

52.243-7 Notification of Changes.

As prescribed in 43.107 , insert the following clause:

Notification of Changes (Jan 2017)

(a) *Definitions.* "Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

"Specifically Authorized Representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which *shall* be provided to the Contractor) which *shall* refer to this paragraph and *shall* be issued to the designated representative before the SAR exercises such authority.

(b) *Notice.* The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such *in writing* and signed by the Contracting Officer, the Contractor *shall* notify the Administrative Contracting Officer *in writing* promptly, within _____ (to be negotiated) calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice *shall* state-

- (1) The date, nature, and circumstances of the conduct regarded as a change;
- (2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;
- (3) The identification of any documents and the substance of any oral communication involved in such conduct;
- (4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;
- (5) The particular elements of contract performance for which the Contractor *may* seek an equitable adjustment under this clause, including-
 - (i) What *line items* have been or *may* be affected by the alleged change;
 - (ii) What labor or materials or both have been or *may* be added, deleted, or wasted by the alleged change;
 - (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or *may* be caused by the alleged change;
 - (iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and
- (6) The Contractor's estimate of the time by which the Government *must* respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) *Continued performance.* Following submission of the notice required by paragraph (b) of this clause, the Contractor *shall* diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the *Contracting Officer* or a communication from a SAR of the *Contracting Officer*, in either of which events the Contractor *shall* continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in paragraph (b) of this clause, notice *shall* be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR *shall* be reduced to writing promptly and copies furnished to the Contractor and to the *Contracting Officer*. The *Contracting Officer shall* promptly countermand any action which exceeds the authority of the SAR.

(d) *Government response.* The *Contracting Officer shall* promptly, within ____ (to be negotiated) calendar days after receipt of notice, respond to the notice *in writing*. In responding, the *Contracting Officer shall* either-

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under paragraphs (d)(1), (2), or (3) of this clause, advise the Contractor what additional information is required, and establish the date by which it *should* be furnished and the date thereafter by which the Government will respond.

(e) *Equitable adjustments.*

(1) If the *Contracting Officer* confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment *shall* be made-

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as *may* be affected.

(2) The contract *shall* be modified *in writing* accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment *shall* include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably *should* have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the *Contracting Officer* under this clause is included in the equitable adjustment, the *Contracting Officer shall* have the right to prescribe the manner of disposition of the property. The equitable adjustment *shall* not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in paragraphs (b) and (c) of this clause.

Note: The phrases "contract price" and "cost" wherever they appear in the clause, *may* be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations

thereof.

(End of clause)

Parent topic: [52.243 \[Reserved\]](#)