FEDERAL CONTRACTING LEGAL FIELD GUIDE | 2026 EDITION

THE FEDERAL PARTNERING HANDBOOK

Choosing among teaming agreements, prime-subcontractor relationships, joint ventures, and the SBA Mentor-Protege Program

THE CENTRAL DISTINCTION
These are not four names for the same partnership. They differ in who bids, who contracts with the Government, who controls performance, who bears liability, and which SBA rules apply.

Prepared by Sunstone Advisory Group
Research current through July 2026

[redacted]

HOW TO USE THIS GUIDE

A decision aid, not a substitute for procurement-specific legal review

What this guide does

Compares four frequently confused structures against the same 28 legal and operational questions; identifies primary authority; and links each major statement to current regulations or attorney-led material published from January 2025 forward.

What this guide does not do

It does not determine eligibility for a particular solicitation, resolve state-law enforceability, replace an SBA approval process, or draft a transaction around the facts of a live procurement.

Reading the citations

Gold citation tags are hyperlinks. Primary authority is preferred for rules. Attorney resources supply interpretation, drafting emphasis, and current-practice warnings.

Use the templates carefully

The four companion templates are issue-spotting frameworks. They require procurement-specific facts, governing-law review, negotiation, and attorney approval before execution.

LEGAL NOTICE
Federal rules, solicitation terms, SBA interpretations, and case law can change. Verify the version applicable on the offer date and obtain counsel for binding legal advice.

[redacted]

EXECUTIVE OVERVIEW

The four structures in one sentence each

TEAMING AGREEMENT

A pre-award agreement in which a prospective prime and one or more intended subcontractors organize a pursuit while remaining separate companies. [FAR9.601] [FAR9.602] [MCC-TEAM]

PRIME-SUBCONTRACTOR

A post-award or performance relationship in which the prime holds the federal contract and purchases a defined scope from a subcontractor. [FAR44.101] [FAR44.2] [MCC-SUB]

JOINT VENTURE

A combined offeror formed by two or more venturers; small-business set-aside JVs must satisfy detailed SBA eligibility, control, agreement, and work-performance rules. [CFR125.8] [SBAJV] [CROWELL]

SBA MENTOR-PROTEGE

An SBA-approved developmental relationship. It is not itself the offeror, subcontract, or JV, although approved parties may separately create a qualifying JV. [CFR125.9] [SBAMPP] [MCC-MPP]

SELECTION TOOL

Start with the identity of the offeror

1

Will one existing company submit the offer and hold the prime contract?
Yes: begin with a prime/sub model. Use a teaming agreement before award and a subcontract for performance.

2

Will two companies submit as one combined offeror?
Yes: analyze a joint venture, including solicitation-specific and SBA requirements.

3

Is the central purpose long-term development of a small business?
Yes: consider the SBA Mentor-Protege Program. Do not confuse approval of the relationship with creation of a JV.

4

Is the procurement a small-business or socioeconomic set-aside?
Re-test size, status, affiliation, workshare, control, and required agreement provisions at the applicable offer stage.

5

Does the solicitation evaluate teammate or venturer experience?
Read the exact evaluation language. The treatment of a subcontractor, affiliate, venturer, or mentor can differ materially.

STOP CONDITION
Do not choose a label first and force the facts into it. Identify the offeror, contract holder, control structure, workshare, and regulatory objective first.

[redacted]

STRUCTURE 1 OF 4

Teaming agreements

Best for a named pre-award prime/sub pursuit without creating a combined offeror.

Core legal idea

FAR recognizes a prospective prime and proposed subcontractor arrangement as a contractor team arrangement. **[FAR9.601] [FAR9.602] [MCC-TEAM] [PM-PIT]**

Use when

One company should remain the offeror and contract holder, but the proposal needs another firm's capabilities, personnel, past performance, or scope. **[FAR9.601] [FAR9.602] [MCC-TEAM] [PM-PIT]**

Do not assume

A promise to negotiate later automatically guarantees a subcontract or a fixed workshare. **[FAR9.601] [FAR9.602] [MCC-TEAM] [PM-PIT]**

Draft around

Scope, exclusivity, proposal control, inputs, costs, use of credentials, workshare, subcontract negotiation, termination, confidentiality, OCI, and remedies. **[FAR9.601] [FAR9.602] [MCC-TEAM] [PM-PIT]**

> **PRACTICE NOTE**
> The document title matters less than the rights, obligations, offeror identity, and regulatory facts it creates. Substance controls.

[redacted]

STRUCTURE 2 OF 4

Prime-subcontractor relationships

Best for delegating defined performance while preserving one prime contractor's responsibility to the agency.

Core legal idea

The prime contract and subcontract are separate contracts. The Government normally has no contractual relationship with the subcontractor. **[FAR44.101] [FAR52.244-2] [MCC-SUB]**

Use when

The prime wants to buy a defined product, service, labor category, or work package while retaining customer control. **[FAR44.101] [FAR52.244-2] [MCC-SUB]**

Do not assume

Every FAR clause flows down, every prime-contract change automatically changes the subcontract, or payment follows automatically. **[FAR44.101] [FAR52.244-2] [MCC-SUB]**

Draft around

Scope, price, type, changes, flowdowns, compliance, IP, audit, invoice and payment, pass-through claims, termination, indemnity, insurance, and disputes. **[FAR44.101] [FAR52.244-2] [MCC-SUB]**

> **PRACTICE NOTE**
> The document title matters less than the rights, obligations, offeror identity, and regulatory facts it creates. Substance controls.

[redacted]

STRUCTURE 3 OF 4

Joint ventures

Best when the parties should submit and perform as one combined offeror.

Core legal idea

The JV is the offeror and contract counterparty. For small-business set-asides, SBA imposes detailed eligibility and agreement requirements. **[CFR125.8] [SBAJV] [PM-JV] [CROWELL]**

Use when

A combined offeror materially improves eligibility, capability, management, risk sharing, or solicitation alignment. **[CFR125.8] [SBAJV] [PM-JV] [CROWELL]**

Do not assume

A generic operating agreement, an approved MPA, or a 50/50 commercial structure satisfies SBA requirements. **[CFR125.8] [SBAJV] [PM-JV] [CROWELL]**

Draft around

Managing venturer, responsible manager, purpose, work allocation, profits, bank account, records, equipment, personnel, guarantees, reporting, and winding up. **[CFR125.8] [SBAJV] [PM-JV] [CROWELL]**

PRACTICE NOTE
The document title matters less than the rights, obligations, offeror identity, and regulatory facts it creates. Substance controls.

[redacted]

STRUCTURE 4 OF 4

SBA Mentor-Protege relationships

Best for measurable development of a qualifying small business over time.

Core legal idea

SBA approves a developmental plan between an eligible mentor and protege. The approved relationship can support certain affiliation exceptions. [CFR125.9] [SBAMPP] [MCC-MPP] [CROWELL]

Use when

The protege has concrete capability gaps that a qualified mentor can address through management, technical, financial, contracting, or other assistance. [CFR125.9] [SBAMPP] [MCC-MPP] [CROWELL]

Do not assume

Approval creates a JV, guarantees award eligibility, supplies the protege’s required control, or replaces separate transaction documents. [CFR125.9] [SBAMPP] [MCC-MPP] [CROWELL]

Draft around

Specific assistance, milestones, reporting, term, withdrawal, equity or loans, confidentiality, program compliance, and separate JV documentation. [CFR125.9] [SBAMPP] [MCC-MPP] [CROWELL]

PRACTICE NOTE
The document title matters less than the rights, obligations, offeror identity, and regulatory facts it creates. Substance controls.

