**Procedures—Prohibition on Providing Funds to the Enemy and Authorization for Additional Access to Records**

1. United States Africa Command (USAFRICOM), United States Central Command (USCENTCOM), United States European Command (USEUCOM), United States Indo-Pacific Command (USINDOPACOM), United States Southern Command (USSOUTHCOM), and United States Transportation Command (USTRANSCOM) Commanders, or deputy commanders, will identify persons and entities within the area of responsibility of such command that—
* Provide funds, including goods and services, received under a covered contract, grant, or cooperative agreement of an executive agency directly or indirectly to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities; or
* Fail to exercise due diligence to ensure that none of the funds, including goods and services, received under a covered contract, grant, or cooperative agreement of an executive agency are provided directly or indirectly to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities.
1. Upon the identification of a person or entity as described above, the combatant commander or deputy commander will, in consultation with the Under Secretary of Defense for Policy, the Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)), and the appropriate Chiefs of Mission, notify in writing Defense Pricing and Contracting (DPC), Contract Policy and the appropriate heads of the contracting activity (HCAs) of such identification of the person or entity. Appropriate HCAs may include the HCA with purview over the covered contract that was identified as providing funds, goods, or services to the covered person or entity; any HCA with active contracts with the identified person or entity; or any HCA considering awarding a contract to the identified person or entity. DPC will assist combatant commands with notifying the appropriate HCAs.
2. Upon receipt of such notification, the appropriate HCA(s), without power of redelegation, will exercise this authority to determine in writing, whether to—
* Prohibit, limit, or otherwise place restrictions on the award of any DoD contracts to such identified persons or entities;
* Terminate for default any DoD contracts when the HCA determined that the contractor failed to exercise due diligence (see paragraph (a)(1) of the clause 252.225-7993 of this class deviation) to ensure that none of the funds received under the contract are provided directly or indirectly to such identified person or entity; or
	+ Void, in whole or in part, any DoD contract that provided funds to such identified person or entity.
1. The HCA taking an action under paragraph 3. of these procedures to restrict, terminate, or void a contract shall, in writing, notify the affected contractor of the action. The notice to the contractor shall inform the contractor of the right to request, within 30 days, an administrative review of the action. If a contractor requests an administrative review of an HCA action under paragraph 3 of this class deviation, the HCA will follow Agency procedures in response to the administrative review. The covered combatant command will support the HCA through the administrative review process and provide information as required by the HCA to support the administrative review.
2. Classified information relied upon to make a decision in accordance with paragraph 3. of these procedures may not be disclosed to a contractor with respect to which an action is taken pursuant to the authority provided in paragraph 3. of these procedures, or to their representatives, in the absence of a protective order issued by a court of competent jurisdiction established under Article I or Article III of the Constitution of the United States that specifically addresses the conditions upon which such classified information may be so disclosed.
3. Senior procurement executives (SPEs) shall establish internal processes or guidance for restricting future award of contracts under the their purview. Upon determination by the HCA to restrict the future award of contracts or subcontracts to a person or entity, the contracting activity, through their SPE, shall notify Defense Pricing and Contracting, Contract Policy and request entry of the required data on the ineligible person or entity in the System for Award Management (SAM) Exclusions as follows (see FAR 9.404):

*Classification = Special Entity Designation*

*Agency = DoD*

*Exclusion Status = Active*

*Exclusion Type = Prohibition/Restriction*

*Comments: Pursuant to Subtitle E, Title VIII of the NDAA for FY 2015*

1. Upon termination or voiding of a contract, the contracting officer shall treat such action as a default for purposes of reporting in the Federal Awardee Performance and Integrity Information System (FAPIIS) (see FAR 42.1503(h)(1)).
2. For contractsawarded on or before December 31, 2025, to be performed outside the United States and its outlying areas, the contracting officer shall check the current list of prohibited or restricted persons or entities in SAM Exclusions prior to awarding the contract.
3. Contracting officers with contracts being performed outside the United States and its outlying areas in support of covered contingency operations shall also check SAM, at a minimum, on a monthly basis to ensure none of the existing contracts being performed in the covered combatant commands are associated with prohibited or restricted persons or entities.
4. The authority to examine records pursuant to 252.225-7975 (Attachment 2) may be exercised only upon a written determination by the contracting officer, upon a finding by the commanding officer of USAFRICOM, USCENTCOM, USEUCOM, USINDOPACOM, USSOUTHCOM, or USTRANSCOM that there is reason to believe that funds available under the contract may have been provided directly or indirectly to persons or entities that are actively opposing United States or coalition forces in a contingency operation in which members of the Armed Forces are actively engaged in hostilities.

11. Each HCA shall enforce inclusion of the attached clauses 252.225-7993 (Attachment 1) and 252.225-7975 (Attachment 2) as prescribed.

1. Reports on Prohibition on Providing Funds to the Enemy.
	1. The HCA that receives a notice pursuant to paragraph 2. of these procedures shall submit to osd.pentagon.ousd-a-s.mbx.dpc-cp@mail.mil and the commander of the combatant command concerned a report on the action, if any, taken by the HCA pursuant to paragraph 3. of these procedures, including a determination not to terminate, void, or restrict the contract as otherwise authorized. Include the following:
* The contracting activity taking such action.
* An explanation of the basis for the action taken or not taken.
* If applicable, the value of the contract voided or terminated and the value of all contracts of the contracting activity in force with the person or entity concerned at the time the contract was terminated or voided.
	1. Reports may be submitted in unclassified form, but with a classified annex; or in classified form, as appropriate.