

Bond Number _____

CONTRACTOR:

SURETY (Name and Address as listed in the current Federal Register):

«Vendor_Name»

«Address_1»

«Address_2»

OWNER:

Regents of the University of Minnesota
Purchasing Services
300 Donhowe Building
319 15th Avenue SE
Minneapolis, Minnesota 55455

CONSTRUCTION CONTRACT:

Date: «Todays_Date»
Amount: \$«Total_Contract_Value»
Project Name: «Project_Name»
Project Number: «Project_»

BOND:

Date: _____ (This date must MATCH the date of the Power of Attorney and cannot be earlier than Construction Contract Date)
Amount: \$«Total_Contract_Value»
Modifications to this Bond: ___None ___ See Page

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

FOR INFORMATION ONLY - Persons to contact (name, E-mail and Address):

UNIVERSITY REPRESENTATIVE:

AGENCY FOR THE SURETY

«Buyer_Name»

«Buyer_Email»

300 Donhowe Building

319 15th Ave SE

Minneapolis, Minnesota 55455

1. Definitions:

- 1.1 Claimant: An individual or entity that has entered into a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service, insurance premiums, or rental equipment used in the performance of the Contract, architectural and engineering services required for performance of the work of Contractor and Contractor's subcontractors, and their sub-subcontractors and all labor, materials and services furnished by subcontractors and sub-subcontractors, and all other items for which a mechanic's lien could otherwise be asserted in the jurisdiction where the labor, materials or equipment were furnished had the Owner been a non-public entity.
- 1.2 Contract: The construction contract between the Owner and the Contractor identified on the cover page hereof, including all Contract Documents referenced therein and changes thereto.
2. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to Owner to pay for all labor, materials and equipment furnished for use in the performance of the Contract, which is incorporated herein by reference. Surety shall have no liability under this Bond to Owner, any Claimant, or others for any obligation of the Contractor unrelated to the Contract.
3. With respect to owner, this obligation shall be null and void if Contractor:
 - 3.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and
 - 3.2 Defends, indemnifies and holds Owner harmless in manner reasonably satisfactory to Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Contract, provided Owner has given notice and tendered defense of the same to Contractor and Surety.
4. With respect to Claimants, this obligation shall be null and void if Contractor promptly makes payment, directly or indirectly, for all sums due.
5. Surety's total obligation shall not exceed the amount of this Bond.
6. Amounts owed by Owner to Contractor under the Contract shall be used for the performance of the Contract and to satisfy claims, if any, under any Performance Bond issued in relation to the Contract. By Contractor furnishing and Owner accepting this Bond, they agree that all funds earned by Contractor in the performance of the Contract are dedicated to satisfy obligations of Contractor and Surety under this Bond, subject to Owner's priority to use the funds for the completion of the work as described in the Contract.

7. Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have no obligations under this bond to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
8. Surety hereby waives notice of any change, including changes of time, to the Contract or to related subcontracts, purchase orders and other obligations. In the event of any change that increases the contract price set forth in the Contract, the penal sum of this Bond shall increase in the amount of such change in the contract price without obtaining surety's consent, up to a maximum increase of ten percent (10%) of the original amount of this Bond.
9. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the State of Minnesota and after the expiration of one year from the earlier of the (1) date on which the Claimant gave notice to Owner, Contractor and Surety of its claim hereof, or (2) date on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Contract. If the provisions of this Paragraph are void or prohibited by law, the minimum period of the limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
10. Notice to Owner, Surety or Contractor shall be mailed first class, postage prepaid or by overnight Federal Express or Express Mail courier, or personally delivered to the address shown on the first page, and shall be deemed given upon personal delivery or the third day following deposit of the same in the United States first class mail, postage prepaid, or the next day following deposit of the same with Federal Express or Express Mail, with overnight delivery fees prepaid.
11. When this Bond is furnished to comply with a statute or other legal requirement in the location where the construction is to be performed, any provision in this Bond not authorized by said statute or legal requirement (or case law interpreting the same) shall be deemed deleted herefrom and provisions conforming to such statute or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
12. Upon receipt by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.
13. MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