MASTER COMPARISON MATRIX

Part 1: rows 1-14

Topic	Teaming	Prime/Sub	JV	Mentor-Protege
1. What it legally is	Pre-award arrangement An agreement under which a prospective prime identifies one or more intended subcontractors for a specified acquisition; FAR treats this as one form of contractor team arrangement. [FAR9.601]	Performance contract A subcontract is a contract for supplies or services entered into to support performance of a prime contract or another subcontract. [FAR44.101]	Single offeror Two or more companies combine to act as a potential prime contractor; for SBA set-asides, the JV must satisfy detailed eligibility and agreement rules. [CFR125.8]	Developmental program An SBA-approved relationship designed to provide business-development assistance. It is not itself the bidder or contract-performance vehicle. [CFR125.9]
2. Best suited for	Combining complementary capabilities while preserving a prime/sub structure and identifying the team in the proposal. [FAR9.602]	Delegating a defined scope while the prime retains the federal contract and responsibility to the agency. [MCC-TEAM]	Pursuing as one offeror where the solicitation, risk allocation, or small-business strategy favors joint performance. [PM-JV]	Longer-term capability building, management or technical assistance, and—when properly structured—an affiliation exception for a mentor-protégé JV. [CFR125.9]
3. When formed	Normally before offer submission, though FAR permits formation later in the acquisition process, including after award. [FAR9.602]	Often negotiated before award and executed at or after award; timing depends on proposal commitments, consent requirements, and the parties' conditions precedent. [FAR52.244-2]	Before submitting the JV's offer; SBA eligibility is tested as of the JV's offer for the procurement. [CFR125.8]	The mentor-protégé agreement must be approved by SBA before the parties rely on the program's affiliation exception for a JV offer. [CFR125.9]
4. Required writing	No single FAR template, but enforceability depends heavily on definite obligations, scope, exclusivity, workshare, pricing process, termination, and whether a later subcontract is merely an agreement to agree. [MCC-TEAM]	A written subcontract should allocate scope, price, changes, flowdowns, IP/data, compliance, audit, indemnity, disputes, termination, and payment. [MCC-SUB]	For small-business set-asides, 13 CFR 125.8 prescribes mandatory JV agreement provisions, including purpose, managing venturer, Responsible Manager, work, profits, records, and bank-account provisions. [CFR125.8]	A written mentor-protégé agreement must identify the assistance to be provided and be approved by SBA; SBA application materials require executed documents and training certificates. [SBAMPP]
5. Government / SBA approval	No general preapproval, but the arrangement must be identified and relationships fully disclosed; consent to subcontract may still apply. [FAR9.603]	The contracting officer may need to consent to certain subcontracts under FAR Part 44 or a contract clause; approval of a purchasing system is not blanket approval of every subcontract. [FAR52.244-2]	Ordinary JVs are not generally "approved" by the agency, but SBA rules govern eligibility; SBA no longer approves JV agreements for competitive 8(a) procurements. [CFR125.8]	SBA approval is central. The relationship does not receive MPP benefits merely because the parties call one another mentor and protégé. [CFR125.9]
6. Identity of offeror	The prospective prime is the offeror; the teammate is proposed as a subcontractor unless the solicitation creates another structure. [FAR9.601]	The prime is the offeror and awardee; the subcontractor contracts with the prime, not ordinarily with the United States. [FAR44.101]	The JV is the offeror and, if selected, the awardee; the proposal must clearly identify the JV and its members. [CFR125.8]	Neither "mentor-protégé pair" nor the MPA is an offeror. A separately formed qualifying JV may submit the offer. [CFR125.9]
7. Who holds the federal contract	The designated prime, if award is made. [FAR9.604]	The prime contractor. [FAR44.101]	The JV entity or recognized JV arrangement, as stated in the award. [CFR125.8]	The MPA holds no contract; a mentor-protégé JV may hold the award if it competed and won. [CFR125.9]
8. Privity with government	The intended subcontractor generally has no direct contractual relationship with the government merely because it is named in a teaming agreement. [FAR9.604]	The prime has privity with the government; the subcontractor generally has privity only with the prime, subject to limited doctrines and contract-specific mechanisms. [FAR44.101]	The JV, as awardee, has privity with the government; the venturers' internal rights are governed by the JV agreement and applicable law. [CFR125.8]	The MPA creates no contractual privity with an agency. Privity arises only through an awarded prime contract or subcontract. [CFR125.9]
9. Management and control	The prime controls proposal submission and remains responsible to the government; the agreement can reserve defined teammate roles and	The prime directs subcontract performance under the subcontract and remains fully responsible for federal contract performance. [MCC-SUB]	For an SBA mentor-protégé JV, the small-business protégé must be managing venturer and a named employee must serve as Responsible Manager with ultimate responsibility.	The mentor provides approved assistance but may not use the relationship to control the protégé in a manner that defeats the program's requirements.

Topic	Teaming	Prime/Sub	JV	Mentor-Protege
	approvals. [FAR9.603]		[CFR125.8]	[CFR125.9]
10. Work allocation	Negotiated. A precise workshare can reduce later disputes, but the solicitation and LOS rules may override commercial preferences. [FAR9.603]	Set by the subcontract, proposal commitments, prime-contract requirements, and applicable LOS or similarly-situated-entity rules. [MCC-SUB]	The JV agreement must describe the work to be performed by each venturer; SBA rules also impose minimum protégé performance within a mentor-protégé JV. [CFR125.8]	The MPA describes developmental assistance, not contract workshare. Workshare arises only if the parties also form a JV or prime/sub arrangement. [CFR125.9]
11. Limitations on subcontracting	Applicable to the prime's performance on covered set-asides; naming a teammate does not eliminate LOS obligations. [FAR52.219-14]	The prime must structure subcontracting to comply with the solicitation, FAR clause, and SBA LOS rules; payments to similarly situated entities may receive different treatment. [CFR125.6]	The JV must meet the applicable LOS collectively, and the protégé must perform the required share of the JV's work under SBA JV rules. [CFR125.8]	The MPP does not waive LOS. The benefit is an affiliation exception for a compliant JV, not permission for the mentor to perform the entire contract. [CFR125.9]
12. Past performance / experience	Evaluation depends on solicitation language. Agencies may consider a proposed subcontractor's record, but the proposal must show relevance and the team's commitment. [PM-2025]	A subcontractor's experience may strengthen the proposal when the solicitation permits it; it does not automatically become the prime's own corporate past performance. [MCC-SUB]	Agencies must evaluate a small-business JV's capabilities consistent with SBA rules and the solicitation. The 2025 rule clarified circumstances in which an agency may rely on a mentor or other non-similarly-situated venturer's experience. [CFR125.8]	The MPA itself supplies no past performance. The mentor's record can matter through a compliant JV and solicitation-specific evaluation rules. [PM-2025]
13. Affiliation risk	Extensive control, economic dependence, common management, or identity-of-interest facts can create affiliation; a label alone does not prevent it. [CFR121.103]	A prime/sub relationship may support an ostensible-subcontractor finding where the subcontractor performs the primary and vital requirements or the prime is unusually reliant on it. [CFR121.103]	JV partners are generally affiliated for the JV's procurement unless an SBA exception applies; compliant mentor-protégé JVs can receive an exclusion from affiliation. [CFR125.8]	An SBA-approved MPA can support specified affiliation exceptions, but only within the regulatory conditions; it is not a universal shield from affiliation. [CFR125.9]
14. Set-aside eligibility	Determined primarily by the prime offeror's status, size, proposal structure, and any ostensible-subcontractor concerns. [CFR121.103]	The prime must qualify for the set-aside and remain compliant with size/status and performance rules. [FAR52.219-14]	A compliant small-business JV may pursue set-asides; program-specific rules apply for 8(a), HUBZone, WOSB/EDWOSB, and VOSB/SDVOSB competitions. [CFR125.8]	A mentor and protégé may form a JV for set-asides for which the protégé qualifies, provided the protégé is individually small and the JV satisfies applicable rules. [CFR125.9]

