49.208 Equitable adjustment after partial termination.

Under the termination clause, after *partial termination*, a contractor *may* request an equitable adjustment in the price or prices of the continued portion of a fixed-price contract. The TCO *shall* forward the proposal to the *contracting officer* except when negotiation authority is delegated to the TCO. The contractor *shall* submit the proposal in the format of Table 15-2 of 15.408.

(a) When the *contracting officer* retains responsibility for negotiating the equitable adjustment and executing a *supplemental agreement*, the *contracting officer shall* ensure that no portion of an increase in price is included in a termination settlement made or in process.

(b) The TCO *shall* also ensure that no portion of the costs included in the equitable adjustment are included in the termination settlement.

Parent topic: Subpart 49.2 - Additional Principles for Fixed-Price Contracts Terminated for Convenience