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## 242.7503 Contract clause.

Use the clause at [252.242-7006](#) , Accounting System Administration, in solicitations and contracts when contemplating—

- (a) A cost-reimbursement, incentive type, time-and-materials, or labor-hour contract; or
- (b) A contract with progress payments made on the basis of costs incurred by the contractor or on a percentage or stage of completion.

**Parent topic:** [Subpart 242.75 - CONTRACTOR ACCOUNTING SYSTEMS AND RELATED CONTROLS](#)