CHANGE REQUEST COVER SHEET

Change Request Number: 12-75

Date Received: 6/13/2012

Title: Inverted Domestic Corporations - FY 2012 Funding

Name: Tim Eckert

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Policy OR Guidance: Guidance

Section/Text Location Affected: T3.2.2.7A.5

Summary of Change: Addition of FY 2012 funding to inverted domestic corporation prohibition

Reason for Change: Consistency with FY 2012 Appropriations Act

Development, Review, and/or Concurrence: Acquisition Policy Division; Procurement Legal; and Contracting at Headquarters, Service Areas and Centers

Target Audience: Program Offices and Acqusition workforce

Potential Links within FAST for the Change: None

Briefing Planned: No

ASAG Responsibilities: None

Potential Links within FAST for the Change: None

Links for New/Modified Forms (or) Documents (LINK 1)

Links for New/Modified Forms (or) Documents (LINK 2)

Links for New/Modified Forms (or) Documents (LINK 3)

SECTIONS EDITED:

Procurement Guidance: T3.2.2.7 - Contractor Qualifications Contractor Qualifications Section 5 : Prohibition Against Contracting with Inverted Domestic Corporations [Old Content][New Content] [RedLine Content]

SECTIONS EDITED:

Section 5 : Prohibition Against Contracting with Inverted Domestic Corporations

Old Content: <u>Procurement Guidance</u>: *T3.2.2.7 - Contractor Qualifications Contractor Qualifications* **Section 5 : Prohibition Against Contracting with Inverted Domestic Corporations**

(a) To be eligible for a contract award when using Fiscal Year 2006 through Fiscal Year 2010 appropriations, an offeror must represent it is not an inverted domestic corporation or subsidiary as defined under 6 U.S.C. 395 (b) and (c) and 26 U.S.C. 7874. Any offeror that cannot so represent is ineligible for contract award using such appropriated funds.

(b) Contracting Officers must rigorously examine known circumstances that would lead a reasonable business person to question an offeror's self-certification and, after consultation with legal counsel, take appropriate action when that questionable self-certification cannot be verified.

(c) *Waiver*. The FAA Administrator may waive the requirements of this Section if the FAA Administrator determines in writing that a waiver is required in the interest of national security, documents the determination, and reports it to Congress.

New Content: Procurement Guidance:

T3.2.2.7 - Contractor Qualifications Contractor Qualifications Section 5 : Prohibition Against Contracting with Inverted Domestic Corporations

(a) To be eligible for a contract award when using Fiscal Year 2006 through Fiscal Year 2010 and Fiscal Year 2012 appropriations, an offeror must represent it is not an inverted domestic corporation or subsidiary as defined under 6 U.S.C. 395 (b) and (c) and 26 U.S.C. 7874. Any offeror that cannot so represent is ineligible for contract award using such appropriated funds.

(b) Contracting Officers must rigorously examine known circumstances that would lead a reasonable business person to question an offeror's self-certification and, after consultation with legal counsel, take appropriate action when that questionable self-certification cannot be verified.

(c) *Waiver*. The FAA Administrator may waive the requirements of this Section if the FAA Administrator determines in writing that a waiver is required in the interest of national security, documents the determination, and reports it to Congress.

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Red Line Content: Procurement Guidance:

T3.2.2.7 - Contractor Qualifications

Contractor Qualifications

Section 5 : Prohibition Against Contracting with Inverted Domestic Corporations

(a) To be eligible for a contract award when using Fiscal Year 2006 through Fiscal Year 2010 *and Fiscal Year 2012* appropriations, an offeror must represent it is not an inverted domestic corporation or subsidiary as defined under 6 U.S.C. 395 (b) and (c) and 26 U.S.C. 7874. Any offeror that cannot so represent is ineligible for contract award using such appropriated funds.

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