32.202-2 Types of payments for commercial product and commercial service purchases.

These definitions incorporate the requirements of the statutory commercial financing authority and the implementation of the Prompt Payment Act.

Commercial advance payment, as used in this section, means a payment made before any performance of work under the contract. The aggregate of these payments *shall* not exceed 15 percent of the contract price. These payments are *contract financing payments* for prompt payment purposes (*i.e.,* not subject to the interest penalty provisions of the Prompt Payment Act in accordance with subpart 32.9). These payments are not subject to subpart 32.4, Advance Payments for Other Than Commercial *Acquisitions*.

Commercial interim payment (see 32.001).

Delivery payment (see 32.001).

Parent topic: 32.202 General.