# 32.106 Order of preference.

The *contracting officer must* consider the following order of preference when a contractor requests contract financing, unless an exception would be in the Government's best interest in a specific case:

(a) Private financing without Government guarantee. It is not intended, however, that the *contracting officer* require the contractor to obtain private financing-

(1) At unreasonable terms; or

(2) From other agencies.

(b) *Customary contract financing* other than loan guarantees and certain advance payments (see 32.113).

(c) Loan guarantees.

(d) *Unusual contract financing* (see 32.114).

(e) Advance payments (see exceptions in 32.402(b)).

**Parent topic:** Subpart 32.1 - Financing for Other Than a Commercial Purchase