

APPENDIX 19  
PERFORMANCE BOND

Bond No. \_\_\_\_\_

KNOW ALL BY THESE PRESENTS that [Here insert full name and address of legal title of Contractor] as Principal, hereinafter called Contractor, and [Bonding Company] a corporation duly organized under the laws of the [State], as Surety, hereinafter called Surety, are held and firmly bound unto [State] as Oblige, in the amount of [Here insert a sum equal to at least one half of the Contract price]

Dollars (\$ \_\_\_\_\_), for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, Contractor has by written agreement dated \_\_\_\_\_ 19 \_\_\_\_\_ entered into a contract with [HA] for [Describe project and insert project number] in accordance with drawings and specifications prepared by [Here insert full name and address or legal title of Architect] which contract is by reference made a part hereof referred to as the Contract.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract then this obligation shall be null and void; otherwise it shall remain in full force and effect. The Surety hereby waives notice of any alteration or extension of time made by the [HA] and its obligation is not affected by any such alteration or extension provided the same is within the scope of the contract. Whenever Contractor shall be, and is declared by [HA] to be in default under the Contract, the [HA] having performed [HA's] obligations thereunder, the Surety may promptly remedy the default or shall promptly:

- 1) Complete the Contract in accordance with its terms and conditions; or

- 2) Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by the [HA] and the Surety jointly of the lowest responsive, responsible bidder, arrange for a contract between such bidder and the [HA] and make available as work progresses (even though there should be a default or succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by [State] to Contractor under the Contract and any amendments thereto, less the amount property paid by [State] to Contractor. No right of action shall accrue on this bond to or for the use of any person or corporation other than the [HA] or successors of the [HA].

Signed and sealed this \_\_\_ day of \_\_\_\_\_ 19\_\_.

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Principal) (Seal)

\_\_\_\_\_  
(Title)  
(BONDING COMPANY)

\_\_\_\_\_  
(Witness)

By \_\_\_\_\_  
(Attorney-in-Fact)