

IDS Terms and Conditions Guide
Section M

Clause Number: M322
Effective: 2/16/2007
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SUBCONTRACT MONITORING

1. The Seller will develop a subcontractor monitoring strategy specific to this contract which must be approved by the Buyer. The strategy must include a process for the contractor to notify the Buyer in advance of the scheduled dates for the tests, meetings, reviews, and other events listed below.
2. In addition, the parties agree that the Buyer and/or the Government shall have the right to: Review all documentation pertaining to source selections or other competitive sourcing activities, fact-finding, and negotiation sessions with or for subcontractors or potential subcontractors.
3. The Buyer and/or the Government may observe any Seller or lower tier subcontractor test, verification, validation, shipment, or other similar event. The Buyer and/or the Government may attend any Seller or lower tier subcontractor status meeting, milestone review, design review, program review, or other similar event.
4. The requirements of this clause shall be included in all subcontracts directly chargeable to this contract, except for those subcontracts with US-owned companies to provide only unclassified commercial products and/or services on a fixed-price basis.
5. Buyer actions under this provision does not relieve the Seller of any responsibility for the effective management of all subcontracts and for the overall success of this contract. Actions taken under the authority of this clause do not establish privity of contract between the Buyer and Seller's subcontractors under this contract, and the Buyer will not provide direction to or request action by any subcontractor.