Part 5552 - SOLICITATION PROVISIONS AND CONTRACT CLAUSES

5552.247-9000 Air Safety.

5552.247-9001 Requirement for Authorization to Engage in Air Transportation.

5552.247-9002 Contractor's Failure to Provide Service.

5552.247-9003 Requirement for Carriers to Participate in the Civil Reserve Air Fleet (CRAF) and Maintain Good Standing.

5552.247-9000 Air Safety.

As prescribed in 5547.4-100(a) insert the following clause in solicitations and contracts:

AIR SAFETY (APRIL 2007)

(a) Contractor is obligated to comply with generally accepted standards of airmanship, training, and maintenance practices and procedures. Contractor must also satisfy Department of Defense (DOD) quality and safety requirements as described in 32 CFR Part 861, Section 861.4 . In addition, contractor shall comply with all provisions of applicable statutes, tenders of service, and contract terms as such may affect flight safety, as well as with all applicable Federal Aviation Administration (FAA) Regulations, Airworthiness Directives, Orders, rules, and standards promulgated under the Federal Aviation Act of 1958, as amended. Compliance with published standards may not, standing alone, constitute compliance with generally accepted standards of airmanship, training, or maintenance.

(b) The cleanliness and orderliness of an aircraft, including the visible components and surfaces thereof affect the ability to inspect an aircraft, may be valid indicators of the overall maintenance level of an aircraft, and may have a direct effect on the security and confidence of passengers. Therefore, contractor's failure to keep and maintain all such components and surfaces of the aircraft used in performance of this contract clean, orderly, and in good state of repair may be deemed a failure to comply with generally accepted standards of maintenance to the extent the failure goes beyond mere cosmetic or housekeeping deficiencies and relates in some manner to confidence in the safety, maintenance, or airworthiness of the aircraft.

(c) Should the government determine that any of the following conditions exist, it may suspend or place in temporary nonuse status contractor's further performance of airlift transportation services for the DOD:

(1) Contractor's failure to meet any of the obligations imposed by the preceding two paragraphs.

(2) Involvement of one of contractor's aircraft in a serious or fatal accident, incident, or operational occurrence (regardless of whether or not such aircraft is being used in the performance of this contract).

(3) Any other condition that affects the safe operation of contractor's flights hereunder.

(d) Such suspension shall be accomplished pursuant to the Department of Defense Commercial Air Transportation Quality and Safety Review Program (32 CFR Part 861), which is hereby incorporated in this contract by reference, or any procedures that supersede same which may be adopted by the Commander (United States Transportation Command) from time to time. The suspension procedures, including the temporary nonuse, reinstatement and appeals processes, set out therein, are binding, final, and conclusive. In no event shall suspension or temporary nonuse proceedings, regardless of outcome, give rise to any liability on the part of the government.

(e) Suspension or temporary nonuse hereunder resulting in unavailability of contractor aircraft to perform service under this contract shall be treated as failure to maintain authorization to engage in air transportation under the clause of the contract 5552.247-9001, "Requirement for Authorization to Engage in Air Transportation."

(End of Clause)

5552.247-9001 Requirement for Authorization to Engage in Air Transportation.

As prescribed in 5547.4-100 (b)(1), insert the following clause in solicitations and contracts when the air carriers hold a current Air Carrier Operating Certificate issued by the Federal Aviation Agency under Part 121 of the Federal Aviation Regulation, or a comparable foreign carrier operating certificate issued by a foreign government body:

REQUIREMENT FOR AUTHORIZATION TO ENGAGE IN AIR TRANSPORTATION (AUG 2007)

(a) This contract is conditioned upon the Contractor (if the contractor is a team arrangement, applies to each team member)being an air carrier and holding a Certificate of Public Convenience and Necessity issued under Section 401 of the Federal Aviation Act (FAA of 1958, as amended), or otherwise authorized by the Department of Transportation (DOT) to engage in direct air transportation services, holding an Air Carrier's Operating Certificate issued by the FAA under Part 121 of the Federal Aviation Regulations (14 CFR 121) for airlift operated by the offeror, and participating in the CRAF, if applicable. Furthermore, the Contractor shall not be in a suspension or temporary nonuse status in accordance with clause 5552.247-9000 , "AIR SAFETY."

