46.702 General.

- (a) The principal purposes of a warranty in a Government contract are-
- (1) To delineate the rights and obligations of the contractor and the Government for defective items and services; and
- (2) To foster quality performance.
- (b) Generally, a warranty should provide-
- (1) A contractual right for the correction of defects notwithstanding any other requirement of the contract pertaining to acceptance of the *supplies* or services by the Government; and
- (2) A stated period of time or use, or the occurrence of a specified event, after acceptance by the Government to assert a contractual right for the correction of defects.
- (c) The benefits to be derived from a *warranty must* be commensurate with the cost of the *warranty* to the Government.

Parent topic: <u>Subpart 46.7 - Warranties</u>