SUBPART 246.7-WARRANTIES

(Revised June 8, 2011)

246.701 Definitions. As used in this subpart—

"Acceptance," as used in the warranty clauses at FAR 52.246-17, Warranty of Supplies of a Noncomplex Nature; FAR 52.246-18, Warranty of Supplies of a Complex Nature; FAR 52.246-19, Warranty of Systems and Equipment Under Performance Specifications or Design Criteria; and FAR 52.246-20, Warranty of Services, includes the execution of an official document (e.g., DD Form 250, Material Inspection and Receiving Report) by an authorized representative of the Government.

"Defect" means any condition or characteristic in any supply or service furnished by the contractor under the contract that is not in compliance with the requirements of the contract.

"Duration," "enterprise," "enterprise identifier," "fixed expiration," "issuing agency," "item type," "starting event," "serialized item," "unique item identifier," "usage," "warranty administrator," "warranty guarantor," "warranty repair source," and "warranty tracking" are defined in the clause at 252.246-7006, Warranty Tracking of Serialized Items.

246.704 Authority for use of warranties.

- (1) The chief of the contracting office must approve use of a warranty, except in acquisitions for—
 - (i) Commercial items (see FAR 46.709);
- (ii) Technical data, unless the warranty provides for extended liability (see <u>246.708</u>);
- (iii) Supplies and services in fixed-price type contracts containing quality assurance provisions that reference higher-level contract quality requirements (see 246.202-4); or
- (iv) Supplies and services in construction contracts when using the warranties that are contained in Federal, military, or construction guide specifications.
- (2) The chief of the contracting office shall approve the use of a warranty only when the benefits are expected to outweigh the cost.

246.705 Limitations.

(a) In addition to the exceptions provided in FAR 46.705(a), warranties in the clause at <u>252.246-7001</u>, Warranty of Data, may be used in cost-reimbursement contracts.

246.706 Warranty terms and conditions.

(b)(5) *Markings*. For non-commercial items, use MIL-STD-129, Marking for Shipments and Storage, and MIL-STD-130, Identification Marking of U.S. Military Property, when marking warranty items.

246.708 Warranties of data.

Obtain warranties on technical data when practicable and cost effective. Consider the factors in FAR 46.703 in deciding whether to obtain warranties of technical data. Consider the following in deciding whether to use extended liability provisions—

- (1) The likelihood that correction or replacement of the nonconforming data, or a price adjustment, will not give adequate protection to the Government; and
- (2) The effectiveness of the additional remedy as a deterrent against furnishing nonconforming data.

246.710 Contract clauses.

- (1) Use a clause substantially the same as the clause at <u>252.246-7001</u>, Warranty of Data, in solicitations and contracts that include the clause at <u>252.227-7013</u>, Rights in Technical Data and Computer Software, when there is a need for greater protection or period of liability than provided by the inspection and warranty clauses prescribed in FAR Part 46.
- (2) Use the clause at <u>252.246-7001</u>, Warranty of Data, with its Alternate I when extended liability is desired and a fixed price incentive contract is contemplated.
- (3) Use the clause at <u>252.246-7001</u>, Warranty of Data, with its Alternate II when extended liability is desired and a firm fixed price contract is contemplated.
- (4) Use the clause at <u>252.246-7002</u>, Warranty of Construction (Germany), instead of the clause at FAR 52.246-21, Warranty of Construction, in solicitations and contracts for construction when a fixed-price contract will be awarded and contract performance will be in Germany.
- (5)(i) In addition to <u>252.211-7003</u>, Item Identification and Valuation, which is prescribed in <u>211.274-6</u>(a), use the following provision and clause in solicitations and contracts when it is anticipated that the resulting contract will include a warranty for serialized items:
- (A) <u>252.246-7005</u>, Notice of Warranty Tracking of Serialized Items (include only if offerors will be required to enter data with the offer); and
 - (B) 252.246-7006, Warranty Tracking of Serialized Items.
- (ii) If the Government specifies a warranty, include in the solicitation the appropriate warranty attachment from DFARS <u>246.710-70</u>. The contracting officer shall request the requiring activity to provide information to ensure that Attachment ___, Warranty Tracking Information, is populated with data specifying the Government's required warranty provision by contract line item number, subline item

number, or exhibit line item number prior to solicitation. In such case do not include 252.246-7005 in the solicitation.

- (iii) If the Government does not specify a warranty, include <u>252.246-7005</u> in the solicitation, and the warranty attachment from DFARS <u>246.710-70</u>. The contractor may offer a warranty and shall then populate Attachment ___, Warranty Tracking Information, as appropriate, as part of its offer as required by <u>252.246-7005</u>.
- (iv) All warranty tracking information that is indicated with a single asterisk (*) in Attachment ___, Warranty Tracking Information, shall be completed prior to award. Data indicated with two asterisks (**) may be completed at the time of award. Data indicated with three asterisks (***) may be completed at or after the time of award.
- (v) The contractor shall provide warranty repair source instructions (as prescribed in the attachment) no later than the time of delivery.