Use the detailed pages that follow for interpretation, drafting questions, and source links.

MASTER COMPARISON MATRIX

Part 2: rows 15-28

Topic	Teaming	Prime/Sub	JV	Mentor-Protege
15. Proposal disclosure	FAR policy requires identification of the arrangement and full disclosure of company relationships in the offer, or before a later arrangement becomes effective. [FAR9.603]	Key subcontractors, workshare, letters of commitment, organizational conflicts, and consent information must be disclosed as the solicitation requires. [MCC-SUB]	The offer must be submitted in the JV's name and include the information required by the solicitation and SBA rules. [CFR125.8]	Do not describe an unapproved relationship as SBA-approved. When a JV relies on MPP status, the proposal should accurately identify the approval and JV structure. [CFR125.9]
16. Liability	Liability is primarily contractual between the parties; the prime remains responsible to the government regardless of the team arrangement. [MCC-TEAM]	The prime bears federal-contract responsibility; the subcontract allocates downstream liability, indemnity, damages, insurance, and remedies. [MCC-SUB]	Liability among venturers depends on entity form, applicable law, guarantees, and the JV agreement; SBA compliance does not itself eliminate commercial liability. [CFR125.8]	The MPA does not merge the firms. Separate liabilities remain, except as modified by investments, loans, subcontracts, JV documents, or other transactions. [CFR125.9]
17. Payment and disputes	Payment usually begins only if a subcontract is awarded; the teaming agreement should address proposal costs, exclusivity, termination, and remedies before award. [MCC-SUB]	The subcontract governs invoicing and payment; disputes generally run between prime and sub, with pass-through arrangements needed for certain government claims. [MCC-SUB]	JV revenues, profits, losses, banking, records, and distributions are governed by the JV agreement; SBA-prescribed provisions apply on covered set-asides. [CFR125.8]	The MPA governs developmental assistance and reporting; contract payment disputes require a separate JV, subcontract, loan, or other operative agreement. [CFR125.9]
18. Principal failure mode	Assuming a broad promise to negotiate later is enforceable, or failing to align proposal commitments with the eventual subcontract. [PM-PIT]	Under-scoping mandatory flowdowns, cybersecurity, audit, data rights, changes, payment, termination, or LOS responsibility. [MCC-SUB]	Using the wrong offeror name, omitting mandatory JV terms, giving the mentor excessive control, or failing workshare/recordkeeping rules. [CROWELL]	Treating MPP approval as automatic set-aside eligibility, a substitute for a JV agreement, or permission for mentor dominance. [MCC-MPP]
19. Separate legal entity?	No. The agreement normally preserves two separate companies and states that it does not create a partnership, agency, or joint venture. [FAR9.601]	No new entity is required. The prime and subcontractor remain separate, linked by a commercial subcontract. [FAR44.101]	Possibly. A JV may be a separate legal entity or an unpopulated contractual JV, but SBA rules govern how a small-business JV is structured and represented. [CFR125.8]	No. The mentor-protege relationship is an SBA-approved developmental relationship; any JV is formed separately. [CFR125.9]
20. Proposal and communications control	The prospective prime normally controls the final proposal and agency communications; the agreement should define teammate input, approval rights, and use of credentials. [FAR9.603]	The prime controls communications with the contracting officer. The subcontractor should route requests and claims through the prime unless a clause expressly permits direct contact. [MCC-SUB]	The JV, acting through its authorized manager, submits the offer and communicates as the offeror. Internal approval rights should not undermine required protege control. [CFR125.8]	The MPA does not itself allocate proposal control. A separate teaming or JV document must do so. [CFR125.9]
21. Profit, loss, and cash flow	Usually no shared profit or loss before award. Each party bears its proposal costs unless the agreement says otherwise. [MCC-TEAM]	The subcontractor earns the negotiated subcontract price; the prime bears the prime-contract economics and payment risk subject to the subcontract. [MCC-SUB]	The JV agreement must address profits, bank accounts, records, capital, and responsibility for contract performance; SBA rules impose specific provisions for set-aside JVs. [CFR125.8]	Developmental assistance may include loans or equity, but program rules and separate agreements govern economics. The MPA is not a profit-sharing instrument. [CFR125.9]
22. CPARS and performance record	A pre-award agreement creates no CPARS record. Proposal credit depends on the solicitation and how the agency evaluates named team members. [PM-2025]	The Government normally records performance against the prime. The prime may maintain a separate supplier scorecard and may furnish subcontractor references. [MCC-SUB]	CPARS is associated with the JV contract record. Solicitation evaluation of each venturer's experience or past performance is a distinct pre-award question. [CFR125.8]	The MPA creates no CPARS record. Any JV or subcontract work generates performance evidence through the applicable contract vehicle. [CFR125.9]
23. Intellectual property and data rights	The agreement should protect proposal content, proprietary methods, pricing, and rights to use teammate materials in the offer and after termination.	The subcontract must align prime-contract data-rights clauses with commercial IP ownership, license scope, markings, inventions, and	The JV agreement should define ownership and licensing between venturers while ensuring the JV can satisfy the prime contract's data and software obligations.	The MPA should identify any technology transfer or assistance but use separate licenses or agreements for ownership, confidentiality, and

