

Rural Utilities Service, USDA

§ 1755.27

as three copies of the RUS Form 399b, "RUS Telecommunications Field Trial", and forward them, together with three copies of the purchase order to the Chief, Area Engineering Branch.

(k) For all items except Electronic Central Office Equipment, suppliers and manufacturers must furnish warranties or guarantees satisfactory to RUS against the failure of the material and equipment used in the field trial. Terms of this warranty must not be less than the provisions of the standard warranty included in the "Telephone System Construction Contract", RUS Form 515, or the warranty provided for similar materials and equipment included in the "List of Materials Acceptable for Use on Telephone Systems of RUS Borrowers", RUS Bulletin 344-2. In lieu of a warranty, materials and equipment are sometimes furnished to RUS borrowers on a reduced or no cost basis. Terms of such arrangements are subject to RUS approval and should be fully covered in field trial proposals forwarded by borrowers to the Chief, Area Engineering Branch for review and approval. For the purchase of electronic central office equipment, suppliers and manufacturers are to provide warranties as provided in the applicable RUS contract form: RUS Form 397 for electronic equipment and RUS Form 525 for central office equipment. Forms 399 and 399a, which apply to field trials of these devices, specify that the term of the warranty does not begin until the satisfactory conclusion of the field trial.

[49 FR 28394, July 12, 1984. Redesignated at 55 FR 39397, Sept. 27, 1990]

§§ 1755.4-1755.25 [Reserved]

§ 1755.26 RUS standard contract forms.

(a) The standard loan agreement between RUS and its borrowers provides that, in accordance with applicable RUS regulations, borrowers shall use standard contract forms promulgated by RUS for construction, procurement, engineering services, and architectural services financed by a loan or guaranteed by RUS. This part implements these provisions of the RUS loan agreement and prescribes the procedures that RUS follows in promulgating

standard contract forms that borrowers are required to use. Part 1753 prescribes when and how borrowers are required to use these standard forms of contracts.

(b) *Contract forms.* RUS promulgates standard contract forms, identified in §1755.30(c), List of Standard Contract Forms, that borrowers are required to use.

[64 FR 6500, Feb. 10, 1999]

§ 1755.27 Borrower contractual obligations.

(a) *Loan agreement.* As a condition of a loan or loan guaranteed under the RE Act, borrowers are normally required to enter into RUS loan agreements pursuant to which the borrowers agree to use RUS standard contract forms for construction, procurement, engineering services, and architectural services financed in whole or in part by the RUS loan. To comply with the provisions of the loan agreements as implemented by this part, borrowers must use those contract forms identified in the list of telecommunications standard contract forms, set forth in §1755.30(c) of this part.

(b) *Compliance.* (1) If a borrower is required by part 1753 to use a listed contract form, the borrower shall use the listed contract form in the format available from RUS. The forms shall not be retyped, changed, modified, or altered in any manner not specifically authorized in this part or approved by RUS in writing. Any modifications approved by RUS must be clearly shown so as to indicate the difference from the listed contract form.

(2) The borrower may use electronic reproductions of a contract form if the contract documents submitted for RUS approval are exact reproductions of the RUS form and include the following certification by the borrower: I (Insert name of the person.), certify that the attached (Insert name of the contract form.), between (Insert name of the parties.), dated (Insert contract date.) is an exact reproduction of RUS Form (Insert form number), dated (Insert date of RUS form).

(Signature)