Contractor As Principal:

Surety:

[Corporate Seal]

«Vendor_Name»

(Contractor’s Firm Name)

(Surety’s Firm Name)

By: _____
(Officer’s Signature)

By: _____
(Agent’s Signature)

Name: _____

Name: _____

Title: _____

Title: _____

Address of Signatory:

Address of Signatory:

Contractor’s Acknowledgment

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, a notary public, on this _____ day of _____, 20____, by _____

(Name of Contractor’s Officer)

the _____ of _____
(Title) (Contractor’s Firm Name)

a _____, on behalf of _____
(Business Type i.e. Corporation, LLC, etc.) (Contractor’s Firm Name)

By: _____ [Notary Stamp]
(Notary Public’s Signature)

Surety’s Acknowledgment

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, a notary public, on this _____ day of _____, 20____, by _____

(Name of Surety’s Agent)

the _____ of _____
(Title) (Surety’s Firm Name)

a _____, on behalf of _____
(Business Type i.e. Corporation, LLC, etc.) (Surety’s Firm Name)

By: _____ [Notary Stamp]
(Notary Public’s Signature)

END OF DOCUMENT

Bond Number _____

CONTRACTOR:

SURETY (Name and Address as listed in the current Federal Register):

«Vendor_Name»

«Address_1»

«Address_2»

OWNER:

Regents of the University of Minnesota
Purchasing Services
300 Donhowe Building
319 15th Avenue SE
Minneapolis, Minnesota 55455

CONSTRUCTION CONTRACT:

Date: «Todays_Date»
Amount: \$«Total_Contract_Value»
Project Name: «Project_Name»
Project Number: «Project_»

BOND:

Date: _____ (This date must MATCH the date of the Power of Attorney and cannot be earlier than Construction Contract Date)
Amount: \$«Total_Contract_Value»
Modifications to this Bond: ___None ___ See Page

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

FOR INFORMATION ONLY - Persons to contact (name, E-mail and Address):

UNIVERSITY REPRESENTATIVE:

AGENCY FOR THE SURETY

«Buyer_Name»

«Buyer_Email»

300 Donhowe Building
319 15th Ave SE
Minneapolis, Minnesota 55455

1. Definitions:
 - 1.1 Balance of the Contract Price: The total amount payable by Owner to Contractor under the Contract after all proper adjustments have been made, including allowance to Contractor of any amounts received or to be received by Owner in settlement of insurance or other claims for damages to which Contractor is entitled, reduced by all valid and proper payments made to or on behalf of Contractor under the Construction Contract.
 - 1.2 Contract: The construction contract between Owner and Contractor identified on the cover page hereof including all Contract Documents referenced therein and changes thereto.
 - 1.3 Contractor Default: Failure of Contractor, which has neither been remedied during the applicable remedy period (if any) nor waived, to perform or otherwise to comply with the terms of the Contract.
2. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to Owner for the performance of the Contract, which is incorporated herein by reference.
3. If Contractor fully performs the Contract, Surety and Contractor shall have no obligation under this Bond.
4. Whenever a Contractor Default occurs and within twenty (20) days after written notice thereof is given to Surety and Contractor, Surety shall, at Surety's expense, take one of the following actions:
 - 4.1 Arrange for Contractor, with the consent of Owner, to perform and complete the Contract; or
 - 4.2 Undertake to perform and complete the Contract itself, through its agent or through independent contractors; or
 - 4.3 Give written notice to Owner that it will, within twenty (20) days from the date of said notice, obtain bids or negotiated proposals from qualified contractors acceptable to Owner for a contract for performance and completion of the Contract, arrange for a contract to be prepared for execution by Owner and the contractor selected with Owner's concurrence (which contract shall be secured with performance and payment bonds in an amount equal to the contract price of the contract issued to the completing contractor and executed by a qualified surety), and pay to the Owner the amount of damages described in Paragraph 5 hereof in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or
 - 4.4 Waive its right to perform and complete, to arrange for completion, or to obtain a new contractor and with reasonable promptness under the circumstances:

