

# 52.232-30 Installment Payments for Commercial Products and Commercial Services.

As prescribed in [32.206\(g\)](#), insert the following clause:

Installment Payments for *Commercial Products* and *Commercial Services* (Nov 2021)

(a) *Contractor entitlement to financing payments.* The Contractor *may* request, and the Government *shall* pay, a contract financing installment payment as specified in this contract when: the payment requested is properly due in accordance with this contract; the *supplies* deliverable or services due under the contract will be delivered or performed in accordance with the contract; and there has been no impairment or diminution of the Government's security under this contract.

(b) *Computation of amounts.* Installment payment financing *shall* be paid to the Contractor when requested for each separately priced unit of supply (but not for services) of each *line item* in amounts approved by the *Contracting Officer* pursuant to this clause.

(1) *Number of installment payments for each line item.* Each separately priced unit of each *line item* is authorized a fixed number of monthly installment payments. The number of installment payments authorized for each unit of a *line item* is equal to the number of months from the date of contract award to the date onemonth before the first delivery of the first separately priced unit of the *line item*. For example, if the first scheduled delivery of any separately priced unit of a *line item* is 9 months after award of the contract, all separately priced units of that *line item* are authorized 8 installment payments.

(2) *Amount of each installment payment.* The amount of each installment payment for each separately priced unit of each *line item* is equal to 70 percent of the unit price divided by the number of installment payments authorized for that unit.

(3) *Date of each installment payment.* Installment payments for any particular separately priced unit of a *line item* begin the number of months prior to the delivery of that unit that are equal to the number of installment payments authorized for that unit. For example, if 8 installment payments are authorized for each separately priced unit of a *line item*, the first installment payment for any particular unit of that *line item* would be 8 months before the scheduled delivery date for that unit. The last installment payment would be 1 month before scheduled delivery of a unit.

(4) *Limitation on payment.* Prior to the delivery payment for a separately priced unit of a *line item*, the sum of all installment payments for that unit *shall* not exceed 70 percent of the price of that unit.

(c) *Contractor request for installment payment.* The Contractor *may* submit requests for payment of installment payments not more frequently than monthly, in a form and manner acceptable to the *Contracting Officer*. Unless otherwise authorized by the *Contracting Officer*, all installment payments in any month for which payment is being requested *shall* be included in a single request, appropriately itemized and totaled.

(d) *Dates for payment.* An installment payment under this clause is a contract financing payment under the Prompt Payment clause of this contract, and except as provided in paragraph (e) of this

clause, approved requests *shall* be paid within 30 days of submittal of a proper request for payment.

(e) *Liquidation of installment payments.* Installment payments *shall* be liquidated by deducting from the delivery payment of each item the total unliquidated amount of installment payments made for that separately priced unit of that *line item*. The liquidation amounts for each unit of each *line item* *shall* be clearly delineated in each request for delivery payment submitted by the Contractor.

(f) *Security for installment payment financing.* In the event the Contractor fails to provide adequate security as required in this contract, no financing payment *shall* be made under this contract. Upon receipt of adequate security, financing payments *shall* be made, including all previous payments to which the Contractor is entitled, in accordance with the terms of the contract. If at any time the *Contracting Officer* determines that the security provided by the Contractor is insufficient, the Contractor *shall* promptly provide such additional security as the *Contracting Officer* determines necessary. In the event the Contractor fails to provide such additional security, the *Contracting Officer* may collect or liquidate such security that has been provided, and suspend further payments to the Contractor; the Contractor *shall* repay to the Government the amount of unliquidated financing payments as the *Contracting Officer* at his sole discretion deems repayable.

(g) *Special terms regarding termination for cause.* If this contract is terminated for cause, the Contractor *shall*, on demand, repay to the Government the amount of unliquidated installment payments. The Government *shall* be liable for no payment except as provided by the Termination for Cause paragraph of the clause at Federal Acquisition Regulation [52.212-4](#), Contract Terms and Conditions—*Commercial Products* and *Commercial Services*.

(h) Reservation of rights.

(1) No payment, vesting of title under this clause, or other action taken by the Government under this clause *shall*-

(i) Excuse the Contractor from performance of obligations under this contract; or

(ii) Constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause-

(i) *Shall* not be exclusive, but rather *shall* be in addition to any other rights and remedies provided by law or this contract; and

(ii) *Shall* not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor *shall* such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(i) *Content of Contractor's request for installment payment.* The Contractor's request for installment payment *shall* contain the following:

(1) The name and address of the Contractor;

(2) The date of the request for installment payment;

(3) The contract number and/or other identifier of the contract or order under which the request is made; and

(4) An itemized and totaled statement of the items, installment payment amount, and month for which payment is being requested, for each separately priced unit of each *line item*.

(End of clause)

**Parent topic:** [52.232 \[Reserved\]](#)