Topic	Teaming	Prime/Sub	JV	Mentor-Protege
	[MCC-TEAM]	delivery obligations. [MCC-SUB]	[CFR125.8]	commercialization. [CFR125.9]
24. Facility clearances and classified work	The team should test whether the proposed arrangement and each performer can satisfy solicitation clearance requirements before relying on a named partner. [MCC-TEAM]	The prime must ensure the subcontractor and performance locations hold required clearances and comply with security clauses. [MCC-SUB]	A JV pursuing classified work needs a structure and clearance plan consistent with current DCSA and solicitation requirements; do not assume venturer clearances automatically solve the issue. [CFR125.8]	SBA approval does not grant a facility clearance. Classified performance must be addressed through the separate JV or subcontract structure. [CFR125.9]
25. Organizational conflicts of interest	Each teammate should disclose actual or potential OCIs before proposal work and agree on mitigation, withdrawal, and information barriers. [MCC-TEAM]	The prime remains responsible for managing subcontractor OCIs that can affect eligibility or performance. [MCC-SUB]	OCI issues of either venturer can affect the JV offer. The JV needs a coordinated mitigation position and disclosure process. [CFR125.8]	The MPA does not excuse OCI rules. Assistance, incumbent access, or information sharing can create issues for later competitions. [CFR125.9]
26. Cybersecurity and supply-chain compliance	The agreement should control access to CUI, proposal systems, and third-party tools before award. [PM-PIT]	The subcontract should identify applicable cybersecurity, incident-reporting, supply-chain, and access-control flowdowns before pricing and performance. [MCC-SUB]	The JV must assign enterprise and contract-level security responsibilities without diluting the managing venturer's required control. [CFR125.8]	Mentor assistance may include cybersecurity development, but operational compliance belongs in the relevant contract, subcontract, or JV controls. [CFR125.9]
27. Insurance, bonding, and guarantees	Usually deferred, but the parties should test bonding capacity and identify whether a teammate's support is essential to proposal credibility. [MCC-TEAM]	The subcontract should allocate insurance, bond, indemnity, and guarantee requirements and address costs and evidence of coverage. [MCC-SUB]	The JV agreement should specify who supplies bonding, guarantees, insurance, and capital, and how liabilities and collateral are allocated. [CFR125.8]	The MPA may include financial assistance but does not itself satisfy a solicitation's bond or guarantee requirements. [CFR125.9]
28. End state and records retention	Ends upon award, loss, cancellation, outside date, or replacement by a subcontract; confidentiality, IP, and dispute obligations should survive. [MCC-TEAM]	Ends according to completion or termination provisions, with continuing audit, records, warranty, security, IP, and claims duties. [MCC-SUB]	Continues through performance, closeout, claims, and winding up. SBA rules require specified recordkeeping and access provisions for covered JVs. [CFR125.8]	Ends under SBA program rules or approved term limits; existing contracts or JVs may require separate transition and closeout. [CFR125.9]

Use the detailed pages that follow for interpretation, drafting questions, and source links.

[redacted]

COMPARISON TOPIC 1 OF 28

What it legally is

The same issue viewed across all four structures

Teaming agreement

Pre-award arrangement An agreement under which a prospective prime identifies one or more intended subcontractors for a specified acquisition; FAR treats this as one form of contractor team arrangement. **[FAR9.601]**

Prime-subcontractor

Performance contract A subcontract is a contract for supplies or services entered into to support performance of a prime contract or another subcontract. **[FAR44.101]**

Joint venture

Single offeror Two or more companies combine to act as a potential prime contractor; for SBA set-asides, the JV must satisfy detailed eligibility and agreement rules. **[CFR125.8]**

SBA Mentor-Protege

Developmental program An SBA-approved relationship designed to provide business-development assistance. It is not itself the bidder or contract-performance vehicle. **[CFR125.9]**

WHY THIS MATTERS
Mislabeling the relationship changes who can submit the offer, who holds the contract, and which rules govern.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 2 OF 28

Best suited for

The same issue viewed across all four structures

Teaming agreement

Combining complementary capabilities while preserving a prime/sub structure and identifying the team in the proposal. **[FAR9.602]**

Prime-subcontractor

Delegating a defined scope while the prime retains the federal contract and responsibility to the agency. **[MCC-TEAM]**

Joint venture

Pursuing as one offeror where the solicitation, risk allocation, or small-business strategy favors joint performance. **[PM-JV]**

SBA Mentor-Protege

Longer-term capability building, management or technical assistance, and—when properly structured—an affiliation exception for a mentor-protégé JV. **[CFR125.9]**

WHY THIS MATTERS
Suitability is about the business and regulatory objective, not which document is easiest to download.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

COMPARISON TOPIC 3 OF 28

When formed

The same issue viewed across all four structures

Teaming agreement

Normally before offer submission, though FAR permits formation later in the acquisition process, including after award. **[FAR9.602]**

Prime-subcontractor

Often negotiated before award and executed at or after award; timing depends on proposal commitments, consent requirements, and the parties' conditions precedent. **[FAR52.244-2]**

Joint venture

Before submitting the JV's offer; SBA eligibility is tested as of the JV's offer for the procurement. **[CFR125.8]**

SBA Mentor-Protege

The mentor-protégé agreement must be approved by SBA before the parties rely on the program's affiliation exception for a JV offer. **[CFR125.9]**

WHY THIS MATTERS
Eligibility and enforceability often turn on what existed at the offer date, award date, or SBA approval date.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 4 OF 28

Required writing

The same issue viewed across all four structures

Teaming agreement

No single FAR template, but enforceability depends heavily on definite obligations, scope, exclusivity, workshare, pricing process, termination, and whether a later subcontract is merely an agreement to agree. [MCC-TEAM]

Prime-subcontractor

A written subcontract should allocate scope, price, changes, flowdowns, IP/data, compliance, audit, indemnity, disputes, termination, and payment. [MCC-SUB]

Joint venture

For small-business set-asides, 13 CFR 125.8 prescribes mandatory JV agreement provisions, including purpose, managing venturer, Responsible Manager, work, profits, records, and bank-account provisions. [CFR125.8]

SBA Mentor-Protege

A written mentor-protégé agreement must identify the assistance to be provided and be approved by SBA; SBA application materials require executed documents and training certificates. [SBAMPP]

WHY THIS MATTERS

Required content differs sharply: a generic commercial template may omit provisions mandated by SBA or the prime contract.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

COMPARISON TOPIC 5 OF 28

Government / SBA approval

The same issue viewed across all four structures

Teaming agreement

No general preapproval, but the arrangement must be identified and relationships fully disclosed; consent to subcontract may still apply. [FAR9.603]

Prime-subcontractor

The contracting officer may need to consent to certain subcontracts under FAR Part 44 or a contract clause; approval of a purchasing system is not blanket approval of every subcontract. [FAR52.244-2]

Joint venture

Ordinary JVs are not generally “approved” by the agency, but SBA rules govern eligibility; SBA no longer approves JV agreements for competitive 8(a) procurements. [CFR125.8]

SBA Mentor-Protege

SBA approval is central. The relationship does not receive MPP benefits merely because the parties call one another mentor and protégé. [CFR125.9]

WHY THIS MATTERS

Approval requirements can be procurement-specific. A sound structure can still fail if formed or approved too late.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 6 OF 28

Identity of offeror

The same issue viewed across all four structures

Teaming agreement

The prospective prime is the offeror; the teammate is proposed as a subcontractor unless the solicitation creates another structure. **[FAR9.601]**

Prime-subcontractor

The prime is the offeror and awardee; the subcontractor contracts with the prime, not ordinarily with the United States. **[FAR44.101]**

Joint venture

The JV is the offeror and, if selected, the awardee; the proposal must clearly identify the JV and its members. **[CFR125.8]**