(b) If at any time during the performance period of this contract the contractor is not in compliance with the requirements of paragraph (a) above, including, but not limited to, instances when the certificate demonstrating compliance with paragraph a above is (i) suspended by the pertinent regulatory body for any period of time even though the effect of the suspension is stayed pending review by a court of competent jurisdiction, (ii) canceled or revoked in its entirety by the pertinent regulatory body even though the effect of the cancellation or revocation is stayed pending review by a court of competent jurisdiction, or (iii) such certificate or interim operating authority has expired and has not been renewed, then the contracting officer may elect any one or a combination of the following courses of action:

(1) Suspend the contractor from further performance of all or any part of this contract until such time as the suspension/temporary nonuse imposed by the pertinent regulatory body shall have expired or until such time as the suspension, temporary nonuse, cancellation, or revocation shall have been finally set aside, removed, or otherwise terminated. The period of suspension of this

contract will begin at the time that notice thereof is given by the contracting officer to the contractor's designee named in accordance with paragraph ____ of Section ____ of this contract. All flights, which were scheduled to be flown during the time any such suspension is in effect, will be canceled. A unilateral modification reflecting the cancellation and reducing the government's obligation accordingly will be issued by the contracting officer at the termination of the period during which this contract is suspended or after the expiration of the period of performance of this contract. Any such cancellation is not for the convenience of the government and is not a termination within the meaning of clause 52.249-2 , “Termination for Convenience of the Government (Fixed-Price).” Such cancellation will be accomplished at no cost to either party, and the substitute service provisions of this contract will not apply to such canceled flights.

(2) Exercise the government's rights under the clause 5552.247-9002 , “Contractor's Failure to Provide Service.”

(3) Terminate this contract in whole or in part under the procedures of the clause entitled "Default." If this contract is terminated for default pursuant to paragraph b, and if it is subsequently determined that termination for default is not appropriate, this contract shall then be considered to have been canceled pursuant to subparagraph b(4) below.

(4) Cancel this contract in whole or in part. Any such cancellation will be accomplished by the issuance of a unilateral modification and will not be a termination under the provisions of clause 52.249-2 , “Termination for Convenience of the Government (Fixed-Price),” and neither party will be liable to the other party for costs incurred as a result of such cancellation.

(c) If at any time an air carrier ceases operations or surrenders their operating certificate to the Federal Aviation Administration (FAA), the air carrier is required to immediately notify the Contracting Officer the next business day and the DOD Commercial Airlift Division at (618) 229-4801, as well as in writing to HQ AMC/A3B, 402 Scott Drive, Unit 3A1 Scott AFB IL 62225-5302, stating the circumstances for ceasing operations and/or surrendering their operating certificate.

(End of Clause)

ALTERNATE I (AUG 2015)

As prescribed by 5547.4-100 (b)(2), when the air carriers hold a current Air Carrier Operating Certificate issued by the Federal Aviation Agency under a part other than Part 121 of the Federal Aviation Regulation, or a comparable foreign carrier operating certificate issued by a foreign government body, substitute the following paragraph (a) for the paragraph (a) of the basic clause.

(a) This contract is conditioned upon the contractor being a commercial air taxi operator within the meaning of the Federal Aviation Act (FAA of 1958, as amended) and holding a current Air Carrier Operating Certificate in accordance with Part 127/135 of the Federal Aviation Regulations and holding a registration under Part 298 of the Department of Transportation (DOT) Regulations. Furthermore, the contractor shall not be in a suspension or temporary nonuse status in accordance with clause 5552.247-9000 , “Air Safety.”