- 4.4.1 After investigation, determine the amount for which it is liable to Owner and, as soon as practicable after the amount is determined, tender payment therefor to Owner; or
 - 4.4.2 Deny liability in whole or in part and notify Owner citing reasons therefor.
- 5. If Surety does not proceed as provided in Paragraph 4 within the time period(s) therein stated, Surety shall be deemed to be in default on this Bond ten (10) days after receipt of an additional written notice from Owner to Surety demanding that Surety perform its obligations under this Bond, and Owner shall be entitled to enforce any remedy available to Owner under this Bond, or at law or at equity. If Surety proceeds as provided in Subparagraph 4.4 hereof, and Owner refuses the payment tendered or Surety has denied liability (in whole or in part), Owner shall be entitled to enforce any remedy available to Owner against Surety and Contractor without further notice.
- 6. If the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 hereof, then the responsibilities of Surety to Owner shall not be greater than those of Contractor under the Contract, and the responsibilities of Owner to Surety shall not be greater than those of Owner under the Contract. Subject to the limit of the amount of this Bond and the commitment by owner to pay the Balance of the Contract Price when due under the Contract, Surety shall also be obligated to:
 - 6.1 Perform all obligations and carry out all responsibilities of Contractor for correction of defective work and completion of the Contract;
 - 6.2 Pay all additional legal, design professional and delay costs resulting from Contractor's Default, and resulting from the actions or failure to act of Surety under Paragraph 4; and
 - 6.3 Pay all liquidated damages, or if no liquidated damages are specified in the Contract, all actual damages caused by delayed performance or non-performance of Contractor.
- 7. Surety shall not be liable to Owner or others for obligations of Contractor that are unrelated to the Contract, and the Balance of the Contract Price shall not be reduced nor set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than Owner, its regents, successors, or assigns.
- 8. Surety hereby waives notice of any change, including changes of time and price, to the Contract or to any related subcontracts, purchase orders and other obligations arising from or related to the Contract. In the event of any change that increases the contract price set forth in the Contract, the penal sum of this Bond shall increase in the amount of such change in the contract price without obtaining surety's consent, up to a maximum increase of ten percent (10%) of the original amount of this Bond.
- 9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after Contractor

ceases working or within two years after Surety refuses or fails to perform its obligations under this bond, whichever occurs first.

10. Notice to Surety, Owner or Contractor shall be mailed first class, postage prepaid or personally delivered to the address shown on the first page, and shall be deemed given upon personal delivery or the third day following deposit of the same in the United States first class mail, postage prepaid, or the next day following deposit of the same with Federal Express or Express Mail, with overnight delivery fees prepaid.
11. When this Bond is furnished to comply with a statute or other legal requirement in the location where the construction is to be performed, any provision in this Bond not authorized by said statute or legal requirement (or case law interpreting the same) shall be deemed deleted herefrom and provisions conforming to such statute or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
12. MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

Contractor As Principal:

Surety:

[Corporate Seal]

«Vendor_Name»

(Contractor's Firm Name)

(Surety's Firm Name)

By: _____
(Officer's Signature)

By: _____
(Agent's Signature)

Name: _____

Name: _____

Title: _____

Title: _____

Address of Signatory:

Address of Signatory:

Contractor's Acknowledgment

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, a notary public, on this _____ day of _____, 20____, by _____

(Name of Contractor's Officer)

the _____ of _____
(Title) (Contractor's Firm Name)

a _____, on behalf of _____
(Business Type i.e. Corporation, LLC, etc.) (Contractor's Firm Name)

By: _____ [Notary Stamp]
(Notary Public's Signature)

Surety's Acknowledgment

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, a notary public, on this _____ day of _____, 20____, by _____

(Name of Surety's Agent)

the _____ of _____
(Title) (Surety's Firm Name)

a _____, on behalf of _____
(Business Type i.e. Corporation, LLC, etc.) (Surety's Firm Name)

By: _____ [Notary Stamp]
(Notary Public's Signature)

END OF DOCUMENT

*AGREEMENT AND BOND FORMS*1. GENERAL

- A. The Agreement and the Performance and Payment Bonds shall be executed on standard forms furnished by the University.

