

32.501-5 Other protective terms.

If the *contracting officer* considers it necessary for protection of the Government's interest, protective terms such as the following *may* be used in addition to the Progress Payments clause of the contract:

- (a) Personal or corporate guarantees.
- (b) Subordinations or standbys of indebtedness.
- (c) Special bank accounts.
- (d) Protective covenants of the kinds in paragraph (p) of the clause at [52.232-12](#), Advance Payments.
- (e) A provision, included in the *solicitation* and resultant contract when *first article testing* is required (see [subpart 9.3](#)), limiting progress payments on *first article* work by a stated amount or percentage.

Parent topic: [32.501 General](#).