28.306 Insurance under fixed-price contracts.

(a) *General*. Although the Government is not ordinarily concerned with the contractor's *insurance* coverage if the contract is a fixed-price contract, in special circumstances agencies *may* specify *insurance* requirements under fixed-price contracts. Examples of such circumstances include the following:

(1) The contractor is, or has a separate operation, engaged principally in Government work.

(2) Government property is involved.

(3) The work is to be performed on a Government installation.

(4) The Government elects to assume risks for which the contractor ordinarily obtains commercial *insurance*.

(b) Work on a Government installation.

(1) When the clause at 52.228-5, *Insurance*-Work on a Government Installation, is required to be included in a fixed-price contract by 28.310, the coverage specified in 28.307 is the minimum *insurance* required and *shall* be included in the contract Schedule or elsewhere in the contract. The *contracting officer may* require additional coverage and higher limits.

(2) When the clause at 52.228-5, *Insurance*-Work on a Government Installation, is not required by 28.310 but is included because the *contracting officer* considers it to be in the Government's interest to do so, any of the types of *insurance* specified in 28.307 *may* be omitted or the limits *may* be lowered, if appropriate.

Parent topic: Subpart 28.3 - Insurance