**DBA PERFORMANCE BOND AND PAYMENT BOND**

Bond Number:

1) We     , (Principal), and       (Surety), are held and firmly bound, jointly and severally, unto      , as Obligee (Owner), in the initial Contract amount of $      said amount to be deemed a Performance Bond payable to Owner and in the separate amount of $      said amount to be deemed a Payment Bond payable to proper claimants such amounts subject to the terms of this Performance Bond and Payment Bond Agreement. The Principal and Surety state that the Surety is a solvent corporate surety company authorized to do business in the State of Arkansas and is listed on the current United States Department of Treasury’s listing of approved sureties.

Principal has by written agreement dated       entered into a capital improvement contract (Contract) with the Owner for:       Project #     . The above referenced Contract is incorporated herein by reference.

2) Under this Performance Bond and Payment Bond Agreement, the Principal and Surety shall be responsible for the following:

a. Performance Bond

i. The Principal shall faithfully perform the above referenced Contract, which is incorporated herein by reference.

ii. In the event that the Principal defaults in its performance of its obligations under the Contract, the Principal and the Surety, jointly and severally, shall indemnify and save harmless the Owner from all cost and damage which the Owner may suffer by reason of Principal’s failure to perform the Contract. Said indemnification shall include, but not be limited to, full reimbursement and repayment to the Owner for all outlays and expenses which the Owner may incur in making good any such default of the Contract by the Principal.

b. Payment Bond

i. Principal shall pay all persons all indebtedness for labor or material furnished or performed under the Contract and in doing so this obligation shall be null and void.

ii. In the event that Principal fails to pay for such indebtedness, such persons shall have a direct right of action against the Principal and Surety, jointly and severally, under this obligation, subject to the Owner’s priority.

3) This Performance Bond and Payment Bond is given in accordance with Arkansas laws and rules, including Ark. Code Ann. § 18-44-501 et seq., §19-4-1401 et seq., and § 22-9-401 et seq. The Surety guarantees that the Principal shall comply with Ark. Code Ann. § 22-9-301 et seq. by payment and full compliance with all prevailing hourly wage contract provisions where the contract amount exceeds the amount provided by law.

Any changes made in the terms of the Contract, including but not limited to, the amount of the Contract, or in the work to be performed pursuant to the Contract or the 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 Sureties or either or any of them, their heirs, personal representatives, successors or assigns from their liability hereunder, notice to and consent of the Surety or Sureties of any such change, extension or forbearance being are hereby voluntarily waived. In no event shall the aggregate liability of the Surety exceed the greater amount of the Contract, including DBA approved change orders.

This Performance Bond and Payment Bond Agreement is binding upon the above named parties, and their successors, heirs, assigns and personal representatives.

Executed by the parties who individually represent that each voluntarily enters into and has the authority to enter into this agreement.

BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Contractor’s (Principal) Signature Date

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 Print Name

BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Arkansas Resident Agent or Non Resident Agent Signature (attach Power of Attorney) Date

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Print Name

Agent’s License Number:

Surety Company’s NAIC Number:

Surety Address:

City, County, State, Zip Code:

Business Phone #:

Fax #:

E-Mail: