228.105 Other types of bonds.

Fidelity and forgery bonds generally are not required but are authorized for use when—
(1) Necessary for the protection of the Government or the contractor; or
(2) The investigative and claims services of a surety company are desired.

[70 FR 8538, Feb. 22, 2005]

228.106 Administration.

228.106–7 Withholding contract payments.

(a) Withholding may be appropriate in other than construction contracts (see FAR 32.112–1(b)).


228.170 Solicitation provision.

When a requirement for a performance bond or other security is included in a solicitation for dismantling, demolition, or removal of improvements (see FAR 37.300), use the provision at 252.228–7004, Bonds or Other Security. Set a period of time (normally ten days) for return of executed bonds.

Subpart 228.3—Insurance

228.304 Risk-pooling arrangements.

DoD has established the National Defense Projects Rating Plan, also known as the Special Casualty Insurance Rating Plan, as a risk-pooling arrangement to minimize the cost to the Government of purchasing the liability insurance listed in FAR 28.307–2. Use the plan in accordance with the procedures at PGI 228.304 when it provides the necessary coverage more advantageously than commercially available coverage.

[69 FR 65091, Nov. 10, 2004]

228.305 Overseas workers’ compensation and war-hazard insurance.

(d) When submitting requests for waiver, follow the procedures at PGI 228.305(d).

[69 FR 65091, Nov. 10, 2004]

228.307 Insurance under cost-reimbursement contracts.

228.307–1 Group insurance plans.

The Defense Department Group Term Insurance Plan is available for contractor use under cost-reimbursement type contracts when approved as provided in department or agency regulations. A contractor is eligible if—
(a) The number of covered employees is 500 or more; and
(b) The contractor has all cost-reimbursement contracts; or
(c) At least 90 percent of the payroll for contractor operations to be covered by the Plan is under cost-reimbursement contracts.

228.311 Solicitation provision and contract clause on liability insurance under cost-reimbursement contracts.

228.311–1 Contract clause.

Use the clause at FAR 52.228–7, Insurance—Liability to Third Persons, in solicitations and contracts, other than those for construction and those for architect-engineer services, when a cost-reimbursement contract is contemplated, unless the head of the contracting activity waives the requirement for use of the clause.


228.370 Additional clauses.

(a) Use the clause at 252.228–7000, Reimbursement for War-Hazard Losses, when—
(1) The clause at FAR 52.228–4, Worker’s Compensation and War-Hazard Insurance Overseas, is used; and
(2) The head of the contracting activity decides not to allow the contractor to buy insurance for war-hazard losses.

(b)(1) Use the clause at 252.228–7001, Ground and Flight Risk, in all solicitations and contracts for the acquisition, development, production, modification, maintenance, repair, flight, or overhaul of aircraft, except those solicitations and contracts—
(i) That are strictly for activities incidental to the normal operations of the aircraft (e.g., refueling operations,