

28.204 Alternatives in lieu of corporate or individual sureties.

(a) Any person required to furnish a *bond* to the Government *may* furnish any of the types of security listed in [28.204-1](#) through [28.204-3](#) instead of a corporate or individual *surety* for the *bond*. When any of those types of security are deposited, a statement *shall* be incorporated in the *bond* form pledging the security in lieu of execution of the *bond* form by corporate or individual *sureties*. The contractor *shall* execute the *bond* forms as the principal. Agencies *shall* establish safeguards to protect against loss of the security and *shall* return the security or its equivalent to the contractor when the *bond* obligation has ceased.

(b) Upon written request by any contractor securing a performance or payment *bond* by any of the types of security listed in [28.204-1](#) through [28.204-3](#), the *contracting officer* *may* release a portion of the security only when the conditions allowing the partial release of security in [28.203-3\(c\)](#) are met. The contractor *shall*, as a condition of the partial release, furnish an affidavit agreeing that the release of such security does not relieve the contractor of its obligations under the *bond(s)*.

(c) The contractor *may* satisfy a requirement for *bond* security by furnishing a combination of the types of security listed in [28.204-1](#) through [28.204-3](#) or a combination of *bonds* supported by these types of security and additional *surety bonds* under [28.202](#) or [28.203](#). During the period for which a *bond* supported by security is required, the contractor *may* substitute one type of security listed in [28.204-1](#) through [28.204-3](#) for another, or *may* substitute, in whole or combination, additional *surety bonds* under [28.202](#) or [28.203](#).

- [28.204-1 United States bonds or notes.](#)
- [28.204-2 Certified or cashier's checks, bank drafts, money orders, or currency.](#)
- [28.204-3 Irrevocable letter of credit.](#)
- [28.204-4 Contract clause.](#)

Parent topic: [Subpart 28.2 - Sureties and Other Security for Bonds](#)