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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 Other Than Commercial Acquisitions](#)