

PAYMENT BOND
(Private Corporation)

KNOW ALL PERSONS BY THESE PRESENTS: That

(Name of Contractor)

(Address of Contractor)

a _____, hereinafter called PRINCIPAL, and
(Corporation, Partnership, or Individual)

(Name of Surety)

hereinafter called SURETY, are held and firmly bound unto

(Name of Owner)

(Address of Owner)

hereinafter called OWNER, and the United States of America acting through

(Agency)

hereinafter referred to as Government, and unto all persons, firms and corporations who or which may furnish labor, or who furnish materials to perform as described under the contract and to their successors and assigns in the total aggregate penal sum of

_____ Dollars (\$ _____) in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the PRINCIPAL entered into a certain contract with the OWNER,

dated the _____ day of _____, a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE, if the PRINCIPAL shall promptly make payment to all persons, firms, and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such contract, and any authorized extensions or modification thereof, including all amounts due for materials, lubricants, oil gasoline, coal and coke, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such WORK, and for all labor cost incurred in such WORK including that by a SUBCONTRACTOR, and to any mechanic or materialmen lienholder whether it acquires its lien by operation of State or Federal law, then this obligation shall be void; otherwise, this obligation will remain in full force and effect.

Principal shall promptly pay Claimants for all labor, subcontracts, materials and specially fabricated material as defined in Chapter 53, Texas Property Code, and normal and usual extras not to exceed fifteen (15%) percent of the contract price.

PROVIDED, that beneficiaries or claimants hereunder shall be limited to the SUBCONTRACTORS, and persons, firms, and corporations having a direct contract with the PRINCIPAL or its SUBCONTRACTORS.

PROVIDED, FURTHER, that the said SURETY for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the WORK to be performed thereunder or the SPECIFICATIONS 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 this contract or to the WORK or to the SPECIFICATIONS.

PROVIDED, FURTHER, that no suit or action shall be commenced hereunder by any claimant:

(a) Unless claimant, other than one having a direct contract with the PRINCIPAL (or with the GOVERNMENT in the event the GOVERNMENT is performing the obligations of the OWNER), shall have given written notice to any two of the following: The PRINCIPAL, the OWNER, or the SURETY above named within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the PRINCIPAL, OWNER, or SURETY, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid project is located, save that such service need not be made by a public officer. (b) After the expiration of one (1) year following the date of which PRINCIPAL ceased work on said CONTRACT, is being understood, however, that if any limitation embodied in the BOND is prohibited by any law controlling the constitution hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

PROVIDED, FURTHER, that is expressly agreed that this BOND shall be deemed amended automatically and immediately, without formal and separate amendments hereto, upon amendment to the Contract not increasing the contract price more than 20 percent, so as to bind the PRINCIPAL and the SURETY to the full and faithful performance of the Contract as so amended. The term "Amendment," wherever used in this BOND and whether referring to this BOND, the contract or the loan Documents shall include any alteration, additions, extension or modification of any character whatsoever.

PROVIDED, FURTHER, that no final settlement between the OWNER or GOVERNMENT and the CONTRACTOR shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in _____ counterparts, each of which
(Number)
shall be deemed an original, this _____ day of _____.

ATTEST:

Principal

(Principal) Secretary

(SEAL)

By: _____(s)

(Address)

Witness as to Principal

(Address)

Surety

ATTEST:

Witness as to Surety

By: _____
Attorney-in-Fact

(Address)

(Address)

APPROVED AND ACCEPTED BY:

Date: _____ By: _____
Corporation President

NOTE: Date of BOND must not be prior to date of Contract.

If CONTRACTOR is partnership, all partners should execute BOND.

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the Project is located.

Acknowledgments on next page.

CORPORATION ACKNOWLEDGMENT (SURETY)

STATE OF TEXAS)

COUNTY OF)

This instrument was acknowledged before me on _____ by

_____ [name of officer], _____ [title of officer]

of _____ [name of corporation acknowledging], a

_____ [state of incorporation] corporation, on behalf of said corporation.

Notary Public, State of Texas

CORPORATION ACKNOWLEDGMENT (CONTRACTOR)

STATE OF TEXAS)

COUNTY OF)

This instrument was acknowledged before me on _____ by

_____ [name of officer], _____ [title of officer]

of _____ [name of corporation acknowledging], a

_____ [state of incorporation] corporation, on behalf of said corporation.

Notary Public, State of Texas

SINGLE ACKNOWLEDGMENT (CONTRACTOR)

STATE OF TEXAS)

COUNTY OF)

This instrument was acknowledged before me on _____ by

_____ [name of person acknowledging].

Notary Public, State of Texas

The State of Texas
County of _____

I HEREBY CERTIFY THAT the foregoing instrument of writing with its certificate of authentication was filed for record in my office on the _____ day of _____ A.D. _____ in Vol. _____, Page _____, of the record of said county.

WITNESS MY HAND and the seal of the county court of said county, at my office in _____, the day and year last above written.

(L.S.)

County Clerk, _____ County, Texas