

28.102-2 Amount required.

(a) *Definition.* As used in this subsection-

Original contract price means the award price of the contract; or, for requirements contracts, the price payable for the estimated total quantity; or, for indefinite-quantity contracts, the price payable for the specified minimum quantity. *Original contract price* does not include the price of any *options*, except those *options* exercised at the time of contract award.

(b) Contracts exceeding \$150,000-

(1) *Performance bonds.* Unless the *contracting officer* determines that a lesser amount is adequate for the protection of the Government, the penal amount of performance *bonds must equal-*

(i) 100 percent of the *original contract price*; and

(ii) If the contract price increases, an additional amount equal to 100 percent of the increase.

(2) *Payment bonds.*

(i) Unless the *contracting officer* makes a written determination supported by specific findings that a payment *bond* in this amount is impractical, the amount of the payment *bond must equal-*

(A) 100 percent of the *original contract price*; and

(B) If the contract price increases, an additional amount equal to 100 percent of the increase.

(ii) The amount of the payment *bond must* be no less than the amount of the performance *bond*.

(c) *Contracts exceeding \$35,000 but not exceeding \$150,000.* Unless the *contracting officer* determines that a lesser amount is adequate for the protection of the Government, the penal amount of the payment *bond* or the amount of alternative payment protection *must equal-*

(1) 100 percent of the *original contract price*; and

(2) If the contract price increases, an additional amount equal to 100 percent of the increase.

(d) *Securing additional payment protection.* If the contract price increases, the Government *must* secure any needed additional protection by directing the contractor to-

(1) Increase the *penal sum* of the existing *bond*;

(2) Obtain an additional *bond*; or

(3) Furnish additional alternative payment protection.

(e) *Reducing amounts.* The *contracting officer* may reduce the amount of security to support a

bond, subject to the conditions of [28.203-3\(c\)](#) or [28.204\(b\)](#).

Parent topic: [28.102 Performance and payment bonds and alternative payment protections for construction contracts](#).