SBA Mentor-Protege

Neither “mentor-protégé pair” nor the MPA is an offeror. A separately formed qualifying JV may submit the offer. **[CFR125.9]**

WHY THIS MATTERS
The offeror’s identity controls responsibility, certifications, evaluation, protest posture, and contract administration.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 7 OF 28

Who holds the federal contract

The same issue viewed across all four structures

Teaming agreement

The designated prime, if award is made. **[FAR9.604]**

Prime-subcontractor

The prime contractor. **[FAR44.101]**

Joint venture

The JV entity or recognized JV arrangement, as stated in the award. **[CFR125.8]**

SBA Mentor-Protege

The MPA holds no contract; a mentor-protégé JV may hold the award if it competed and won. **[CFR125.9]**

WHY THIS MATTERS
The contract holder bears direct responsibility to the agency even when another company performs substantial work.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

COMPARISON TOPIC 8 OF 28

Privity with government

The same issue viewed across all four structures

Teaming agreement

The intended subcontractor generally has no direct contractual relationship with the government merely because it is named in a teaming agreement. [FAR9.604]

Prime-subcontractor

The prime has privity with the government; the subcontractor generally has privity only with the prime, subject to limited doctrines and contract-specific mechanisms. [FAR44.101]

Joint venture

The JV, as awardee, has privity with the government; the venturers' internal rights are governed by the JV agreement and applicable law. [CFR125.8]

SBA Mentor-Protege

The MPA creates no contractual privity with an agency. Privity arises only through an awarded prime contract or subcontract. [CFR125.9]

WHY THIS MATTERS

Privity determines who may assert contractual rights against whom and how claims and payment disputes move.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 9 OF 28

Management and control

The same issue viewed across all four structures

Teaming agreement

The prime controls proposal submission and remains responsible to the government; the agreement can reserve defined teammate roles and approvals. **[FAR9.603]**

Prime-subcontractor

The prime directs subcontract performance under the subcontract and remains fully responsible for federal contract performance. **[MCC-SUB]**

Joint venture

For an SBA mentor-protégé JV, the small-business protégé must be managing venturer and a named employee must serve as Responsible Manager with ultimate responsibility. **[CFR125.8]**

SBA Mentor-Protege

The mentor provides approved assistance but may not use the relationship to control the protégé in a manner that defeats the program’s requirements. **[CFR125.9]**

WHY THIS MATTERS
Control must match both the commercial deal and any SBA program requirement; paper control that differs from actual practice creates risk.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 10 OF 28

Work allocation

The same issue viewed across all four structures

Teaming agreement

Negotiated. A precise workshare can reduce later disputes, but the solicitation and LOS rules may override commercial preferences. [FAR9.603]

Prime-subcontractor

Set by the subcontract, proposal commitments, prime-contract requirements, and applicable LOS or similarly-situated-entity rules. [MCC-SUB]

Joint venture

The JV agreement must describe the work to be performed by each venturer; SBA rules also impose minimum protégé performance within a mentor-protégé JV. [CFR125.8]

SBA Mentor-Protege

The MPA describes developmental assistance, not contract workshare. Workshare arises only if the parties also form a JV or prime/sub arrangement. [CFR125.9]

WHY THIS MATTERS
Work allocation affects proposal credibility, eligibility, pricing, staffing, and whether a small business is performing meaningful work.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

COMPARISON TOPIC 11 OF 28

Limitations on subcontracting

The same issue viewed across all four structures

Teaming agreement

Applicable to the prime's performance on covered set-asides; naming a teammate does not eliminate LOS obligations. **[FAR52.219-14]**

Prime-subcontractor

The prime must structure subcontracting to comply with the solicitation, FAR clause, and SBA LOS rules; payments to similarly situated entities may receive different treatment. **[CFR125.6]**

Joint venture

The JV must meet the applicable LOS collectively, and the protégé must perform the required share of the JV's work under SBA JV rules. **[CFR125.8]**

SBA Mentor-Protege

The MPP does not waive LOS. The benefit is an affiliation exception for a compliant JV, not permission for the mentor to perform the entire contract. **[CFR125.9]**

WHY THIS MATTERS
Limitations on subcontracting are contract-level performance rules; the protege work rule is a different JV-internal requirement.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 12 OF 28

Past performance / experience

The same issue viewed across all four structures

Teaming agreement

Evaluation depends on solicitation language. Agencies may consider a proposed subcontractor's record, but the proposal must show relevance and the team's commitment. **[PM-2025]**

Prime-subcontractor

A subcontractor's experience may strengthen the proposal when the solicitation permits it; it does not automatically become the prime's own corporate past performance. **[MCC-SUB]**

Joint venture

Agencies must evaluate a small-business JV's capabilities consistent with SBA rules and the solicitation. The 2025 rule clarified circumstances in which an agency may rely on a mentor or other non-similarly-situated venturer's experience. **[CFR125.8]**

SBA Mentor-Protege

The MPA itself supplies no past performance. The mentor's record can matter through a compliant JV and solicitation-specific evaluation rules. **[PM-2025]**

WHY THIS MATTERS
Evaluation credit is controlled by the solicitation and applicable SBA rules, not by a general belief that all partner history transfers.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 13 OF 28

Affiliation risk

The same issue viewed across all four structures

Teaming agreement

Extensive control, economic dependence, common management, or identity-of-interest facts can create affiliation; a label alone does not prevent it. **[CFR121.103]**

Prime-subcontractor

A prime/sub relationship may support an ostensible-subcontractor finding where the subcontractor performs the primary and vital requirements or the prime is unusually reliant on it. **[CFR121.103]**

Joint venture

JV partners are generally affiliated for the JV’s procurement unless an SBA exception applies; compliant mentor-protégé JVs can receive an exclusion from affiliation. **[CFR125.8]**

SBA Mentor-Protege

An SBA-approved MPA can support specified affiliation exceptions, but only within the regulatory conditions; it is not a universal shield from affiliation. **[CFR125.9]**

WHY THIS MATTERS
Affiliation can change size eligibility. Exceptions are narrow and depend on facts and compliant documents.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 14 OF 28

Set-aside eligibility

The same issue viewed across all four structures

Teaming agreement

Determined primarily by the prime offeror’s status, size, proposal structure, and any ostensible-subcontractor concerns. **[CFR121.103]**

Prime-subcontractor

The prime must qualify for the set-aside and remain compliant with size/status and performance rules. **[FAR52.219-14]**

Joint venture

A compliant small-business JV may pursue set-asides; program-specific rules apply for 8(a), HUBZone, WOSB/EDWOSB, and VOSB/SDVOSB competitions. **[CFR125.8]**

SBA Mentor-Protege

A mentor and protégé may form a JV for set-asides for which the protégé qualifies, provided the protégé is individually small and the JV satisfies applicable rules. **[CFR125.9]**

WHY THIS MATTERS
Set-aside eligibility is tested against the actual offeror and structure, not the labels used in marketing materials.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 15 OF 28

Proposal disclosure

The same issue viewed across all four structures

Teaming agreement

FAR policy requires identification of the arrangement and full disclosure of company relationships in the offer, or before a later arrangement becomes effective. [FAR9.603]

