

Payment Bond

Cover Sheet and Instructions

APPROVED DOCUMENT – This document is approved by the Office of the President and Office of the General Counsel for use by the Facility and is available on electronic media.

PURPOSE OF DOCUMENT:	Provides a source of compensation for unpaid subcontractors (regardless of tier), suppliers, or workers who have furnished goods or services for the project.			
CROSS-REFERENCE TO FACILITIES MANUAL:	None			
CONTENTS:	Payment Bond			
FOR USE WITH:	CM/Contractor Agreement			
COMPLETED BY:	✓	Filling in	Adding Text	No Data Required
ITS USE IS:	✓	Required	Optional	

NOTE: To use the electronic file of this document, you must go to the “Tools” pull down menu in Microsoft Word, select “Options,” select the “View” tab, and then put a check in the box “Hidden text.” Most instructions and alternate language is displayed in hidden text. Do not print the hidden text for the final document.

Completion Instructions:

1. Notes, suggested text, instructions and other information is formatted using the following methods:
 - Hidden text within brackets. Read the material within the brackets and take the appropriate action (usually inserting text or selecting from a choice of texts.) When printing this document, the default print property will not print the hidden text.
 - Coded instruction within brackets. {This is an example of the format.} The instructions and shading will disappear when the required information is typed.
 - Suggested text is shaded in gray without brackets (see Modification and Additions below.)

Modifications and Additions:

1. Areas shaded in gray, without brackets, represent suggested text that may be modified by the Facility to meet the needs of the Project. This is an example of the format. Ensure that any modified or added text is consistent with the Contract Documents.
2. Areas not highlighted in gray, without brackets, shall not be altered without approval of the Office of the President.

Comments:

1. A Payment Bond is required by the California Civil Code, Section 3247, and by The Regents for all contracts valued at \$25,000 or more.
2. The signature on behalf of the surety must be notarized.
3. The completed form is required before award of the contract.

EXHIBIT {NUMBER}

Bond No.: _____

PAYMENT BOND

(Required for all contracts valued at \$25,000 or more)

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, The Regents of the University of California ("The Regents") has awarded to _____ as Principal a contract dated the _____ day of _____, _____, (the "Contract") for the work described as follows:

{DESCRIPTION OF WORK. INCLUDES PROJECT NAME AND NUMBER}

AND WHEREAS, Principal is required to furnish a bond in connection with the Contract to secure the payment of claims of laborers, mechanics, material suppliers, and other persons as provided by law;

NOW, THEREFORE, we, the undersigned Principal and _____ as Surety, are held and firmly bound unto The Regents in the sum of **#{See General Conditions 11.3.2 for amount}** for which payment well and truly to be made we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if Principal, or its heirs, executors, administrators, successors, or assigns approved by The Regents, or its subcontractors shall fail to pay any of the persons named in State of California Civil Code Section 3181, or amounts due under the State of California Unemployment Insurance Code with respect to work or labor performed under the Contract, or for any amounts required to be deducted, withheld, and paid over to the State of California Employment Development Department from the wages of employees of Principal and subcontractors pursuant to Section 13020 of the State of California Unemployment Insurance Code with respect to such work and labor, that Surety will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall become and be null and void.

This bond shall inure to the benefit of any of the persons named in State of California Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

Surety, for value received, hereby expressly agrees that no extension of time, change, modification, alteration, deletion, or addition to the undertakings, covenants, terms, conditions, and agreements of the Contract, or to the work to be performed thereunder, shall in any way affect the obligation of this bond; and it does hereby waive notice of any such extension of time, change, modification, alteration, deletion, or addition to the undertakings, covenants, terms, conditions, and agreements of the Contract, or to the work to be performed thereunder.

Surety's obligations hereunder are independent of the obligations of any other surety for the payment of claims of laborers, mechanics, material suppliers, and other persons in connection with the Contract; and suit may be brought against Surety and such other sureties, jointly and severally, or against any one or more of them, or against less than all of them without impairing The Regents' rights against the others.

In the event suit is brought upon this bond, the parties not prevailing in such suit shall pay reasonable attorneys' fees and costs incurred by the prevailing parties in such suit.

Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.

Project Name: { }

Project No.: { }

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, _____.

Principal: _____
(Name of Firm)

Surety: _____
(Name of Firm)

By: _____

By: _____

Title: _____

Title: _____

Address for Notices:

NOTE: Notary acknowledgement for individual signing above on behalf of Surety is required. Surety's Power of Attorney must also be attached with Notary Acknowledgement of Signature on Power of Attorney.