52.228-11 Individual Surety—Pledge of Assets.

As prescribed in 28.203-4 (b), insert the following clause:

Individual *Surety*—Pledge of Assets (Feb 2021)

(a)The Contractor *shall* obtain from each person acting as an individual *surety* on a performance bond or a payment bond—

(1)A pledge of assets that meets the eligibility, valuation, and security requirements described in the Federal *Acquisition* Regulation (FAR) 28.203-1; and

(2)Standard Form 28, Affidavit of Individual *Surety*.

(b)The *Contracting Officer may* release a portion of the security interest on the individual *surety*'s assets based upon substantial performance of the Contractor's obligations under its performance bond. The security interest in support of a performance bond *shall* be maintained—

(1) *Contracts for the construction, alteration, or repair of any public building or public work of the Federal Government exceeding $150,000 (40 U.S.C. 3131)*. Until completion of any *warranty* period, or for 1 year following final payment, whichever is later.

(2) *Contracts subject to alternative payment protection (see FAR 28.102-1(b)(1))*. For the full contract performance period plus 1 year.

(3) *Other contracts not subject to the requirements of paragraph (b)(1) of this clause*. Until completion of any *warranty* period, or for 90 days following final payment, whichever is later.

(c)A *surety*'s assets pledged in support of a payment bond *may* be released to a subcontractor or supplier upon Government receipt of a Federal district court judgment, or a sworn statement by the subcontractor or supplier that the *claim* is correct along with a notarized authorization of the release by the *surety* stating that it approves of such release. The security interest on the individual *surety*'s assets in support of a payment bond *shall* be maintained—

(1) *Contracts for the construction, alteration, or repair of any public building or public work of the Federal Government exceeding $150,000 which require performance and payment bonds (40 U.S.C. 3131)*. For 1 year following final payment, or until resolution of all pending *claims* filed against the payment bond during the 1-year period following final payment, whichever is later.

(2) *Contracts subject to alternative payment protection (see FAR 28.102-1(b)(1))*. For the full contract performance period plus 1 year.

(3)Other contracts not subject to the requirements of paragraph (c)(1) of this clause. For 90 days following final payment.

(d)The *Contracting Officer may* allow the Contractor to substitute an individual *surety*, for a performance or payment bond, after contract award. The Contractor *shall* comply with the requirements of paragraph (a) of this clause within the timeframe established by the *Contracting Officer*.

(End of clause)

Parent topic: 52.228 [Reserved]