(End of Clause)

ALTERNATE II (AUG 2015)

As prescribed by 5547.4-100 (b)(3), when using FAR Part 12 procedures, substitute the following paragraph (b) for the paragraph (b) of the basic clause.

(b) If at any time during the performance period of this contract the contractor is not in compliance with the requirements of paragraph (a) above, including, but not limited to, instances when the certificate demonstrating compliance with paragraph (a) above is (i) suspended by the pertinent regulatory body for any period of time even though the effect of the suspension is stayed pending review by a court of competent jurisdiction, (ii) canceled or revoked in its entirety by the pertinent regulatory body even though the effect of the cancellation or revocation is stayed pending review by a court of competent jurisdiction, or (iii) such certificate or interim operating authority has expired and has not been renewed, then the contracting officer may elect any one or a combination of the following courses of action:

(1) Suspend the contractor from further performance of all or any part of this contract until such time as the suspension, temporary nonuse, cancellation, or revocation shall have been finally set aside, removed, or otherwise terminated. The period of suspension of this contract will begin when the contracting officer notifies the contractor. Any flights that were scheduled to be flown during the time any such suspension is in effect will be canceled and the government's obligation reduced by all costs directly attributable to the canceled flights. Any such cancellation is not for the convenience of the government and will be accomplished at no cost to either party, and the substitute service provisions of this contract will not apply to such canceled flights.

(2) Exercise the government's rights under clause 5552.247-9002 , "Contractor's Failure to Provide Service."

(3) Terminate this contract for cause in whole or in part under FAR clause 52.212-4 , "Contract Terms and Conditions—Commercial Items."

(End of Clause)

5552.247-9002 Contractor's Failure to Provide Service.

As prescribed in 55 4 7.4-100 (c)(1), insert the following clause in solicitations and contracts for award of international charter airlift transportation:

CONTRACTOR'S FAILURE TO PROVIDE SERVICE (AUG 2015)

(a) In the event that contractor's aircraft is unable to depart from any station, the government may invoke remedies which are set forth in this paragraph which will neither constitute a termination within the meaning of the clause entitled "Termination for Convenience of the Government," nor in any way diminish the government's rights under the clause entitled "Default." The rights and remedies of the government provided for in this paragraph are not exclusive and do not give rise to government liability for costs incurred and are in addition to any other government rights and remedies provided for by law or by this contract.

(b) Substitute Service. This term, as used herein, applies to the substitution of an aircraft to replace contractor's aircraft, which is unable to proceed from the departure station or from any en route station short of destination in accordance with schedules established pursuant to this contract. If the contractor fails to make an aircraft available for departure within 16 hours subsequent to scheduled departure time for a passenger flight or a mixed flight from an originating station or an en route station, or within 4 hours of a scheduled departure time for a passenger flight or a mixed flight from an en route station where no holding facilities for passengers are available, or within 24 hours of a scheduled departure time for a cargo flight from either the originating station or an en route station,

or for any flight within such lesser time as may be agreed to by the contractor's designee, the government may: (1) cancel the requirement for further movement of the defaulted flight; (2) require the contractor to transport the defaulted passengers or cargo by substitute service within such additional time as the contracting officer may allow; (3) acquire substitute service from commercial sources; or (4) reschedule the defaulted flight or transport the defaulted passengers or cargo, or any portion thereof, itself, on DOD owned and operated aircraft. The exercise of any of these options will be in accordance with the following:

(1) In the event that the requirement for further movement of the defaulted flight is canceled, the number of passengers equal to the Guaranteed Allowable Cabin Load (GACL) for the flight involved, or the number of pounds of cargo equal to the GACL of the flight involved, or the number of miles for the flight involved, will be subtracted from the government's guarantee. Any canceled requirement will be deleted from the contract by unilateral modification. If the failure to depart was from the originating station, contractor will not be paid any amount for the flight involved. If the failure to depart was from an en route station, the contractor will be paid at the USTRANSCOM negotiated uniform rate for that portion of the trip over which he did transport the passengers or cargo.

