

5333.290 Claims and Terminations for Default

- (a) If a contractor submits an uncertified claim exceeding \$100,000, the contracting officer must notify the contractor, in writing, of its failure to certify as required by the Contract Disputes statute ([41 U.S.C. §§ 7101-7109](#)). The notice must state that a final decision will not be issued until the claim is certified.
- (b) If the potential dispute regards any intellectual property (IP) matter, the contracting officer shall request DAF IP Cadre review by contacting the [DAF IP Cadre Workflow](#). The term "IP matter" includes, but is not limited to, failure to deliver IP (e.g., technical data, computer software, contract administration information) that complies with the contract, nonconforming/unjustified markings affixed to IP deliverables).
- (c) Prior to making a final decision on a claim or termination for default (including a termination for cause under FAR Part 12), the contracting officer must refer the proposed final decision to the cognizant legal office for legal advice, ADR suitability, and appropriate dispute resolution strategies. The contracting officer, with the assistance of the cognizant legal office, must seek review by [AF/JACQ](#) of all proposed final decisions. At the same time, the contracting officer must provide [SAF/GCR](#) with any proposed final decision on a claim involving PEO programs and any proposed final decision on a claim greater than \$500,000. The contracting officer or the referring person must promptly notify [SAF/GCR](#) and their SCO with all known information relating to any recommended termination for default.
- (d) The contracting officer must use ADR to the maximum extent practicable to resolve a Department of the Air Force affirmative contract claim (such as defective pricing, liquidated damages, etc.) when unassisted negotiations reach an impasse as determined by the SCO. The contracting officer must provide to [AF/JACQ](#), with a copy to [SAF/GCR](#), any audit or other findings indicating Department of the Air Force entitlement to recovery greater than \$500,000 where unassisted negotiations have reached an impasse, in order to develop a dispute resolution strategy. Government claims must be formally asserted [issuance of a Contracting Officer's Final Decision ([FAR33.206](#))] within 6 years after the accrual of the claim.

Parent topic: [Subpart 5333.2 – DISPUTES AND APPEALS](#)