

32.412 Contract clause.

(a) The *contracting officer shall* insert the clause at 52.232-12, Advance Payments, in *solicitations* and contracts under which the Government will provide advance payments, except as provided in 32.412(b).

(b) If the agency desires to waive the countersignature requirement because of the contractor's financial strength, good performance record, and favorable experience concerning cost disallowances, the *contracting officer shall* use the clause with its *Alternate I*.

(c) If a cost-reimbursement contract is contemplated, the *contracting officer shall* use the clause with its *Alternate II*.

(d) If the agency considers a more rapid liquidation appropriate, the *contracting officer shall* use the clause with its *Alternate III*.

(e) If the agency provides advance payments under the contract at no interest to the prime contractor, the *contracting officer shall* use the clause with its *Alternate IV*.

(f) If the requirement for a special account is eliminated in accordance with 32.409-3(e) or (g), the *contracting officer shall* insert in the *solicitation* or contract the clause set forth in *Alternate V* of 52.232-12, Advance Payments, instead of the basic clause.

Parent topic: Subpart 32.4 - Advance Payments for Other Than Commercial Acquisitions