Bureau of Land Management, Interior

§ 5451.3 Performance bond reduction.

(a) As contract provisions are satisfactorily completed, the authorized officer may, in his discretion, reduce the amount of the required performance bond: Provided, however, that the amount of the performance bond shall not be reduced below the minimum required by §5451.1 until

(1) Payment of no less than 60 percent of the total purchase price has been made, or

(2) Road construction required under the contract has been completed, the value of which when combined with contract payments is equal to no less than 60 percent of the total purchase price.

(b) If payment and bonding for 50 percent of the purchase price of a contract is provided in accordance with §5450.1(b) of this title, the amount of performance bond in excess of the minimum performance bond required by §5451.1(a) of this title may be used as an increased performance bond as specified in §5451.2(a) of this title.