

# 509.405-1 Continuation of current contracts.

(a) When a contractor appears as a current exclusion in the System for Award Management (SAM), consider terminating a contract under any of the following circumstances:

- (1) Any circumstances giving rise to the debarment or suspension also constitute a default in the contractor's performance of the contract.
- (2) The contractor presents a significant risk to the Government in completing the contract.
- (3) The conduct that provides the cause of the suspension, proposed debarment, or debarment involved a GSA contract.

(b) Before terminating a contract when a contractor appears as a current exclusion in the SAM, consider the following factors:

- (1) Seriousness of the cause for debarment or suspension.
  - (2) Extent of contract performance.
  - (3) Potential costs of termination and reprocurement.
  - (4) Need for or urgency of the requirement, contract coverage, and the impact of delay for reprocurement.
  - (5) Availability of other safeguards to protect the Government's interest until completion of the contract.
  - (6) Availability of alternate competitive sources to meet the requirement (*e.g.*, other multiple award contracts, readily available commercial products and commercial services).
- (c) The responsibilities of the agency head under FAR 9.405-1 are delegated to the Senior Procurement Executive.

**Parent topic:** [509.405 Effect of listing.](#)