

## 37.304 Contract clauses.

(a) The *contracting officer shall* insert the clause at [52.237-4](#), Payment by Government to Contractor, in *solicitations* and contracts solely for dismantling, demolition, or removal of improvements whenever the *contracting officer* determines that the Government *shall* make payment to the contractor in addition to any title to property that the contractor *may* receive under the contract. If the *contracting officer* determines that all material resulting from the dismantling or demolition work is to be retained by the Government, use the basic clause with its Alternate I.

(b) The *contracting officer shall* insert the clause at [52.237-5](#), Payment by Contractor to Government in *solicitations* and contracts for dismantling, demolition, or removal of improvements whenever the contractor is to receive title to dismantled or demolished property and a net amount of compensation is due to the Government, except if the *contracting officer* determines that it would be advantageous to the Government for the contractor to pay in increments and the Government to transfer title to the contractor for increments of property only upon receipt of those payments.

(c) The *contracting officer shall* insert the clause at [52.237-6](#), Incremental Payment by Contractor to Government, in *solicitations* and contracts for dismantling, demolition, or removal of improvements if (1) the contractor is to receive title to dismantled or demolished property and a net amount of compensation is due the Government, and (2) the *contracting officer* determines that it would be advantageous to the Government for the contractor to pay in increments, and for the Government to transfer title to the contractor for increments of property only upon receipt of those payments. This determination *may* be appropriate, for example, if it encourages greater competition or participation of small business concerns.

**Parent topic:** [Subpart 37.3 - Dismantling, Demolition, or Removal of Improvements](#)