2. FORM OF AGREEMENT

- A. The successful bidder shall, within 10 days after receipt of prepared Agreement forms from the University, sign and return all required copies of the Agreement.

3. FORM OF PERFORMANCE AND PAYMENT BONDS

- A. The Bond shall contain all of the terms and conditions contained in the forms provided by the University.
- B. One original of each Bond shall be submitted to the University.
- C. The Bonds shall be issued by a Corporate Surety Company which is acceptable to the University, licensed to do business in the State of Minnesota, and listed in the current printing of the U.S. Treasury Department listing of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies." The amount of each Bond shall be within the limit set by the Treasury Department as the net limit on any single risk for the surety. There shall be no affiliation between the Contractor and the Bonding Agent or Agency.
- D. In the event of additions in the Contract, the University reserves to right to require evidence of an increase in the penal sum of the Bonds.
- E. Deliver one set of original signed Bonds (one Payment Bond and one Performance Bond) to the University with the signed Contractor's Agreement, along with a certified and properly dated Power of Attorney for the agent/Attorney-in-Fact signing the Bonds for the Surety Company.

END OF DOCUMENT

**INSTRUCTIONS AND CHECKLIST
FOR
PAYMENT & PERFORMANCE BONDS**

A sample bond has been attached to help further assist in the completion of these Bonds

Project Name: _____ Project #: _____

I. BONDS (original Payment Bond and original Performance Bond) *(To be completed by Surety)*

A. PAGE 1

- _____ 1. **Surety's name and address** (upper right page) is the same as listed in the current Federal Register (<http://www.fiscal.treasury.gov/>), the dollar amount of the Bond is within Surety's limit, and the Surety is approved in Minnesota.
- _____ 2. The name, address and email for the agent or local agency for the Surety is listed in the *For Information Only* section (lower right page).

B. SIGNATURE PAGE *(To be completed by both Contractor and Surety)*

- _____ 3. **Contractor Information** (upper left page): This section is completed with the Contractors' Firm Name, the name and title of the officer signing for the Contractor, and the address where the officer signs the signature page (no P.O. Boxes). Corporate seal is optional. Contractor's officer should sign in designated space in presence of a notary. Important: The officer for the Contractor may sign the Bond after the Attorney-in-Fact signs the Bond but must do so within a week of Attorney-in-Fact's signature.
- _____ 4. **Contractor's Acknowledgment** (middle page): **This is where the notary signs.** This section is completed with the state and county where the officer will sign the Bond, the name of the officer signing for the Contractor, his/her title, Contractor's Firm Name, and type of legal entity (e.g. corporation, limited liability company, etc.). Notary then signs and applies notary stamp in designated space after witnessing the officer's signature.
- _____ 5. **Surety Information** (upper right page): This section is completed with the name of the Surety from the Federal Register, the name and title of agent for the Surety (the Attorney-in-Fact) and the local address for the agent/Attorney-in-Fact. Corporate seal is optional. The Attorney-in-Fact should sign in designated space in presence of a notary. Important: The local address for the Attorney-in-Fact in this section must match the address listed for the Attorney-in-Fact in the Power of Attorney.
- _____ 6. **Surety's Acknowledgment** (lower page): **This is where the notary signs.** This section is completed with the state and county where the Attorney-in-Fact will sign the Bond, the name of the agent/Attorney-in-Fact signing for the Surety, his/her title (Attorney-in-Fact), Surety's Name, and type of legal entity (e.g. corporation, limited liability company, etc.). Notary then signs and applies notary stamp in designated space after witnessing Attorney-in-Fact's signature.