Prime-subcontractor

Key subcontractors, workshare, letters of commitment, organizational conflicts, and consent information must be disclosed as the solicitation requires. [MCC-SUB]

Joint venture

The offer must be submitted in the JV’s name and include the information required by the solicitation and SBA rules. [CFR125.8]

SBA Mentor-Protege

Do not describe an unapproved relationship as SBA-approved. When a JV relies on MPP status, the proposal should accurately identify the approval and JV structure. [CFR125.9]

WHY THIS MATTERS

Proposal representations create legal and performance expectations. Internal agreements should support what the offer tells the agency.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 16 OF 28

Liability

The same issue viewed across all four structures

Teaming agreement

Liability is primarily contractual between the parties; the prime remains responsible to the government regardless of the team arrangement. [MCC-TEAM]

Prime-subcontractor

The prime bears federal-contract responsibility; the subcontract allocates downstream liability, indemnity, damages, insurance, and remedies. [MCC-SUB]

Joint venture

Liability among venturers depends on entity form, applicable law, guarantees, and the JV agreement; SBA compliance does not itself eliminate commercial liability. [CFR125.8]

SBA Mentor-Protege

The MPA does not merge the firms. Separate liabilities remain, except as modified by investments, loans, subcontracts, JV documents, or other transactions. [CFR125.9]

WHY THIS MATTERS
Liability should be allocated deliberately, while recognizing that private allocation may not limit duties owed to the Government.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 17 OF 28

Payment and disputes

The same issue viewed across all four structures

Teaming agreement

Payment usually begins only if a subcontract is awarded; the teaming agreement should address proposal costs, exclusivity, termination, and remedies before award. [MCC-SUB]

Prime-subcontractor

The subcontract governs invoicing and payment; disputes generally run between prime and sub, with pass-through arrangements needed for certain government claims. [MCC-SUB]

Joint venture

JV revenues, profits, losses, banking, records, and distributions are governed by the JV agreement; SBA-prescribed provisions apply on covered set-asides. [CFR125.8]

SBA Mentor-Protege

The MPA governs developmental assistance and reporting; contract payment disputes require a separate JV, subcontract, loan, or other operative agreement. [CFR125.9]

WHY THIS MATTERS

Payment and claims rights must be built into the subcontract or JV mechanics; the contracting officer is not the subcontractor’s customer.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 18 OF 28

Principal failure mode

The same issue viewed across all four structures

Teaming agreement

Assuming a broad promise to negotiate later is enforceable, or failing to align proposal commitments with the eventual subcontract. [PM-PIT]

Prime-subcontractor

Under-scoping mandatory flowdowns, cybersecurity, audit, data rights, changes, payment, termination, or LOS responsibility. [MCC-SUB]

Joint venture

Using the wrong offeror name, omitting mandatory JV terms, giving the mentor excessive control, or failing workshare/recordkeeping rules. [CROWELL]

SBA Mentor-Protege

Treating MPP approval as automatic set-aside eligibility, a substitute for a JV agreement, or permission for mentor dominance. [MCC-MPP]

WHY THIS MATTERS
Most failures are predictable: vague scope, wrong timing, weak control, unsupported workshare, or an agreement that does not match actual conduct.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 19 OF 28

Separate legal entity?

The same issue viewed across all four structures

Teaming agreement

No. The agreement normally preserves two separate companies and states that it does not create a partnership, agency, or joint venture. [FAR9.601]

Prime-subcontractor

No new entity is required. The prime and subcontractor remain separate, linked by a commercial subcontract. [FAR44.101]

Joint venture

Possibly. A JV may be a separate legal entity or an unpopulated contractual JV, but SBA rules govern how a small-business JV is structured and represented. [CFR125.8]

SBA Mentor-Protege

No. The mentor-protege relationship is an SBA-approved developmental relationship; any JV is formed separately. [CFR125.9]

WHY THIS MATTERS
A separate entity can help administration but does not eliminate federal eligibility or control analysis.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 20 OF 28

Proposal and communications control

The same issue viewed across all four structures

Teaming agreement

The prospective prime normally controls the final proposal and agency communications; the agreement should define teammate input, approval rights, and use of credentials. [FAR9.603]

Prime-subcontractor

The prime controls communications with the contracting officer. The subcontractor should route requests and claims through the prime unless a clause expressly permits direct contact. [MCC-SUB]

Joint venture

The JV, acting through its authorized manager, submits the offer and communicates as the offeror. Internal approval rights should not undermine required protege control. [CFR125.8]

SBA Mentor-Protege

The MPA does not itself allocate proposal control. A separate teaming or JV document must do so. [CFR125.9]

WHY THIS MATTERS
Who controls the proposal and customer communication can become a de facto control issue as well as a practical pursuit issue.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 21 OF 28

Profit, loss, and cash flow

The same issue viewed across all four structures

Teaming agreement

Usually no shared profit or loss before award. Each party bears its proposal costs unless the agreement says otherwise. [MCC-TEAM]

Prime-subcontractor

The subcontractor earns the negotiated subcontract price; the prime bears the prime-contract economics and payment risk subject to the subcontract. [MCC-SUB]

Joint venture

The JV agreement must address profits, bank accounts, records, capital, and responsibility for contract performance; SBA rules impose specific provisions for set-aside JVs. [CFR125.8]

SBA Mentor-Protege

Developmental assistance may include loans or equity, but program rules and separate agreements govern economics. The MPA is not a profit-sharing instrument. [CFR125.9]

WHY THIS MATTERS
Economics drive behavior. Profit, cash, capital, and loss provisions should reinforce the required management and work structure.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 22 OF 28

CPARS and performance record

The same issue viewed across all four structures

Teaming agreement

A pre-award agreement creates no CPARS record. Proposal credit depends on the solicitation and how the agency evaluates named team members. [PM-2025]

Prime-subcontractor

The Government normally records performance against the prime. The prime may maintain a separate supplier scorecard and may furnish subcontractor references. [MCC-SUB]

Joint venture

CPARS is associated with the JV contract record. Solicitation evaluation of each venturer's experience or past performance is a distinct pre-award question. [CFR125.8]

SBA Mentor-Protege

The MPA creates no CPARS record. Any JV or subcontract work generates performance evidence through the applicable contract vehicle. [CFR125.9]

WHY THIS MATTERS

Contract performance records and pre-award evaluation evidence are related but not identical concepts.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 23 OF 28

Intellectual property and data rights

The same issue viewed across all four structures

Teaming agreement

The agreement should protect proposal content, proprietary methods, pricing, and rights to use teammate materials in the offer and after termination. **[MCC-TEAM]**

Prime-subcontractor

The subcontract must align prime-contract data-rights clauses with commercial IP ownership, license scope, markings, inventions, and delivery obligations. **[MCC-SUB]**

Joint venture

The JV agreement should define ownership and licensing between venturers while ensuring the JV can satisfy the prime contract’s data and software obligations. **[CFR125.8]**

SBA Mentor-Protege

The MPA should identify any technology transfer or assistance but use separate licenses or agreements for ownership, confidentiality, and commercialization. **[CFR125.9]**