(2) If the contractor is required to transport the passengers or cargo of the defaulted flight by substitute service within such additional time as the contracting officer may allow, the contractor shall arrange and pay directly all costs involved in the transportation by the substitute aircraft. In this event, the contractor will be paid the full contract price for the flight involved, irrespective of the amount paid by him for this transportation by substitute aircraft. The substitute aircraft provided by the contractor must be of like type, configured in accordance with the applicable specifications, and must be approved by the contracting officer. In lieu of, or in addition to, providing the above type substitute service, the contractor may, at his own expense, purchase the amount of space, by common carriage or otherwise, needed for the movement of the passengers or cargo of the defaulted flight. The purchase of such space must be approved by the contracting officer and must be obtained only from American Flag carriers, except that in the event an American Flag carrier is unavailable or not reasonably available for point-to-point substitute service within an overseas area, upon prior authorization of the contracting officer, the contractor may use a Foreign Flag schedule carrier for substitute service on an exception basis only and provided the requirements of the clause entitled "Preference for United States Flag Air Carriers," are complied with. In such event, contractor would be paid the contract price for the involved transportation. If contractor transports by purchase of common carriage only a part of the number of passengers or amount of cargo of the defaulted flight, he will only be paid for those passengers or cargo so transported, and the passengers or cargo not transported shall be deducted from the government's guarantee.

(3) The government may purchase substitute service from commercial sources. This can be by a substitute commercial aircraft or by the purchase from commercial sources of sufficient space to transport by common carriage or otherwise, the number of passengers or amount of cargo involved in the defaulted flight. In either event, the substitute service shall be deducted from the government's guarantee and the contractor would be charged by the government, any amount that the government had to pay to commercial sources which is in excess of the contract price for the transportation of the passengers or cargo involved for the distance involved. (If this substitute service is obtained for only a portion of a trip as provided in the contract, the contract price will be prorated for the distance involved in determining the amount due to the government.) Contractor will not be paid any amount for the defaulted flight except that he will be paid at the USTRANSCOM negotiated uniform rate for that portion of the trip, if any, over which he did transport the passengers or cargo on the flight involved. The contractor shall provide all services normally provided in connection with flights operating under this contract. In the event the defaulted flight

was to be performed between military bases and the government procures common carriage substitute service, the defaulting contractor shall be responsible for the transportation between the military bases and the commercial terminal.

(4) The government may, in its discretion, elect to either reschedule the defaulted flight to a later time within the performance period of the contract or may move these passengers and/or this cargo, or any portion thereof, itself, on DOD owned and operated aircraft. In this event, the number of passengers equal to the GACL for the flight involved, or the number of pounds of cargo to the GACL of the flight involved, or the number of miles for the flight involved will be subtracted from the government's guarantee and the contractor will be charged, by the government, the excess, if any, of the charge for this movement over the contract price. If this movement is utilized for only a portion of a trip as provided in the contract, the contract price will be prorated for the distance involved in determining the amount due the government. Contractor will not be paid any amount for transportation of the passengers or cargo of the defaulted flight except that he will be paid at the USTRANSCOM negotiated uniform rate for that portion of the trip, if any, over which he did transport said passengers or cargo in the flight involved.

(c) The contracting officer may permit the contractor to provide services with substitute aircraft having a lower Allowable Cabin Load (ACL). When such substitution of aircraft is permitted, the contractor shall be reimbursed at the rate per ton/pax mile established in the original award times the lesser ACL with a corresponding reduction in the government's guarantee. In addition or as an alternative to providing substitute aircraft having a lower ACL, the contracting officer may permit the contractor to acquire, at his own expense, the amount of space, by common carriage, needed for movement of the pax or cargo equal to the ACL of the aircraft originally scheduled for the flight, in which event the contractor will be paid at the contract rate for the pax and/or cargo within the GACL which are actually transported. The contracting officer may also permit the contractor to provide services with substitute aircraft having a higher ACL than the aircraft required for performance of services under the contract. In this event, the contractor will be reimbursed only the contract price for the flight as originally awarded.

