

PAYMENT BOND

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTIES OF DALLAS AND COLLIN

THAT _____ of the City of _____, _____ County, State of Texas, and _____ (as "Principal"), and _____ (as "Surety"), authorized under the laws of the State of Texas to act as a surety on bonds for principals, are held and firmly bound unto the City of Richardson, Texas (the "City") in the penal sum of \$_____ (not less than 100% of the approximate total amount of the contract as evidenced in the proposal) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, by these presents:

WHEREAS, the Principal has entered into a certain written contract with the City of Richardson, Texas, dated **the** day of _____, **20** _____, to which said contract is hereby referred to and made a part hereof and as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, the Principal and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for all labor and materials of any kind or nature furnished to and for the Project which constitutes the subject of the Contract made a part hereof by any and all persons, entities or companies who have a direct contractual relationship with Principal. The condition of this obligation is such that the Bond guarantees the full and proper protection of and payment to all claimants supplying labor, material and services in the prosecution of the work provided for in said Contract and is for the use and benefit of each claimant, and that should the Principal faithfully perform said Contract, promptly make payment for all sums due for said labor, materials and equipment, and indemnify, defend and hold harmless the City from and against any and all claims, demands, liens, causes of action and suits by any person, entity or company furnishing labor, materials or equipment to or for the Project, then this obligation shall be null and void; otherwise, to remain in full force and effect.

PROVIDED, HOWEVER, that this Bond is executed pursuant to the provisions of Chapter 2253 of the Texas Government Code, as amended, and all liabilities on this Bond shall be determined in accordance with the provisions of said Code and Chapter and each and every law, charter, rule or regulation that this Bond may be subject, to the same extend as if it were fully copied at length herein.

Surety, for value received, stipulates and agrees that this Bond and the penal sum herein shall automatically be increased by the amount of any change order or supplemental agreement which increases the contract price with or without notice to the Surety and that no change, extension of time, alteration, or addition to the terms of the contract, or to the work performed thereunder, or the plans, specifications, or drawings accompanying the same shall in any way affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration, or addition to the terms of the contract or to the work to be performed thereunder.

Surety acknowledges and represents that it is duly authorized to do business in the State of Texas, that it is authorized and admitted to write surety bonds in the State of Texas, and that its obligations under this Bond are intended to be in all respects in full and complete compliance with every law, charter, rule or regulation that this Bond may be subject to. If the Surety's obligation under this Bond is in an amount in excess of ten percent (10%) of Surety's capital and surplus, Surety shall immediately upon the effective date of this Bond furnish written certification to City that the Surety has reinsured the portion of risk that exceeds ten percent (10%) of the Surety's capital and surplus with one or more reinsurers who are duly authorized, accredited or trusteeed to do business in the State of Texas. In addition to the foregoing, If this Bond is in an amount in excess of \$100,000, the Surety also warrants and represents that it holds a certificate from the United States Secretary of the Treasury to qualify as a surety on obligations permitted or required under federal law or that it has obtained reinsurance for any liability in excess of \$100,000 from a reinsurer that is authorized and admitted as a reinsurer in the State of Texas and is the holder of a certificate of authority from the United States Secretary of the Treasury to qualify as a surety or reinsurer on obligations permitted or required under federal law. In such event, the Surety shall also furnish to the City immediately upon the effective date of this Bond a list of companies which includes the Surety or reinsurer holding such certificates of authority as acceptable sureties and reinsurers on federal bonds published in the Federal Register by the United States Department of the Treasury.

IN WITNESS WHEREOF, the said Principal and Surety have signed and sealed this instrument on this the _____ day of _____, 20____.

PRINCIPAL:

By: _____

Title: _____

Company: _____

Address _____

SURETY:

Title: _____ Attorney-In-Fact _____

Company: _____

Address: _____

The name, address, and phone number of the Resident Agent of Surety is:
