or Web site.]*

(c) *Display of combating trafficking in persons and whistleblower protection hotline posters*. The Contractor shall display prominently the DoD Combating Trafficking in Persons and Whistleblower Protection hotline posters, prepared by the DoD Office of the Inspector General, in common work areas within business segments performing work under DoD contracts.

(d)(1) These DoD hotline posters may be obtained from: Defense Hotline, The Pentagon, Washington, DC 20301-1900, or are also available via the internet at [http://www.dodig.mil/hotline/hotline\\_posters.htm](http://www.dodig.mil/hotline/hotline_posters.htm).

(2) If a significant portion of the employee workforce does not speak English, then the posters are to be displayed in the foreign languages that a significant portion of the employees speak. Contact the DoD Inspector General at the address provided in paragraph (d)(1) of this clause if there is a requirement for employees to be notified of this clause and assistance with translation is required.

(3) Additionally, if the Contractor maintains a company Web site as a method of providing information to employees, the Contractor shall display an electronic version of these required posters at the Web site.

(e) *Subcontracts*. The Contractor shall include the substance of this clause, including this paragraph (e), in all subcontracts that exceed \$5.5 million except when the subcontract is for the acquisition of a commercial item.

(End of clause)

[80 FR 5001, Jan. 29, 2015, as amended at 80 FR 36905, June 26, 2015]

**252.203-7005 Representation Relating to Compensation of Former DoD Officials.**

As prescribed in 203.171-4(b), insert the following provision: