

contract forms, *i.e.*, those forms of contracts that borrowers are required to use by the terms of their RUS loan agreements as implemented by the provisions of this part. Paragraph (d) of this section sets forth the list of guidance contract forms, *i.e.*, those forms of contracts provided as guidance to borrowers in the construction of their systems. See §1726.302(b) for availability of these forms.

(b) *Issuance date.* Where required by this part to use a standard form of contract in connection with RUS financing, the borrower shall use that form identified by issuance date in the List of Required Contract Forms in paragraph (c) of this section, as most recently published as of the date the borrower issues the bid package to bidders.

(c) List of required contract forms.

(1) RUS Form 168b, Rev. 2-04, Contractor's Bond. This form is used to obtain a surety bond and is used with RUS Forms 200, 257, 786, 790, and 830.

(2) RUS Form 168c, Rev. 2-04, Contractor's Bond (less than \$1 million). This form is used in lieu of RUS Form 168b to obtain a surety bond when contractor's surety has accepted a Small Business Administration guarantee.

(3) RUS Form 187, Rev. 2-04, Certificate of Completion, Contract Construction. This form is used for the closeout of RUS Forms 200, 257, 786, and 830.

(4) RUS Form 198, Rev. 4-04, Equipment Contract. This form is used for equipment purchases.

(5) RUS Form 200, Rev. 2-04, Construction Contract—Generating. This form is used for generating plant construction or for the furnishing and installation of major items of equipment.

(6) RUS Form 213, Rev. 2-04, Certificate ("Buy American"). This form is used to document compliance with the "Buy American" requirement.

(7) RUS Form 224, Rev. 2-04, Waiver and Release of Lien. This form is used for the closeout of RUS Forms 198, 200, 257, 786, 790, and 830.

(8) RUS Form 231, Rev. 2-04, Certificate of Contractor. This form is used for the closeout of RUS Forms 198, 200, 257, 786, 790, and 830.

(9) RUS Form 238, Rev. 2-04, Construction or Equipment Contract

Amendment. This form is used for amendments.

(10) RUS Form 254, Rev. 2-04, Construction Inventory. This form is used for the closeout of RUS Form 830. Minor electronic modifications are acceptable for RUS Form 254.

(11) RUS Form 257, Rev. 2-04, Contract to Construct Buildings. This form is used to construct headquarters buildings and other structure construction.

(12) RUS Form 307, Rev. 2-04, Bid Bond. This form is used to obtain a bid bond.

(13) RUS Form 786, Rev. 2-04, Electric System Communications and Control Equipment Contract (including installation). This form is used for delivery and installation of equipment for system communications.

(14) RUS Form 790, Rev. 2-04, Electric System Construction Contract—Non-Site Specific Construction. This form is used for limited distribution construction accounted for under work order procedure.

(15) RUS Form 792b, Rev. 2-04, Certificate of Construction and Indemnity Agreement. This form is used for the closeout of RUS Form 790.

(16) RUS Form 830, Rev. 2-04, Electric System Construction Contract—Project Construction. This form is used for distribution and transmission line project construction.

(d) List of guidance contract forms. RUS does not currently publish any guidance forms for electric borrowers.

[63 FR 58287, Oct. 30, 1998, as amended at 69 FR 7110, Feb. 13, 2004; 69 FR 52595, Aug. 27, 2004]

§§ 1726.305–1726.399 [Reserved]

Subpart J—Contract Closeout

§ 1726.400 Final contract amendment.

As needed, a final contract amendment will be prepared and processed in accordance with §1726.24(b) prior to or in conjunction with the closeout of the contract.

§ 1726.401 Material contract closeout.

(a) *Delivery inspection.* The borrower (acting through its engineer, if applicable) will verify that all materials are delivered in proper quantities, in good

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condition, and in compliance with applicable specifications.

(b) *Closeout documents.* The borrower (acting through its engineer, if applicable) will obtain from the supplier a “Buy American” certificate, RUS Form 213, any manufacturer’s guarantee(s) and, if applicable, a copy of RUS Form 224, Waiver and Release of Lien. Closeout documents for materials contracts need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

(c) *Final payment.* Upon completion of the actions required under paragraphs (a) and (b) of this section, the borrower shall make final payment to the supplier in accordance with the provisions of the material contract or written purchase order.

[60 FR 10155, Feb. 23, 1995, as amended at 69 FR 7110, Feb. 13, 2004]

§ 1726.402 Equipment contract closeout.

This section is applicable to contracts executed on RUS Form 198.

(a) *Final inspection and testing of equipment.* The borrower (acting through its engineer, if applicable) will perform the final inspection and testing of equipment as appropriate for the specific equipment. The borrower (acting through its engineer, if applicable) will schedule such inspection and testing at a time mutually agreeable to the borrower, engineer, and the supplier or manufacturer. Within thirty (30) days after completion of the inspection and testing, the borrower (acting through its engineer, if applicable) will prepare a report of the inspection and testing, obtain a copy of the report from the engineer, and submit a copy to the supplier or manufacturer. This report must include a detailed description of the methods of conducting the test(s), observed data, comparison of guaranteed and actual performance, and recommendations concerning acceptance. The borrower will obtain from the engineer a written certification stating that the equipment has been installed, placed in satisfactory operation and tested, and meets the contract requirements. Where more than one-hundred and eighty (180) days have elapsed since the delivery of the equipment and the equipment has not been installed or

tested, the contract may be closed out upon certification by the engineer that the equipment has been inspected and appears to be in accordance with the contract requirements.

(b) *Closeout documents.* (1) The borrower (acting through its engineer, if applicable) will obtain the following executed documents:

(i) Certification by the project engineer in accordance with paragraph (a) of this section.

(ii) All guarantees or warranties.

(iii) A “Buy American” certificate, RUS Form 213, from the supplier or manufacturer.

(2) Closeout documents for materials contracts need not be submitted to RUS unless specifically requested by RUS.

(c) *Final payment.* Upon completion of the actions required under paragraphs (a) and (b) of this section, the borrower will make final payment to the supplier or manufacturer in accordance with the provisions of the equipment contract.

§ 1726.403 Project construction contract closeout.

This section is applicable to contracts executed on RUS Forms 200, 257, 786, and 830.

(a) *Final test of equipment supplied under a construction contract.* If equipment is supplied under a construction contract, the borrower (acting through its architect or engineer, if applicable) will perform the final inspection and testing of equipment as appropriate for the specific equipment. The borrower (acting through its architect or engineer, if applicable) will schedule such inspection and testing at a time mutually agreeable to the borrower, architect or engineer, and the contractor. Within thirty (30) days after completion of the inspection and testing, the borrower (acting through its architect or engineer, if applicable) will prepare a report of the inspection and testing, obtain a copy of the report from its architect or engineer, and submit a copy to the contractor. This report must include a detailed description of the methods of conducting the test(s), observed data, comparison of guaranteed and actual performance, and recommendations concerning acceptance.