

9.507-2 Contract clause.

(a) If, as a condition of award, the contractor's eligibility for future prime contract or subcontract awards will be restricted or the contractor *must* agree to some other restraint, the *solicitation shall* contain a proposed clause that specifies both the nature and duration of the proposed restraint. The *contracting officer shall* include the clause in the contract, first negotiating the clause's final terms with the successful *offeror*, if it is appropriate to do so (see 9.506(d)).

(b) The restraint imposed by a clause *shall* be limited to a fixed term of reasonable duration, sufficient to avoid the circumstance of unfair competitive advantage or potential bias. This period varies. It might end, for example, when the first production contract using the contractor's specifications or work statement is awarded, or it might extend through the entire life of a system for which the contractor has performed systems engineering and technical direction. In every case, the restriction *shall* specify termination by a specific date or upon the occurrence of an identifiable event.

Parent topic: 9.507 Solicitation provisions and contract clause.