

32.412 Contract clause.

(a) The contracting officer shall insert the clause at [52.232-12](#), Advance Payments, in solicitations and contracts under which the Government will provide advance payments, except as provided in [32.412\(b\)](#).

(b) If the agency desires to waive the countersignature requirement because of the contractor's financial strength, good performance record, and favorable experience concerning cost disallowances, the contracting officer shall use the clause with its Alternate I.

(c) If a cost-reimbursement contract is contemplated, the contracting officer shall use the clause with its Alternate II.

(d) If the agency considers a more rapid liquidation appropriate, the contracting officer shall use the clause with its Alternate III.

(e) If the agency provides advance payments under the contract at no interest to the prime contractor, the contracting officer shall use the clause with its Alternate IV.

(f) If the requirement for a special account is eliminated in accordance with [32.409-3\(e\)](#) or (g), the contracting officer shall insert in the solicitation or contract the clause set forth in Alternate V of [52.232-12](#), Advance Payments, instead of the basic clause.

Parent topic: [Subpart 32.4 - Advance Payments for Non-Commercial Items](#)