

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS that _____ of _____, _____, _____, _____, organized and existing under the laws of the State of _____, and duly licensed and authorized to transact business in the State of Michigan (hereinafter referred to as the CONTRACTOR or PRINCIPAL), and _____ of _____, _____, _____, _____, organized and existing under the laws of the State of _____, and duly licensed and authorized to transact business in the State of Michigan (hereinafter referred to as the SURETY) jointly and severally, firmly bind themselves, their heirs, executors, administrators, successors and/or assigns unto the CITY OF BAY CITY, 301 Washington Avenue, Bay City, Michigan, 48708 (hereinafter referred to as the OWNER) in the full amount of _____ Dollars (\$_____).

for the payment thereof to OWNER, its successors or assigns as set forth herein.

WHEREAS, CONTRACTOR has been awarded a Contract with OWNER dated _____, 20____, for _____, which Contract is incorporated herein in its entirety by reference thereto.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if CONTRACTOR shall promptly and faithfully perform the Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

SURETY covenants and agrees that no change, extension of time, and/or any other forbearance, alteration and/or addition to the terms of the Contract and/or to the Work to be performed thereunder and/or to the Contract Documents, shall in any way affect it's obligations on this Bond, and it does hereby waive notice of any such change, extension of time and/or any other forbearance, alteration and/or addition to the terms of the Contract and/or the Work and/or the Contract Documents.

This Bond shall remain in effect for one year after the date of final payment. SURETY'S particular attention is directed to Article 6, Section A of the General Conditions of the Contract, all which are incorporated herein by reference thereto.

Whenever CONTRACTOR shall be declared by OWNER to be in default under the Contract, SURETY may either promptly remedy the default or shall promptly: (1) Complete the Contract, or (2) Obtain a bid or bids for submission to OWNER for Completing the Contract and upon determination by OWNER and SURETY of the lowest responsible and responsive bidder, arrange for a contract between such bidder and OWNER, and shall make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion up to the balance of the Contact

Price, but not including other costs and damages for which the SURETY may be liable hereunder. The term "balance of the Contract Price" as used in this paragraph, shall mean the total amount payable by OWNER to CONTRACTOR under the Contract, and any amendments thereto, less the amount properly paid by OWNER to CONTRACTOR.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the OWNER or its administrators or successors.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__.

CONTRACTOR/PRINCIPAL:

SURETY:

_____ By:

Its: _____

By:
Attorney in Fact