

Panama Canal Commission

3552.228-76

(End of clause)

3552.228-74 Special Panama Insurance.

As prescribed in 3528.370, insert the following clause:

SPECIAL PANAMA INSURANCE (JAN 1990)

(a) "Designated contractors" shall, upon initiation of work or construction activities, obtain appropriate insurance to cover civil liabilities in the Republic of Panama that may arise as a result of acts or omissions done in the performance of official duty by their employees. The insurance coverage shall include coverage for the tortious conduct of their employees. Such insurance may be obtained from insurance companies licensed to engage in such business within the Republic of Panama.

(b) The Contractor shall include this clause in all subcontracts.

(End of clause)

3552.228-75 Proposal Guarantee.

As prescribed in 3528.101-3 (a) and (b), insert the following clause:

PROPOSAL GUARANTEE (JAN 1990)

(a) Failure to furnish a guarantee in the proper form and amount, by the time set for the receipt of offers, may be cause for rejection of the proposal.

(b) The offeror shall furnish a guarantee in the form of a firm commitment, such as a bid bond, postal money order, certified check, cashier's check, irrevocable letter of credit, or, under Treasury Department regulations, certain bonds or notes of the United States. The amount of this guarantee shall be 20 percent of the total amount of the proposal price, excluding options and additives if any, or \$3,000,000, whichever is less. The Contracting Officer will return guarantees, other than bid bonds, (1) to unsuccessful offerors as soon as practicable after the completion of the evaluation process, and (2) to the successful offeror upon execution of contractual documents and bonds (including any necessary coinsurance or reinsurance agreements), as required by the proposal as accepted.

(c) If the successful offeror, upon acceptance of its bid by the Government within the period specified for acceptance, fails to execute all contractual documents or give a bond(s) as required by the solicitation within the time specified, the Contracting Officer may terminate the contract for default.

(d) Unless otherwise specified in the proposal, the offeror will (1) allow 60 days for acceptance of its proposal, and (2) give bond within 10 days after receipt of the forms by the offeror.

(e) In the event the contract is terminated for default, the Contractor is liable for any cost of acquiring the work that exceeds the amount of its proposal, and the proposal guarantee is available to offset the difference.

(f) Regarding paragraph (b) of this clause, if a bid bond is furnished, it must be submitted on Standard Form 24. Corporations executing the bond as sureties must be among those appearing on the U.S. Treasury Department's Circular 570, entitled "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies", and must be acting within the limitations set forth therein. If the contract work is to be performed in Panama, corporations that appear on the Panama Canal Commission's list of locally acceptable sureties, and that act within the limitations set forth therein, may be used in lieu of those appearing on Circular 570.

(End of clause)

3552.228-76 Performance Bond.

As prescribed in 3528.103-70(a), insert the following clause:

PERFORMANCE BOND (JAN 1990)

(a) The Contractor shall furnish a performance bond with good and sufficient surety or sureties in connection with the work under this contract on Standard Form 25, which requires that the surety or sureties must be among those appearing on the current U.S. Treasury Department Circular 570 (published in the FEDERAL REGISTER), and any amendments thereto, and must be acting within the limitations set forth therein. If the contract work is to be performed in Panama, corporations that appear on the Panama Canal Commission's list of locally acceptable sureties, and that act within the limitations set forth therein, may be used in lieu of those appearing on Circular 570. The bond is to be completed in accordance with the instructions on the reverse side of Standard Form 25.

(b) The penal sum of such performance bond shall be 100 percent of the contract price. The bond must not be dated prior to the date of the contract and shall be furnished by the Contractor to the Contracting Officer not later than 30 calendar days after the date of receipt by the Contractor of notice of award of the contract. As used in Standard Form 25, the term "Government" shall mean the "Panama Canal Commission".

(c) Under the terms of Standard Form 25 and this contract, the penal obligation specified in paragraph (b) of this clause shall be in