246.710-70 Warranty attachment.

This is the prescribed attachment and format required and referenced in the provision at <u>252.246-7005</u>, Notice of Warranty Tracking of Serialized Items, and the clause at <u>252.246-7006</u>, Warranty Tracking of Serialized Items. The contracting officer shall number the attachment upon issuance of the solicitation and include the solicitation or contract number.

Attachment __: Warranty Tracking Information Solicitation or Contract Number [To be filled in by the contracting officer]

			Warranty Term									
CLIN, SLIN, OR ELIN *	Item Type (note (a)) **	Warranty Item UII ***	Starting Event (note (b)) *	Usage (note (c))*		Duration (note (d))*		Fixed Expiration (note (e))	Warranty Admin- istrator	Warranty Admin-	Warranty Guarantor	Warranty
				Quan tity *	Unit *	Quan tity *	Unit *	Date	Enterprise Identifier Code Type (note (f)) ***	istrator Enterprise Identifier (note (g)) **	Enterprise Identifier Code Type (note (h)) **	Guarantor Enterprise Identifier (note (i))

^{*} To be completed by the requiring activity, if warranty is specified by the Government. Otherwise, all offerors are to complete as part of their offers.

^{**} To be completed by the contractor at the time of award.

^{***} To be completed by the contractor at the time of award (if known) or at the time Attachment ___, Warranty Repair Source Instructions is submitted.

Notes

- (a) Item Type
- C component procured separate from end item
- S subassembly procured separate from end Item or subassembly
- E embedded in component, subassembly or end item parent
- P parent end item
- (b) Starting Event
- A Acceptance
- I Installation
- F First Use
- O Other

Warranty term - Choose one of the following:

- (c) Usage (for warrantees where effectivity is in terms of operating time or cycles)
- (d) Duration (for warrantees that expire after a set period of time)
- (e) Date (for warrantees with a fixed expiration date)
- (f) Warranty Administrator Enterprise Identifier Code Type
- 0-9 GS1 Company Prefix

D - CAGE

LB - ATIS-0322000

LH - EHIBCC

RH - HIBCC

UN - DUNS

- (g) Warranty administrator enterprise identifier A globally unique identifier code assigned to an enterprise by an issuing agency (e.g., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, GS1 Company Prefix , Allied Committee 135 NATO Commercial and Government Entity (NCAGE)/ Commercial and Government Entity (CAGE) Code, or the Coded Representation of the North American Telecommunications Industry Manufacturers, Suppliers, and Related Service Companies (ATIS-0322000) Number, European Health Industry Business Communication Council (EHIBCC) and Health Industry Business Communication Council (HIBCC)).
 - (h) Warranty Guarantor Enterprise Identifier Code Type
 - 0-9 GS1 Company Prefix

D-CAGE

LB - ATIS-0322000

LH – EHIBCC

RH – HIBCC

UN – DUNS

(i) Warranty guarantor enterprise identifier - A globally unique identifier code assigned to an enterprise by an Issuing Agency (e.g., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, GS1 Company Prefix , Allied Committee 135 NATO Commercial and Government Entity (NCAGE)/ Commercial and Government Entity (CAGE) Code, or the Coded Representation of the North American Telecommunications Industry Manufacturers, Suppliers, and Related

Service Companies (ATIS-0322000) Number, European Health Industry Business Communication Council (EHIBCC) and Health Industry Business Communication Council (HIBCC)).

Attachment __: Warranty Repair Source Instructions Contract Number: [To be filled in by the contracting officer]

CLIN, SLIN or ELIN	Warranty Repair Source Enterprise Identifier Code Type (note (a)) **	Warranty Repair Source Enterprise Identifier (note (b)) **								
			Name **	Address Line 1 **	Address Line 2 **	City /County **	State / Province **	Postal Code **	Country **	Instructions (note (c))

^{*} To be completed by the requiring activity, if warranty is specified by the Government. Otherwise, all offerors are to complete as part of their offers.

**To be completed by the Contractor at the time of award and/or at the time of delivery.

Notes

(a) Warranty Repair Source Enterprise Identifier Code Type

0-9 – GS1 Company Prefix

D-CAGE

LB - ATIS-0322000

LH – EHIBCC

RH – HIBCC

UN - DUNS

- (b) Warranty repair source enterprise identifier A globally unique identifier code assigned to an enterprise by an issuing agency (e.g., Dun & Bradstreet's Data Universal Numbering System (DUNS) Number, GS1 Company Prefix , Allied Committee 135 NATO Commercial and Government Entity (NCAGE)/ Commercial and Government Entity (CAGE) Code, or the Coded Representation of the North American Telecommunications Industry Manufacturers, Suppliers, and Related Service Companies (ATIS-0322000) Number, European Health Industry Business Communication Council (EHIBCC) and Health Industry Business Communication Council (HIBCC)).
- (c) Instructions For each warranty repair source enterprise identifier, include the shipping address for returning warranty items, or include instructions for accessing a

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web site to obtain prepaid shipping labels for returning warranty items to the designated source of warranty repair.