(d) The contracting officer, in making his decisions and selections for substitute service, will use his discretion in such a manner as to mitigate contractor's liability for excess costs when reasonably possible. However, military needs and urgency will be the prime consideration in the exercise of this discretion.

(e) The provisions of Section C, Performance Work Statement, relative to contractor's responsibility for care of passengers, and for providing meals and billets, apply to all situations discussed in this clause, wherein the contractor failed to depart as scheduled. Contractor shall retain responsibility for passengers until such time as they are moved by the contractor or the government, or the requirement is canceled by the government.

(f) In the event the contractor fails to deliver any part of the GACL (pax or cargo) to manifested destination due to an accident, contractor will be paid at USTRANSCOM negotiated uniform rate only for that amount of pax or cargo delivered to manifested destination.

(End of Clause)

ALTERNATE I (AUG 2015)

As prescribed by 5547.4-100(c)(2), for award of domestic charter airlift transportation, delete paragraphs (a) through (f) of the basic clause and substitute the following paragraphs (a) and (b) to the basic clause.

(a) In the event that Contractor's aircraft is unable to depart from any station, the Government may invoke remedies which are set forth in this paragraph which will neither constitute a termination within the meaning of the clause entitled "Termination for Convenience of the Government," nor in any way diminish the Government's rights under the clause entitled "Default." The rights and remedies of the Government provided for in this paragraph are not exclusive and do not give rise to Government liability for costs incurred and are in addition to any other Government rights and remedies provided for by law or by this contract.

(b) Substitute Service. This term, as used herein, applies to the substitution of an aircraft to replace Contractor's aircraft, which is unable to proceed from the departure station or from any en route station short of destination in accordance with schedules established pursuant to this contract. If the Contractor fails to make an aircraft available for departure as required by the flight schedules, the Government may: (1) cancel the requirement for further movement of the defaulted flights; (2) require the Contractor to transport the defaulted passengers or cargo by substitute service within such additional time as the contracting officer may allow; (3) acquire substitute service from commercial sources; or (4) reschedule the defaulted flight or transport the defaulted passengers or cargo, or any portion thereof, itself, on DOD owned and operated aircraft. The exercise of any of these options will be in accordance with the following:

(1) In the event that the requirement for further movement of the defaulted flights is canceled, the number of miles/trips for the flight involved, and directed landings (if applicable) will be subtracted from the Government's guarantee. Any canceled requirement will be deleted from the contract by unilateral modification.

(2) If the Contractor is required to transport the passengers or cargo of the defaulted flights by substitute service within such additional time as the contracting officer may allow, the Contractor shall arrange and pay directly all cost involved in the transportation by the substitute aircraft. Contractor will be paid, in this event, the full contract price for the flight involved, irrespective of the amount paid by him for this transportation by substitute aircraft. The substitute aircraft provided by the Contractor must be of like type, configured in accordance with the applicable specifications, and must be approved by the contracting officer. In lieu of, or in addition to, providing the above type substitute service, the Contractor may, at his own expense, purchase the amount of space, by common carriage or otherwise, needed for the movement of passengers or cargo of the defaulted flight. The purchase of such space must be approved by the contracting officer. In such event, Contractor would be paid the contract price for the involved transportation.

(3) The Government may purchase substitute service from commercial sources. This can be by a substitute commercial aircraft or by the purchase from commercial sources of sufficient space to transport by common carriage or otherwise, the number of passengers or amount of cargo involved in the defaulted flight. In either event, the substitute service shall be deducted from the Government's guarantee and the Contractor would be charged by the Government, any amount that the Government had to pay to commercial sources which is in excess of the contract price for the transportation of the passengers or cargo involved for the distance involved. Contractor will not be paid any amount for this defaulted flight. The Contractor shall provide all services normally provided in connection with flights operating under this contract.

