

## 15.407-3 Forward pricing rate agreements.

(a) When *certified cost or pricing data* are required, *offerors* are required to describe any *forward pricing rate agreements* (FPRAs) in each specific *pricing* proposal to which the rates apply and to identify the latest *cost or pricing data* already submitted in accordance with the FPRA. All data submitted in connection with the FPRA, updated as necessary, form a part of the total data that the *offeror* certifies to be accurate, complete, and current at the time of agreement on *price* for an initial contract or for a *contract modification*. (See the Certificate of Current *Cost or Pricing Data* at [15.406-2](#).)

(b) *Contracting officers* will use FPRA rates as bases for *pricing* all contracts, modifications, and other contractual actions to be performed during the period covered by the agreement. Conditions that *may* affect the agreement's validity *shall* be reported promptly to the ACO. If the ACO determines that a changed condition invalidates the agreement, the ACO *shall* notify all interested parties of the extent of its effect and status of efforts to establish a revised FPRA.

(c) *Contracting officers shall* not require certification at the time of agreement for data supplied in support of FPRA's or other advance agreements. When a *forward pricing rate agreement* or other advance agreement is used to *price* a contract action that requires a certificate, the certificate supporting that contract action *shall* cover the data supplied to support the FPRA or other advance agreement, and all other data supporting the action.

**Parent topic:** [15.407 Special cost or pricing areas](#).