WHY THIS MATTERS

Government data-rights clauses and private commercial ownership must be reconciled before sensitive content is shared or delivered.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 24 OF 28

Facility clearances and classified work

The same issue viewed across all four structures

Teaming agreement

The team should test whether the proposed arrangement and each performer can satisfy solicitation clearance requirements before relying on a named partner. **[MCC-TEAM]**

Prime-subcontractor

The prime must ensure the subcontractor and performance locations hold required clearances and comply with security clauses. **[MCC-SUB]**

Joint venture

A JV pursuing classified work needs a structure and clearance plan consistent with current DCSA and solicitation requirements; do not assume venturer clearances automatically solve the issue. **[CFR125.8]**

SBA Mentor-Protege

SBA approval does not grant a facility clearance. Classified performance must be addressed through the separate JV or subcontract structure. **[CFR125.9]**

WHY THIS MATTERS
Clearance eligibility is a separate regulatory and operational question; partnering does not automatically transfer clearances.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 25 OF 28

Organizational conflicts of interest

The same issue viewed across all four structures

Teaming agreement

Each teammate should disclose actual or potential OCIs before proposal work and agree on mitigation, withdrawal, and information barriers. **[MCC-TEAM]**

Prime-subcontractor

The prime remains responsible for managing subcontractor OCIs that can affect eligibility or performance. **[MCC-SUB]**

Joint venture

OCI issues of either venturer can affect the JV offer. The JV needs a coordinated mitigation position and disclosure process. **[CFR125.8]**

SBA Mentor-Protege

The MPA does not excuse OCI rules. Assistance, incumbent access, or information sharing can create issues for later competitions. **[CFR125.9]**

WHY THIS MATTERS

An OCI can disqualify an entire proposal or narrow a teammate’s role, so it must be identified before proprietary information is exchanged.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 26 OF 28

Cybersecurity and supply-chain compliance

The same issue viewed across all four structures

Teaming agreement

The agreement should control access to CUI, proposal systems, and third-party tools before award. [PM-PIT]

Prime-subcontractor

The subcontract should identify applicable cybersecurity, incident-reporting, supply-chain, and access-control flowdowns before pricing and performance. [MCC-SUB]

Joint venture

The JV must assign enterprise and contract-level security responsibilities without diluting the managing venturer’s required control. [CFR125.8]

SBA Mentor-Protege

Mentor assistance may include cybersecurity development, but operational compliance belongs in the relevant contract, subcontract, or JV controls. [CFR125.9]

WHY THIS MATTERS
Cybersecurity duties can begin during proposal preparation and must be assigned consistently across systems, users, and entities.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 27 OF 28

Insurance, bonding, and guarantees

The same issue viewed across all four structures

Teaming agreement

Usually deferred, but the parties should test bonding capacity and identify whether a teammate’s support is essential to proposal credibility. **[MCC-TEAM]**

Prime-subcontractor

The subcontract should allocate insurance, bond, indemnity, and guarantee requirements and address costs and evidence of coverage. **[MCC-SUB]**

Joint venture

The JV agreement should specify who supplies bonding, guarantees, insurance, and capital, and how liabilities and collateral are allocated. **[CFR125.8]**

SBA Mentor-Protege

The MPA may include financial assistance but does not itself satisfy a solicitation’s bond or guarantee requirements. **[CFR125.9]**

WHY THIS MATTERS
Capacity to bond, insure, and finance performance can determine whether the paper structure is operationally credible.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPARISON TOPIC 28 OF 28

End state and records retention

The same issue viewed across all four structures

Teaming agreement

Ends upon award, loss, cancellation, outside date, or replacement by a subcontract; confidentiality, IP, and dispute obligations should survive. **[MCC-TEAM]**

Prime-subcontractor

Ends according to completion or termination provisions, with continuing audit, records, warranty, security, IP, and claims duties. **[MCC-SUB]**

Joint venture

Continues through performance, closeout, claims, and winding up. SBA rules require specified recordkeeping and access provisions for covered JVs. **[CFR125.8]**

SBA Mentor-Protege

Ends under SBA program rules or approved term limits; existing contracts or JVs may require separate transition and closeout. **[CFR125.9]**

WHY THIS MATTERS
Survival, closeout, audit, and records duties often outlast the pursuit or contract and need explicit ownership.

Drafting questions: What fact would make this statement untrue for the live solicitation? Which party owns the obligation, evidence, and approval? Does the written agreement match the proposal and actual operating model?

[redacted]

COMPANION DOCUMENT ANATOMY

Teaming agreement: clauses that should do real work

Opportunity definition

Tie the agreement to a specific procurement and define amendments, successor solicitations, and task-order scope. **[MCC-TEAM] [PM-PIT]**

Exclusivity

State whether exclusivity applies, to whom, for what scope, and for how long. **[MCC-TEAM] [PM-PIT]**

Proposal governance

Assign proposal lead, deadlines, approvals, pricing control, communications, and accuracy representations. **[MCC-TEAM] [PM-PIT]**

Workshare

Use a scope matrix, not only a percentage. Address changes, options, and solicitation amendments. **[MCC-TEAM] [PM-PIT]**

Subcontract path

Set negotiation standards, target terms, conditions precedent, and consequences if no subcontract is reached. **[MCC-TEAM] [PM-PIT]**

Exit and remedies

Address withdrawal, replacement, OCI, responsibility, breach, injunctive relief, confidentiality survival, and dispute forum. **[MCC-TEAM] [PM-PIT]**

TEMPLATE WARNING
A clause requiring only “good-faith negotiation” may not create the work guarantee the business team believes it has. State the intended binding obligations with precision.

[redacted]

COMPANION DOCUMENT ANATOMY

Federal subcontract: align the commercial deal with the prime contract

Scope and hierarchy

Define the SOW, deliverables, acceptance, schedule, and order of precedence. **[FAR44.2] [FAR52.244-2] [MCC-SUB]**

Contract type and price

Specify FFP, T&M, cost-reimbursement, ceiling, rates, fee, funding, invoicing, and taxes. **[FAR44.2] [FAR52.244-2] [MCC-SUB]**

Flowdowns

Identify mandatory, necessary, and negotiated clauses rather than incorporating the entire prime contract without analysis. **[FAR44.2] [FAR52.244-2] [MCC-SUB]**

Changes and stop work

Explain who can direct work, how notice is given, and when equitable adjustment rights expire. **[FAR44.2] [FAR52.244-2] [MCC-SUB]**

Claims and disputes

Create a pass-through process, cooperation duties, settlement authority, and cost allocation. **[FAR44.2] [FAR52.244-2] [MCC-SUB]**

Termination and closeout

Address convenience, default, transition, property, records, audit, warranty, security, and final payment. **[FAR44.2] [FAR52.244-2] [MCC-SUB]**

TEMPLATE WARNING
The subcontractor should not price before understanding the compliance, audit, IP, cybersecurity, and termination clauses it will actually bear.

