## 9.305 Risk.

Before first article approval, the acquisition of materials or components, or commencement of production, is normally at the sole risk of the contractor. To minimize this risk, the contracting officer shall provide sufficient time in the delivery schedule for acquisition of materials and components, and for production after receipt of first article approval. When Government requirements preclude this action, the contracting officer may, before approval of the first article, authorize the contractor to acquire specific materials or components or commence production to the extent essential to meet the delivery schedule (see Alternate II of the clause at 52.209-3, First Article Approval-Contractor Testing, and Alternate II of the clause at 52.209-4, First Article Approval-Government Testing). Costs incurred based on this authorization are allocable to the contract for—

- (a) Progress payments; and
- (b) Termination settlements if the contract is terminated for the convenience of the Government.

Parent topic: Subpart 9.3 - First Article Testing and Approval