

PAYMENT BOND

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

THE UNIVERSITY OF TEXAS PERMIAN BASIN

§

KNOW ALL MEN BY THESE PRESENTS:

ECTOR COUNTY

§

That we, \_\_\_\_\_, as Principal,  
and \_\_\_\_\_, as Surety, are  
hereby held and firmly bound unto the State of Texas as Obligee in the penal sum of  
\_\_\_\_\_ (\$ \_\_\_\_\_) for  
the payment whereof, the said Principal and Surety bind themselves, their heirs, executors,  
administrators, and successors, jointly and severally, firmly by these presents.

The conditions of this obligation are such that whereas the Principal entered into a  
certain contract, hereto attached, and made a part hereof, with the State of Texas, acting by  
and through the Board of Regents of The University of Texas System for and on behalf of  
The University of Texas Permian Basin, dated \_\_\_\_\_, \_\_\_\_\_, for

\_\_\_\_\_  
(Project No. \_\_\_\_\_).

NOW, THEREFORE, the condition of this obligation is such that, if the Principal  
shall promptly make payments to all claimants as defined in Section 2253.021, Texas  
Government Code, as amended, of all persons supplying labor and materials in the  
prosecution of the work provided for in said contract, then this obligation shall be null and  
void, but otherwise it shall remain in full force and effect.

In the event that the Principal fails to promptly pay when due persons who have  
supplied labor, materials, or supplies used in the performance of the said contract, the  
Surety will, upon receipt of notice from The University of Texas Permian Basin or a  
claim in the form required by law, satisfy all undisputed balances due, and make  
arrangements satisfactory to the interested parties to resolve all amounts disputed in good  
faith, but in no event shall the liability of the Surety for the Principal's failure to promptly  
pay for labor, materials, or supplies exceed the penalty of this bond.

This Surety agrees to pay The University of Texas Permian Basin upon demand all  
loss and expense, including attorney's fees, incurred by The University of Texas Permian  
Basin by reason or on account of any breach of this obligation by Surety.

Provided further, that this bond is made and entered into for the protection of all  
claimants supplying labor and material in the prosecution of the work provided for in said  
Contract, and all such claimants shall have a direct right of action under the bond as

provided in Section 2253.021, Texas Government Code, as amended. If any legal action is filed upon this bond, venue shall be in the county where the said Contract is to be performed.

By signature hereon, if the amount of this bond exceeds \$100,000, then the Surety attests that at the time the bond was executed (and Surety shall provide the Obligee with evidence of the following):

- (1) it was a holder of a certificate of authority from the United States Secretary of the Treasury to qualify as a surety on obligations permitted or required under federal law; or
- (2) had reinsured any liability in excess of \$100,000 by a reinsurer holding a certificate of authority from the United States Secretary of the Treasury.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

(SEAL)

\_\_\_\_\_  
Principal

ATTEST:

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Typed Name and Title)

\_\_\_\_\_  
(Typed Name and Title)

(SEAL)

\_\_\_\_\_  
Surety

ATTEST:

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Typed Name and Title)

\_\_\_\_\_  
(Typed Name and Title)

Surety's Texas Local Recording  
Agent or Resident Agent:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed Name)

License No. \_\_\_\_\_

File No. \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No.: \_\_\_\_\_

Surety's Home Office Agent or Servicing  
Agent:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No.: \_\_\_\_\_