

28.204-1 United States bonds or notes.

Any person required to furnish a *bond* to the Government has the *option*, instead of furnishing a *surety* or *sureties* on the *bond*, of depositing certain *United States bonds* or notes in an amount equal at their par value to the *penal sum* of the *bond* (the Act of February 24, 1919 ([31 U.S.C.9303](#)) and Treasury Department Circular No.154 (31 CFR Part 225)). In addition, a duly executed *power of attorney* and agreement authorizing the collection or sale of such *United States bonds* or notes in the event of default of the principal on the *bond shall* accompany the deposited *bonds* or notes. The *contracting officer may*-

(a) Turn securities over to the finance or other authorized agency official; or

(b) Deposit them with the Treasurer of the *United States*, a Federal Reserve Bank (or branch with requisite facilities), or other depository designated for that purpose by the Secretary of the Treasury, under procedures prescribed by the agency concerned and Treasury Department Circular No.154 (exception: The *contracting officer shall* deposit all *bonds* and notes received in the District of Columbia with the Treasurer of the *United States*).

Parent topic: [28.204 Alternatives in lieu of corporate or individual sureties.](#)