II. POWER OF ATTORNEY *(To be completed by Surety)*

- _____ 7. At least **one original** Power of Attorney must be submitted with the signed Bonds. A copy will be accepted as an original if it contains: (i) an original signature in the Certification section; (ii) a watermark, red line or other mark designating an original; or (iii) the corporate seal affixed to Certification section.
- _____ 8. Bond date (found on page 1 of the Bond), the date of Certification (found at the bottom of the Power of Attorney form), and the date of signing of the Bond by the Attorney-in-Fact (signature page) **must all be the same date.**
- _____ 9. If the Power of Attorney includes a limitation of Bond amount for the Attorney-in-Fact, this amount must exceed the amount of the Bond.
- _____ 10. The date that the Power of Attorney is granted by the Surety must be signed and notarized prior to the date of the Bonds.
- _____ 11. AM Best Rating: _____ (Must be A- or better; **attach verification**, i.e. printed web page)
- _____ 12. Underwriting Limit \$ _____ (Must meet or exceed Bond amount)

Bond Number 11250413

CONTRACTOR:

C.M.B. Construction, Inc.
123 Anyplace Avenue
Minneapolis, MN 55455

SURETY (Name and Address as listed in the current Federal Register):

R.F. Insurance Company
987 Elm Street
Castle Rock, ME 04123

OWNER:

Regents of the University of Minnesota
Purchasing Services
300 Donhowe Building
319 15th Avenue SE
Minneapolis, Minnesota 55455

CONSTRUCTION CONTRACT:

Date: July 1, 2015
Amount: \$1,000,000.00
Project Name: ABC Building Renovation
Project Number: 01-000-14-1234

BOND:

Date: July 5, 2015 (This date must MATCH the date of the Power of Attorney and cannot be earlier than Construction Contract Date)
Amount: \$1,000,000.00
Modifications to this Bond: None See Page

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

FOR INFORMATION ONLY - Persons to contact (name, E-mail and Address):

UNIVERSITY REPRESENTATIVE:

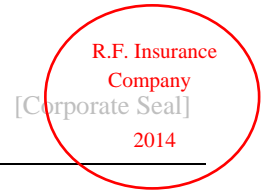
John Smith
js1234@umn.edu
300 Donhowe Building
319 15th Ave SE
Minneapolis, Minnesota 55455

AGENCY FOR THE SURETY

Twin Pines Agency
tpa@yahoo.com
456 Hill Valley Road North
St. Paul, MN 54123

Contractor As Principal:

Surety:



C.M.B. Construction, Inc.
(Contractor's Firm Name)

R.F. Insurance Company
(Surety's Firm Name)

By: Thomas Johnson
(Officer's Signature)

By: Jennifer R. Smith
(Agent's Signature)

Name: Thomas Johnson

Name: Jennifer R. Smith

Title: President

Title: Attorney-in-Fact

Address of Signatory:
123 Anyplace Avenue
Minneapolis, MN 55455

Address of Signatory:
456 Hill Valley Road North
St. Paul, MN 55116

Contractor's Acknowledgment

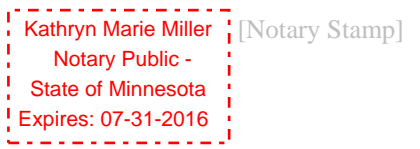
STATE OF Minnesota)
) SS.
COUNTY OF Hennepin)

The foregoing instrument was acknowledged before me, a notary public, on this 5th day of July, 20 15, by Thomas Johnson
(Name of Contractor's Officer)

the President of C.M.B. Construction, Inc.
(Title) (Contractor's Firm Name)

a Corporation, on behalf of C.M.B. Construction, Inc.
(Business Type i.e. Corporation, LLC, etc.) (Contractor's Firm Name)

By: Kathryn Marie Miller
(Notary Public's Signature)



Surety's Acknowledgment

STATE OF Minnesota)
) SS.
COUNTY OF Ramsey)

The foregoing instrument was acknowledged before me, a notary public, on this 5th day of July, 20 15, by Jennifer R. Smith
(Name of Surety's Agent)

the Attorney-in-Fact of R.F. Insurance Company
(Title) (Surety's Firm Name)

a Corporation, on behalf of R.F. Insurance Company
(Business Type i.e. Corporation, LLC, etc.) (Surety's Firm Name)

By: Emmett D. Brown
(Notary Public's Signature)



END OF DOCUMENT