## 13.402 Conditions for use.

If the conditions in paragraphs (a) through (f) of this section are present, the fast payment procedure *may* be used, provided that use of the procedure is consistent with the other conditions of the purchase. The conditions for use of the fast payment procedure are as follows:

- (a) Individual purchasing instruments do not exceed \$45,000, except that *executive agencies may* permit higher dollar limitations for specified activities or items on a case-by-case basis.
- (b) Deliveries of *supplies* are to occur at locations where there is both a geographical separation and a lack of adequate communications facilities between Government receiving and disbursing activities that will make it impractical to make timely payment based on evidence of Government acceptance.
- (c) Titleto the supplies passes to the Government-
- (1) Upon delivery to a post office or common carrier for mailing or *shipment* to destination; or
- (2) Upon receipt by the Government if the *shipment* is by means other than Postal Service or common carrier.
- (d) The supplier agrees to replace, repair, or correct *supplies* not received at destination, damaged in transit, or not conforming to purchase requirements.
- (e) The purchasing instrument is a firm-fixed-price contract, a *purchase order*, or a *delivery order* for *supplies*.
- (f) A system is in place to ensure-
- (1) Documentation of evidence of contractor performance under fast payment purchases;
- (2) Timely feedback to the *contracting officer* in case of contractor deficiencies; and
- (3) Identification of suppliers that have a current history of abusing the fast payment procedure (also see <u>subpart 9.1</u>).

Parent topic: Subpart 13.4 - Fast Payment Procedure