(4) The Government may, in its discretion, elect to either reschedule the defaulted flight to a later time within the performance period of the contract or may move these passengers and/or this cargo, or any portion thereof, itself, on DOD owned and operated aircraft. In this event, the number of miles/trips for the flight involved will be subtracted from the Government's guarantee and the Contractor will be charged, by the Government, the excess, if any, of the charge for this movement over the contract price. Contractor will not be paid any amount for transportation of passengers or

cargo of the defaulted flight.

(End of Clause)

ALTERNATE II (AUG 2015)

As prescribed by 5547.4-100(c)(3),when using FAR Part 12 procedures for award of international and domestic charter airlift transportation, delete paragraphs (a) through (f) of the basic clause and substitute the following paragraphs (a) and (b) to the basic clause.

(a) In the event the contractor's aircraft is unable to depart from any station, the government may invoke the remedies set forth in this clause, which will not constitute a termination under FAR clause 52.212-4 , "Contract Terms and Conditions—Commercial Items." The rights and remedies provided in this clause are not exclusive, do not give rise to government liability for costs incurred, and are in addition to government rights and remedies provided by law or by this contract.(b) Substitute Service. This term means substitution of an aircraft to replace contractor's aircraft, which is unable to perform the required services. If the contractor fails to make an aircraft available to perform services under the terms of the contract, the government may:

(1) Cancel the requirement for further performance of the defaulted flight or services. In that event, the government's obligation will be reduced by the costs directly attributable to the canceled flight or services.

(2) Require the contractor to obtain substitute service from another DOD-approved carrier to perform the services within such additional time as the contracting officer may allow. The contractor shall arrange for and pay directly all costs involved in performing the services by substitute aircraft. The government will pay the contractor the contract price for the services, irrespective of the amount the contractor pays for the substitute service. The substitute aircraft provided by the contractor must be of like type, must be configured in accordance with the applicable specifications, and must be approved by the contracting officer. In lieu of, or in addition to, providing the above substitute service, the contractor may, at his own expense, purchase the amount of space by common carriage or otherwise needed to transport the passengers or cargo from the defaulted flight. The contracting officer must approve purchase of such space. The government will pay the contractor the contract price for the services, irrespective of the amount the contractor pays for the space.

(3) Purchase substitute service from commercial sources. This may include use of substitute commercial aircraft or purchase of sufficient space to transport by common carriage or otherwise the passengers or cargo from the defaulted flight. In either event, the value of the service will be deducted from the contract minimum (if applicable). The contractor will not be paid for the defaulted flight but will be charged any amount in excess of the contract price that the government had to pay for the substitute service.

(4) Elect to either reschedule the defaulted flight to a later time or move the passengers and/or cargo, or any portion thereof, itself, on DOD owned and operated aircraft. In the latter event, the value of the service will be deducted from the contract minimum (if applicable). The contractor will not be paid for the defaulted flight but will be charged any amount in excess of the contract price that the government had to pay to transport the passengers and/or cargo.

(End of Clause)

ALTERNATE III (AUG 2015)

As prescribed by 5547.4-100 (c)(4), for award of the Domestic Charter Airlift Services contract, delete paragraphs (a) through (f) of the basic clause and substitute the following paragraphs (a) through (e) to the basic clause.

(a) In the event that a contractor's aircraft is unable to depart from any station, the government may invoke remedies which are set forth in this paragraph which will not constitute a termination under FAR clause 52.212-4 , "Contract Terms and Conditions—Commercial Items." The rights and remedies of the government provided for in this paragraph are not exclusive and do not give rise to government liability for costs incurred and are in addition to any other government rights and remedies provided for by law or by this contract.

