

(3) Make distribution of the completed documents as indicated in the table in this section.

(d) Final payment shall not be made until RUS has approved the closeout documents.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, as amended at 59 FR 43717, Aug. 25, 1994; 64 FR 16606, Apr. 6, 1999]

**§§ 1753.31–1753.35 [Reserved]**

**Subpart E—Purchase and Installation of Central Office Equipment**

SOURCE: 54 FR 39267, Sept. 25, 1989, unless otherwise noted. Redesignated at 55 FR 39397, Sept. 27, 1990.

**§ 1753.36 General.**

(a) This subpart implements and explains the provisions of the Loan Documents setting forth the requirements and the procedures to be followed by borrowers in purchasing and installing central office equipment financed with loan funds.

(b) Terms used in this subpart are defined in §1753.2 and RUS Contract Forms 525 and 545.

(c) Borrowers shall use RUS Contract Form 525, Central Office Equipment Contract (Including Installation), when the firm supplying the equipment will install it and RUS Contract Form 545, Central Office Equipment Contract (Not Including Installation) when the supplier of the equipment will not be installing it. In either case the appropriate specifications shall be included in the contract.

(d) Alternates, if any, specified in the P&S shall be kept to a minimum.

(e) The borrower shall take sealed competitive bids for all central office equipment to be purchased under RUS Contract Form 525 or 545 using the procedure set forth in §1753.38(a), unless RUS approval to negotiate is obtained.

(f) The borrower may request permission to negotiate with a single supplier for additional central offices to standardize equipment on a system basis. RUS approval to negotiate must be obtained before release of the plans and specifications to the supplier. Except for remote switching terminals associ-

ated with an existing central office, RUS will not approve negotiation with a non-domestic manufacturer for the purpose of standardization because such a purchase does not meet the RE Act "Buy American" provisions.

(g) Materials and equipment must meet the standards and general specifications approved by RUS. Materials and equipment included in I.P. 300-4, "List of Materials Acceptable for Use on Telecommunications Systems of RUS Borrowers", have been accepted as meeting these requirements. If the equipment is not included in the "List of Materials" but has been approved for field trial installation, the borrower must in each instance obtain field trial approval from RUS prior to entering into any agreement with a supplier.

(h) Only new equipment shall be purchased unless otherwise approved by RUS.

(i) All purchases of materials and equipment are subject to the "Buy American" requirements.

(j) If the sealed competitive bid procedure is followed, negotiation after bid opening will not be permitted.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39397, Sept. 27, 1990, as amended at 64 FR 16607, Apr. 6, 1999]

**§ 1753.37 Plans and specifications (P&S).**

(a) *General.* (1) Prior to the preparation of P&S, the borrower shall review with the GFR the current and future requirements for central office equipment.

(2) The P&S shall specify the delivery and completion time required for each exchange.

(3) The P&S shall provide for a complement of spare parts to be provided to the borrower. The quantity and type of spare parts shall be determined in accordance with the provisions in RUS Form 522 "General Specification for Digital, Stored Program Controlled Central Office Equipment."

(4) P&S for equipment to be provided under a Form 545 contract shall require the supplier to provide specific installation information and a detailed bonding and grounding plan to be utilized by the engineer, borrower, and others responsible for the installation of the equipment.