# CONTRACT BOND

KNOW ALL PERSONS BY THESE PRESENTS: That we,

_____

(hereinafter called the principal),

_____

(hereinafter called the surety), are held firmly bound unto

_____

(hereinafter called the owner), in the sum of

$_____, for the payment whereof the principal and the surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the principal has, by means of a written agreement, dated _____, 20 _____, entered into a contract with the owner for

_____ Improvement District No.\Project No. _____in accordance with plans and specifications, a copy of which agreement is by reference made a part hereof.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that the principal will and faithfully perform the work bid for in accordance with the terms of and within the time provided for in the contract, and pursuant to the plans and specifications for such work on file in the office of the City Auditor; that they will pay for all labor and material used in such work including all demands of subcontractors; that the principal will pay or cause to be paid all sales and use taxes payable as a result of the performance of the contract, as well as the payment of gasoline and special motor fuel taxes used in the performance of the contract, and all motor vehicle fees required for commercial motor vehicles used in connection with the performance of such contract, and shall pay all state income taxes to the State of North Dakota upon income derived from such work or project, and that in case of a default on the part of the principal in the performance of the work as provided in their contract, the sum named in the bond shall be taken and held to be fixed and liquidated damages in favor of the owner, and that the full amount thereof may be recovered from said principal and their sureties in an action by the owner against them on said bond; that the said principal has made, or will make prior to the commencement of any work by themselves or any subcontractor under such contract, full and true report to the Worker's Compensation Bureau of the payroll expenditures for the employees to be engaged in such work, and that the principal has paid or will pay the premium thereon prior to the commencement of said work.

The term of this bond shall expire when all terms of the contract are fulfilled including, but not limited to, any warranty period, as well as any extensions of time. No suit, action, or proceeding by reason of any default whatever shall be brought on this bond after six (6) years from the date on which the final payment under the contract falls due.

PROVIDED, that any alterations which may be made in the terms of the contract, or in the work to be done under it, or giving by the owner of any extension of time for the performance of the contract, or any other forbearance on the part of either the owner or the principal to the other shall not in any way release the principal and the surety, or either or any of them, their heirs, executors, administrators, successors, or assigns from their liability hereunder, notice to the surety of any such alteration, extension or forbearance being hereby waived.

Signed and sealed this _____ day of _____, 20 _____.

WITNESSES:

_____

By_____
Principal

_____

As to Principal

By_____
Attorney-in-Fact

(Acknowledgement by both principal and surety required.)

## INDIVIDUAL ACKNOWLEDGEMENT

STATE OF_____)
) ss
COUNTY OF_____)

On this _____ day of _____ in the year _____ before me, _____, a Notary Public, personally appeared _____, known to me (or proved to me on the oath of_____) to be the person who is described in and who executed the within instrument and acknowledged to me that is executed the same.

(SEAL)

_____
Notary Public

## CORPORATION ACKNOWLEDGEMENT

STATE OF _____)
) ss
COUNTY OF _____)

On this _____ day of _____ in the year _____ before me, _____, a Notary Public, personally appeared _____, known to me (or proved to me on the oath of _____) to be the president (or other officer or person) of the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

(SEAL)

_____
Notary Public

ACKNOWLEDGEMENT OF SURETY

STATE OF_____)
) ss
COUNTY OF_____)

On this _____ day of _____ in the year _____ before me, _____, a Notary Public, personally appeared _____, known to me (or proved to me on the oath of _____) to be the person who is described in and whose name is subscribed to the within instrument as the attorney-in-fact of _____ and acknowledged to me that they subscribed the name of _____ thereto as surety and their own name as attorney-in-fact.

(SEAL)

_____
Notary Public