

216.203-4 Contract clauses.

(1) Generally, use the clauses at FAR 52.216-2, Economic Price Adjustment—Standard Supplies, FAR 52.216-3, Economic Price Adjustment—Semistandard Supplies, and FAR 52.216-4, Economic Price Adjustment—Labor and Material, only when—

- (i) The total contract price exceeds the simplified acquisition threshold; and
- (ii) Delivery or performance will not be completed within 6 months after contract award.

(2) Follow the procedures at PGI [216.203-4](#) when using an economic price adjustment clause based on cost indexes of labor or material.

- **[216.203-4-70 Additional provisions and clauses.](#)**

Parent topic: [216.203 Fixed-price contracts with economic price adjustment.](#)