



Pension Benefit Guaranty Corporation
445 12th St, SW, Washington, DC 20024

Class Deviation PBGC-2026-0002

MEMORANDUM FOR PBGC ACQUISITION WORKFORCE

Date: February 3, 2026

From: Damon Q. McClure, Senior Procurement Executive

Subject: FAR Class Deviation for FAR Part 3 in Support of Executive Order on Restoring Common Sense to Federal Procurement

1. Purpose: This class deviation is issued in accordance with FAR 1.304 and pursuant to the Office of Federal Procurement Policy memorandum entitled, “Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation,” to provide contracting officers with revised FAR Part 3 language and implement the FAR Council’s model deviation to FAR Part 3.

2. Background: On April 15, 2025, [Executive Order \(E.O.\) 14275 on Restoring Common Sense to Federal Procurement](#) was signed. Section 2 of the E.O. establishes the policy that the FAR “should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed.”

The FAR is being updated to:

- Remove language that is not required by statute
- Remove duplicative or outdated language
- Clarify or provide more plain language
- Revise the language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards.

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

3. Summary of Changes. FAR Part 3, Improper Business Practices and Personal Conflicts of Interest, has been retained with minimal deletions and minor updates made for plain language and streamlining. The model deviation does not implement FAR Case 2023-006, Preventing Organizational Conflicts of Interest in Federal Acquisition. This content will be addressed in subsequent policy.

The fundamental rules of ethical conduct remain exactly the same. We must all continue to:

- **Act with Integrity:** Always conduct business honestly and transparently.
- **Avoid Conflicts of Interest:** Continue to identify and report any personal, financial, or family relationships that give rise to actual or apparent biases when working on a government contract.
- **Refuse Improper Gifts:** The strict rules against accepting gifts, favors, or anything of value from contractors or potential contractors have not changed.
- **Report Wrongdoing:** Every employee has a duty to report any suspected fraud, waste, abuse, or other violations of law or regulation.

- **Protect Sensitive Information:** Do not use non-public information you get from your government work for personal gain.

Statutory requirements and presidential directives retained in the RFO FAR Part 3 model deviation include, but may not be limited to, the following:

- 10 U.S.C. § 4651, Expenditure of Appropriations: Limitation
- 10 U.S.C. § 4655 and 41 U.S.C. § 4704, Prohibition of Contractors Limiting Subcontractor Sales Directly to Federal Government
- 18 U.S.C. § 208, Acts Affecting a Personal Financial Interest
- 18 U.S.C. § 218, Voiding Transactions in Violation of Chapter
- 41 U.S.C. § 2101 et seq, Procurement Integrity Act
- 41 U.S.C. § 3509, Notification of Violations of Federal Criminal Law or Overpayments
- 41 U.S.C. § 4712, Enhancement of Contractor Protection from Reprisal for Disclosure of Certain Information
- 41 U.S.C. § 8701 et seq, Anti-Kickback Act of 1986
- E.O. 12731, Principles of Ethical Conduct for Government Officers and Employees

Change	Description
Retained	• The majority of the part is retained and updated for plain language and streamlining. These updates are designed to enhance clarity and reduce ambiguity and include employing active voice, breaking down complex sentences, and using formatting such as numbered lists to improve readability. • All subparts remain and keep the same structure. • Most existing provisions and clauses are retained (or remain reserved if previously reserved) with no changes to the text. The only exception is clause 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009, which is deleted as it is no longer needed.
Removed	• Subsection 3.103-3 “The need for further certifications”, was removed as the content is not required in the FAR. • Section 3.301 “General”, was removed because it provided general background on anticompetitive practices but contained no enforceable rule or procedure. • Section 3.406 “Records”, was removed because it is redundant of existing record retention requirements. • Section 3.907 “Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (the Recovery Act)”, including all subsections, was removed as obsolete because it was specific to contracts funded by the ARRA Recovery Act, a 2009 economic stimulus package. ○ Removing this section includes deleting clause 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.

This table is not an exhaustive list

4. Instructions:

- The PBGC acquisition workforce shall follow the RFO Part 3 model deviation text instead of FAR Part 3 as codified at 48 CFR Chapter 1. The Council's RFO Part 3 model deviation text is available at [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul) and is incorporated into this class deviation.
- When using any provisions or clauses that have been revised, utilize the RFO model deviation language at [RFO FAR Part 52](#).
- Contracting activities must review templates and related standard operating procedures to align with this class deviation and remove unnecessary processes and steps.

5. Applicability: This deviation applies to all Pension Benefit Guaranty Corporation solicitations and new contracts.

6. Authority: This class deviation is issued under the authority of Executive Order (E.O.) 14275, [OMB M-25-26](#), 48 CFR Subpart 1.4, and FAR RFO 1.304.

7. Effective Date: This class deviation remains in effect until the changes described herein are incorporated in the FAR, superseded, or otherwise rescinded.

8. Point of Contact: Questions or comments on this class deviation may be sent to Jeff Gangi at gangi.jeffrey@pbgc.gov.