[redacted]

COMPANION DOCUMENT ANATOMY

Joint venture agreement: control, work, economics, and compliance must align

Purpose and procurement scope

Identify the covered procurement and ensure the agreement is current for the offer. **[CFR125.8] [SBAJV] [CROWELL]**

Managing venturer and manager

Give the qualifying small business the authority required by SBA and support that authority in actual practice. **[CFR125.8] [SBAJV] [CROWELL]**

Work allocation

Describe each venturer’s responsibilities and track the protege’s required share of JV-performed work. **[CFR125.8] [SBAJV] [CROWELL]**

Banking, records, and accounting

Establish the JV account, signatures, records, access, invoicing, and reporting. **[CFR125.8] [SBAJV] [CROWELL]**

Resources and guarantees

Allocate employees, facilities, equipment, bonding, insurance, capital, and guarantees. **[CFR125.8] [SBAJV] [CROWELL]**

Profits, losses, and winding up

Address distributions, capital calls, taxes, claims, closeout, records, and dissolution. **[CFR125.8] [SBAJV] [CROWELL]**

TEMPLATE WARNING
An approved mentor-protege relationship does not cure a deficient JV agreement or actual performance that contradicts required protege control.

[redacted]

COMPANION DOCUMENT ANATOMY

Mentor-Protege agreement: measurable development, not a JV shortcut

Needs assessment

Connect each assistance item to a documented capability gap of the protege. **[CFR125.9] [SBAMPP] [MCC-MPP]**

Specific assistance

State who provides what, by when, with what resources, and what evidence demonstrates completion. **[CFR125.9] [SBAMPP] [MCC-MPP]**

Milestones and evaluation

Use measurable outcomes and periodic reviews rather than general promises of introductions or guidance. **[CFR125.9] [SBAMPP] [MCC-MPP]**

Financial assistance

Document loans, equity, guarantees, or equipment separately and preserve protege independence. **[CFR125.9] [SBAMPP] [MCC-MPP]**

Reporting and term

Assign annual reporting, records, SBA notices, amendment approvals, and renewal responsibilities. **[CFR125.9] [SBAMPP] [MCC-MPP]**

Separate transactions

Use separate teaming, JV, subcontract, license, loan, or equity documents where those relationships exist. **[CFR125.9] [SBAMPP] [MCC-MPP]**

TEMPLATE WARNING
The program is designed to benefit the protege. Assistance that exists only on paper or a relationship dominated in practice by the mentor can create serious compliance risk.

[redacted]

FIELD CORRECTIONS

Ten common misconceptions

1. “A teaming agreement guarantees the subcontract.” Not necessarily. Enforceability and remedy depend on definite obligations and governing state law.

2. “The subcontractor is part of the federal contract.” The subcontract supports performance, but the prime remains the federal contract counterparty.

3. “A JV is just two subcontractors working together.” No. The JV is the combined offeror and prime contractor.

4. “Mentor-protege approval creates a JV.” No. A separate compliant JV agreement and offer are required.

5. “The mentor’s past performance automatically counts.” Evaluation depends on the solicitation and current SBA rules.

6. “A 51/49 ownership split proves protege control.” Ownership percentages alone do not establish compliant management and actual control.

7. “Meeting the limitations on subcontracting means the protege met its 40% JV work rule.” They are different calculations serving different rules.

8. “All FAR clauses must flow down.” Some are mandatory, some are necessary for prime compliance, and others are negotiated.

9. “The agency will resolve prime-sub payment disputes.” Normally those are private subcontract disputes absent a specific federal mechanism.

10. “A good template makes the deal compliant.” Compliance depends on solicitation terms, timing, facts, execution, and actual performance. **[MCC-TEAM] [MCC-SUB] [CFR125.8] [CFR125.9]**

[redacted]

IMPLEMENTATION WORKFLOW

A 12-step structure review before proposal submission

1	Identify the actual offeror and intended prime contract holder.
2	Read the solicitation’s teaming, JV, responsibility, experience, and set-aside provisions.
3	Confirm size and socioeconomic status at the applicable offer stage.
4	Map scope by task, labor, dollars, and responsible entity.
5	Test limitations on subcontracting and any JV-internal work rule separately.
6	Document management authority and day-to-day customer control.
7	Validate required SBA approvals and timing.
8	Align proposal representations with signed agreements.
9	Review affiliation, ostensible subcontractor, OCI, clearance, and recertification risks.
10	Allocate price, cash, capital, bonding, insurance, IP, cybersecurity, and data rights.
11	Create records, reporting, claims, changes, and closeout processes.
12	Have counsel review the final documents and solicitation-specific facts.

[redacted]

RESEARCH METHOD

How the guide ranks authority

1. Solicitation and contract

The live solicitation, amendments, incorporated clauses, award documents, and task-order terms control the procurement-specific analysis.

2. Statutes, regulations, and FAR clauses

Primary legal authority establishes eligibility, required agreement terms, performance rules, and contract obligations.

3. SBA, FAR Council, and agency guidance

Official explanations and application materials help interpret administration and process, but must be reconciled with binding text.

4. GAO, COFC, boards, and SBA OHA decisions

Decisions show how rules and solicitation language are applied to concrete facts.

5. Attorney presentations and alerts

Current practitioner materials identify ambiguity, drafting traps, and emerging interpretation; this guide limits those sources to January 2025 forward.

6. Templates and checklists

Useful for issue spotting, but never a substitute for the authorities above or fact-specific legal advice.

CITATION POLICY
Every comparison statement links to at least one source. Where the statement is a practical inference rather than a direct rule, the guide presents it as a drafting or practice point rather than a legal mandate.

HYPERLINKED SOURCE REGISTER

Primary authorities and attorney materials

Primary authorities and official guidance

- FAR 9.601 - Definition of contractor team arrangement
- FAR 9.602 - General policy and timing
- FAR 9.603 - Policy recognizing team arrangements
- FAR 9.604 - Limitations
- FAR 44.101 - Subcontract and subcontractor definitions
- FAR Subpart 44.2 - Consent to Subcontracts
- FAR 52.244-2 - Subcontracts
- FAR 52.219-14 - Limitations on Subcontracting
- 13 CFR 121.103 - Affiliation and ostensible subcontractor rule
- 13 CFR 125.6 - Limitations on subcontracting
- 13 CFR 125.8 - Small-business joint ventures
- 13 CFR 125.9 - SBA Mentor-Protege Program
- 13 CFR 124.513 - 8(a) joint ventures
- SBA - Joint ventures
- SBA Certify - Mentor-Protege Program

Attorney-led material published January 2025 or later

- McCarter & English - Fundamentals of Federal Subcontracting (Jan. 9, 2025)
- McCarter & English - Teaming, Joint Ventures & SBA Mentor-Protege (Jan. 16, 2025)
- McCarter & English - SBA Mentor-Protege Program and MP JVs (Nov. 12, 2025)
- PilieroMazza - SBA clarifies protege past performance / experience exception (2025)
- PilieroMazza - Avoiding Common Teaming and Subcontracting Pitfalls (2025)
- PilieroMazza - Joint Venture and Mentor-Protege Bidding Strategies (2025)
- Crowell & Moring - 2025 Small Business Webinar Series
- Wiley - SBA size recertification rules for multiple-award contracts (Feb. 20, 2025)

Research current through July 17, 2026. Links point to official or law-firm source pages. Verify availability and the legal version applicable to the relevant procurement.