

28.101-2 Solicitation provision or contract clause.

(a) The *contracting officer shall* insert a provision or clause substantially the same as the provision at 52.228-1, *Bid Guarantee*, in *solicitations* or contracts that require a *bid guarantee* or similar guarantee. For example, the *contracting officer may* modify this provision-

- (1) To set a period of time that is other than 10 days for the return of executed *bonds*;
- (2) For use in connection with *construction solicitations* when the agency has specified that only separate *bid bonds* are acceptable in accordance with 28.101-1(b);
- (3) For use in *solicitations* for negotiated contracts; or
- (4) For use in service contracts containing *options* for extended performance.

(b) The *contracting officer shall* determine the amount of the *bid guarantee* for insertion in the provision at 52.228-1 (see 28.102-2(a)). The amount *shall* be adequate to protect the Government from loss *should* the successful *bidder* fail to execute further contractual documents and *bonds* as required. The *bid guarantee* amount *shall* be at least 20 percent of the *bid* price but *shall* not exceed \$3 million. When the *penal sum* is expressed as a percentage, a maximum dollar limitation *may* be stated.

Parent topic: 28.101 Bid guarantees.