

## **32.202-2 Types of payments for commercial product and commercial service purchases.**

These definitions incorporate the requirements of the statutory commercial financing authority and the implementation of the Prompt Payment Act.

*Commercial advance payment*, as used in this section, means a payment made before any performance of work under the contract. The aggregate of these payments *shall* not exceed 15 percent of the contract price. These payments are *contract financing payments* for prompt payment purposes (*i.e.*, not subject to the interest penalty provisions of the Prompt Payment Act in accordance with [subpart 32.9](#)). These payments are not subject to [subpart 32.4](#), Advance Payments for Other Than Commercial Acquisitions.

*Commercial interim payment* (see [32.001](#)).

*Delivery payment* (see [32.001](#)).

**Parent topic:** [32.202 General](#).