

**552.212-4 CONTRACT TERMS AND CONDITIONS ? COMMERCIAL  
PRODUCTS AND COMMERCIAL SERVICES (NOV 2023)  
(DEVIATION ? FEB 2007) (FAR DEVIATION - JAN 2023)**

(a) Inspection/Acceptance. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. If repair/replacement or reperformance will not correct the defects or is not possible, the Government may seek an equitable price reduction or adequate consideration for acceptance of nonconforming supplies or services. The ordering activity must exercise its post acceptance rights- (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

**\*\*\* The contractor has taken exception to this clause as follows:**

The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. Therefore, items delivered shall be deemed accepted two (2) calendar days after delivery, unless rejected earlier. The ordering activity reserves the right to inspect or test any software that has been tendered for acceptance. The ordering activity may require repair or replacement of nonconforming software at no increase in contract price. The ordering activity must exercise its post-acceptance rights- (1) within a reasonable time after the defect was discovered or should have been discovered; as set forth below and (2) before any substantial change occurs in the condition of the software, unless the change is due to the defect in the software. Notwithstanding the foregoing, post- acceptance rights cannot be exercised more than five (5) calendar days after delivery. In addition, for a period of six (6) months from the date that a Software module and a production certificate (which is a license certificate necessary to be applied to Users systems to activate the Software for use in Users production environment) including such Software module first have been delivered to User (either by shipment of media containing the Software, downloading of the Software or the production certificate onto Users systems in connection with the installation of the Software, or the Software or the production certificate being made available for download by User from a web site identified to User), Hyland warrants to User that the Software, when properly installed and properly used, will function in all material respects as described in the "Help Files" included in the Software and that relate to the functional, operational or performance characteristics of the Software ("Documentation"). The terms of this warranty shall not apply to, and Hyland shall have no liability for any non-conformity related to, any Software that has been- (1) modified by User or a third party, (2) used in combination with equipment or software other than that which is consistent with the Documentation, or (3) misused or abused.

**552.212-4 CONTRACT TERMS AND CONDITIONS - COMMERCIAL  
PRODUCTS AND COMMERCIAL SERVICES (NOV 2023) (FAR DEVIATION  
- JAN 2023) (ALTERNATE I - NOV 2021) (DEVIATION - FEB 2007)**

(a) Inspection/Acceptance(1) The Government has the right to inspect and test all materials furnished and services performed under this contract, to the extent practicable at all places and times, including the period of performance, and in any event before acceptance. The Government may also inspect the plant or plants of the Contractor or any subcontractor engaged in contract performance. The Government will perform inspections and tests in a manner that will not unduly delay the work.(2) If the Government performs inspection or tests on the premises of the Contractor or a subcontractor, the Contractor shall furnish and shall require subcontractors to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.(3) Unless otherwise specified in the contract, the Government will accept or reject services and materials at the place of delivery as promptly as practicable after delivery, and they will be presumed accepted 60 days after the date of delivery, unless accepted earlier.(4) At any time during the contract performance, but not later than 6 months (or such other time as may be specified in the contract) after acceptance of the services or materials last delivered under this contract, the Government may require

the Contractor to replace or correct services or materials that at time of delivery failed to meet contract requirements. Except as otherwise specified in paragraph (a)(6) of this clause, the cost of replacement or correction shall be determined under paragraph (i) of this clause, but the "hourly rate" for labor hours incurred in the replacement or correction shall be reduced to exclude that portion of the rate attributable to profit. Unless otherwise specified below, the portion of the "hourly rate" attributable to profit shall be 10 percent. The Contractor shall not tender for acceptance materials and services required to be replaced or corrected without disclosing the former requirement for replacement or correction, and, when required, shall disclose the corrective action taken. [Insert portion of labor rate attributable to profit.](5) (i) If the Contractor fails to proceed with reasonable promptness to perform required replacement or correction, and if the replacement or correction can be performed within the ceiling price (or the ceiling price as increased by the Government), the Government may-(A) By contract or otherwise, perform the replacement or correction, charge to the Contractor any increased cost, or deduct such increased cost from any amounts paid or due under this contract; or(B) Terminate this contract for cause.(ii) Failure to agree to the amount of increased cost to be charged to the Contractor shall be a dispute under the Disputes clause of the contract.(6) Notwithstanding paragraphs (a)(4) and (5) above, the Government may at any time require the Contractor to remedy by correction or replacement, without cost to the Government, any failure by the Contractor to comply with the requirements of this contract, if the failure is due to (i) Fraud, lack of good faith, or willful misconduct on the part of the Contractors managerial personnel; or(ii) The conduct of one or more of the Contractors employees selected or retained by the Contractor after any of the Contractors managerial personnel has reasonable grounds to believe that the employee is habitually careless or unqualified.(7) This clause applies in the same manner and to the same extent to corrected or replacement materials or services as to materials and services originally delivered under this contract.(8) The Contractor has no obligation or liability under this contract to correct or replace materials and services that at the time of delivery do not meet contract requirements, except as provided in this clause or as may be otherwise specified in the contract.(9) Unless otherwise specified in the contract, the Contractors obligation to correct or replace Government-furnished property shall be governed by the clause pertaining to Government property.

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