

OMB CONTROL NO. 9000-0138
CONTRACT FINANCING

FAR sections affected: 52.232-28; 52.232-29; 52.232-30; 52.232-31; and 52.232-32

This clearance covers the information that offerors and contractors must submit to comply with the following Federal Acquisition Regulation (FAR) requirements:

- ***FAR 52.232-28, Invitation to Propose Performance-Based Payments.*** This provision requires an offeror, when invited to propose terms under which the Government will make performance-based contract financing payments during contract performance.
- ***FAR 52.232-29, Terms for Financing of Purchases of Commercial Items.***
- ***FAR 52.232-30, Installment Payments for Commercial Items.***
These clauses require contractors, under commercial purchases pursuant to FAR part 12, to include with their payment requests an appropriately itemized statement of the financing payments requested and other supporting information, prepared in concert with the contracting officer.
- ***FAR 52.232-31, Invitation to Propose Financing Terms.*** This provision requires an offeror, when invited to propose terms under which the Government will make contract financing payments during contract performance under commercial purchases pursuant to FAR part 12.
- ***FAR 52.232-32, Performance-Based Payments.*** This clause requires the contractor's request for performance-based payment to include any information and documentation as required by the contract's description of the basis for payment; and a certification by a contractor official authorized to bind the contractor.

52.232-28 Invitation To Propose Performance-Based Payments.

As prescribed in 32.1005(b)(1), insert the following provision:

INVITATION TO PROPOSE PERFORMANCE-BASED PAYMENTS (MAR 2000)

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(d) The offeror's proposal of performance-based payment financing **shall include the following**:

(1) The proposed contractual language describing the performance-based payments (see FAR 32.1004 for appropriate criteria for establishing performance bases and performance-based finance payment amounts).

(2) A listing of—

(i) The projected performance-based payment dates and the projected payment amounts; and

(ii) The projected delivery date and the projected payment amount.

(3) Information addressing the Contractor's investment in the contract.

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52.232-29 Terms for Financing of Purchases of Commercial Items.

As prescribed in 32.206(b)(2), insert the following clause:

TERMS FOR FINANCING OF PURCHASES OF COMMERCIAL ITEMS (FEB 2002)

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(e) *Content of Contractor's request for financing payment.* The Contractor's request for financing payment **shall contain the following**:

(1) The name and address of the Contractor;

(2) The date of the request for financing payment;

(3) The contract number and/or other identifier of the contract or order under which the request is made; and

(4) An appropriately itemized and totaled statement of the financing payments requested and such other information as is necessary for computation of the payment, prepared in accordance with the direction of the Contracting Officer.

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52.232-30 Installment Payments for Commercial Items.

As prescribed in 32.206(g), insert the following clause:

INSTALLMENT PAYMENTS FOR COMMERCIAL ITEMS (JAN 2017)

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(i) *Content of Contractor's request for installment payment.* The Contractor's request for installment payment **shall contain the following:**

- (1) The name and address of the Contractor;
- (2) The date of the request for installment payment;
- (3) The contract number and/or other identifier of the contract or order under which the request is made; and
- (4) An itemized and totaled statement of the items, installment payment amount, and month for which payment is being requested, for each separately priced unit of each line item.

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52.232-31 Invitation To Propose Financing Terms.

As prescribed in 32.205(b) and 32.206, insert the following provision:

INVITATION TO PROPOSE FINANCING TERMS (MAY 2014)

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(d) The offeror's proposal of financing terms **shall include the following:**

- (1) The proposed contractual language describing the contract financing (see FAR 32.202-2 for appropriate definitions of types of payments); and
- (2) A listing of the earliest date and greatest amount at which each contract financing payment may be payable and the amount of each delivery payment. Any resulting contract shall provide that no contract financing payment shall be made at any earlier date or in a greater amount than shown in the offeror's listing.

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52.232-32 Performance-Based Payments.

As prescribed in 32.1005, insert the following clause:

PERFORMANCE-BASED PAYMENTS (APR 2012)

* * * * *

(l) *Content of Contractor's request for performance-based payment.* The Contractor's request for performance-based payment **shall contain the following:**

- (1) The name and address of the Contractor;
- (2) The date of the request for performance-based payment;
- (3) The contract number and/or other identifier of the contract or order under which the request is made;
- (4) Such information and documentation as is required by the contract's description of the basis for payment; and
- (5) A certification by a Contractor official authorized to bind the Contractor, as specified in paragraph (m) of this clause.

(m) *Content of Contractor's certification.* As required in paragraph (l)(5) of this clause, the Contractor **shall make the following certification in each request for performance-based payment:**

I certify to the best of my knowledge and belief that—

- (1) This request for performance-based payment is true and correct; this request (and attachments) has been prepared from the books and records of the Contractor, in accordance with the contract and the instructions of the Contracting Officer;
- (2) (Except as reported in writing on _____), all payments to subcontractors and suppliers under this contract have been paid, or will be paid, currently, when due in the ordinary course of business;
- (3) There are no encumbrances (except as reported in writing on _____) against the property acquired or produced for, and allocated or properly chargeable to, the contract which would affect or impair the Government's title;

(4) There has been no materially adverse change in the financial condition of the Contractor since the submission by the Contractor to the Government of the most recent written information dated _____; and

(5) After the making of this requested performance-based payment, the amount of all payments for each deliverable item for which performance-based payments have been requested will not exceed any limitation in the contract, and the amount of all payments under the contract will not exceed any limitation in the contract.

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