(b) Substitute Service. This term, as used herein, applies to the substitution of an aircraft to replace contractor's aircraft, which is unable to proceed from the departure station or from any en route station short of destination in accordance with schedules established pursuant to this contract. If the contractor fails to make an aircraft available for departure within 16 hours subsequent to scheduled departure time for a passenger flight or a mixed flight from an originating station or an en route station, or within 4 hours of a scheduled departure time for a passenger flight or a mixed flight from an en route station where no holding facilities for passengers are available, or within 24 hours of a scheduled departure time for a cargo flight from either the originating station or an en route station, or for any flight within such lesser time as may be agreed to by the contractor's designee, the government may: (1) cancel the requirement for further movement of the defaulted flight; (2) require the contractor to transport the defaulted passengers or cargo by substitute service within such additional time as approved by the contracting officer; (3) acquire substitute service from DOD Approved commercial sources; or (4) reschedule the defaulted flight or transport the defaulted passengers or cargo, or any portion thereof, itself, on DOD owned and operated aircraft. The exercise of any of these options will be in accordance with the following:

(1) Cancel the requirement for further performance of the defaulted flight or services. In that event, the government's obligation will be reduced by the costs directly attributable to the canceled flight or services.

(2) Require the contractor to obtain substitute service from another DOD-approved carrier to perform the services within such additional time as approved by the contracting officer. The contractor shall arrange for and pay directly all costs involved in performing the services by substitute aircraft. The government will pay the contractor the contract price for the services, irrespective of the amount the contractor pays for the substitute service. The substitute aircraft(s) provided by the contractor must be approved by the contracting officer and transport all passenger of the defaulted flight. In situations where the substitute aircraft(s) cannot carry all the passengers, or in lieu of a full plane charter, the contractor may, at his own expense, purchase the amount of space by common carriage or otherwise needed to transport the passengers or cargo from the defaulted flight. The contracting officer must approve purchase of such space. The government will pay the contractor the contract price for the services, irrespective of the amount the contractor pays for the space.

(3) Purchase substitute service from DOD-approved commercial sources. This may include use of substitute commercial charter aircraft(s) or purchase of sufficient space to transport by common carriage or otherwise the passengers or cargo from the defaulted flight. The contractor shall not be paid for the defaulted flight and shall be charged for any reprocurement costs the government had to pay for the substitute service which are in excess of the contract price.

(4) Elect to either reschedule the defaulted flight to a later time or move the passengers and/or cargo, or any portion thereof, itself, on DOD owned and operated aircraft. The contractor shall not

be paid for the defaulted flight but will be charged any amount in excess of the contract price that the government had to pay to transport the passengers and/or cargo.

(c) The contracting officer, in making his decisions and selections for substitute service, will use his discretion in such a manner as to mitigate contractor's liability for excess costs when reasonably possible. However, military needs and urgency will be the prime consideration in the exercise of this discretion.

(d) The provisions of the Performance Work Statement, relative to contractor's responsibility for care of passengers, and for providing meals and billets, apply to all situations discussed in this clause, wherein the contractor failed to depart as scheduled. Contractor shall retain responsibility for passengers until such time as they are moved by the contractor or the government, or the requirement is canceled by the government.

(e) In the event the contractor fails to deliver any part of the GACL (pax or cargo) to manifested destination due to an accident, the contractor shall not be paid at the contract price.

(End of Clause)

5552.247-9003 Requirement for Carriers to Participate in the Civil Reserve Air Fleet (CRAF) and Maintain Good Standing.

As prescribed in 5547.4-100(d), insert the following clause in solicitations and contracts for air transportation services which require CRAF participation as a prerequisite for award, or other solicitations and contracts approved by Director of Acquisition:

REQUIREMENT FOR CARRIERS TO PARTICIPATE IN THE CIVIL RESERVE AIR FLEET (CRAF) AND MAINTAIN GOOD STANDING (AUG 2015)

This contract is conditioned upon the Contractor (if the contractor is a team arrangement, applies to each team member) being an approved Department of Defense approved carrier not in a suspended non-use status (carrier in good standing) participating in the Civil Reserve Air Fleet (CRAF) throughout the performance of this contract. The contractor shall be a U.S. registered air carrier operating under Federal Aviation Regulations, Part 121, and possessing a current certificate issued by the FAA pursuant to Federal Aviation Regulations, Part 121.

(End of Clause)