Subpart 246.7 - WARRANTIES

Parent topic: Part 246 - QUALITY ASSURANCE

246.702 General.

246.702-70 Definitions.

As used in this subpart—

“Acceptance,” as used in this subpart and 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.

“Enterprise” means the entity (e.g., a manufacturer or vendor) responsible for granting the warranty and/or assigning unique item identifiers to serialized warranty items.

“Enterprise identifier” means a code that is uniquely assigned to an enterprise by an issuing agency.

“Issuing agency” means an organization responsible for assigning a globally unique identifier to an enterprise, as indicated in the Register of Issuing Agency Codes for International Standards Organization/International Electrotechnical Commission 15459, located at http://www.aimglobal.org/?Reg_Authority15459.

“Serialized item” means each item produced is assigned a serial number that is unique among all the collective tangible items produced by the enterprise, or each item of a particular part, lot, or batch number is assigned a unique serial number within that part, lot, or batch number assignment within the enterprise identifier. The enterprise is responsible for ensuring unique serialization within the enterprise identifier or within the part, lot, or batch numbers, and that serial numbers, once assigned, are never used again.

“Unique item identifier” means a set of data elements marked on an item that is globally unique and unambiguous.

“Warranty tracking” means the ability to trace a warranted item from delivery through completion of the effectivity of the warranty.

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 products or commercial services (see FAR 46.709);

(ii) Technical data, unless the warranty provides for extended liability (see 246.708);

(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 252.246-7001 , Warranty of Data, may be used in cost-reimbursement contracts.

246.706 Warranty terms and conditions.

(b)(5) *Markings.* For non-commercial other than commercial products, 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 basic or one of the alternates of the clause at 252.246-7001 , Warranty of Data, in solicitations and contracts that include the clause at 252.227-7013 , 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.

(i) Use the basic clause in solicitations and contracts that are not firm-fixed price or fixed-price incentive.

(ii) Use alternate I in fixed-price-incentive solicitations and contracts.

(iii) Use alternate II in firm-fixed-price solicitations and contracts.

(2) Use the clause at 252.246-7002 , 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.

(3) When the solicitation includes the clause at 252.211-7003, Item Unique Identification and Valuation, which is prescribed in 211.274-5(a), and it is anticipated that the resulting contract will include a warranty for serialized items—

(i) Use the provision at 252.246-7005 , Notice of Warranty Tracking of Serialized Items, in the solicitation if the Government does not specify a warranty and offerors will be required to enter data with the offer;

(ii) Use the clause at 252.246-7006 , Warranty Tracking of Serialized Items, in the solicitation and contract; and

(iii) Include the following warranty attachments, available at https://www.pdrep.csd.disa.mil/pdrep_files/other/wsr.htm, in the solicitation and contract and see 246.710-70 :

(A) Warranty Tracking Information.

(B) Source of Repair Instructions.

246.710-70 Warranty attachments.

Follow the procedures at PGI 246.710-70 regarding warranty attachments.