

U.S. Department of Agriculture
Rural Utilities Service

BID BOND

1. *KNOW ALL PERSONS* that we, _____
_____ as *Principal*, and

_____,
as *Surety*, are held and firmly bound unto _____
_____ (hereafter called the "*Owner*")
in the penal sum of ten percent (10%) of the amount of the bid referred to in paragraph 2 below, but not to exceed _____ dollars (\$ _____), as hereinafter set forth and for the payment of which sum well and truly to be made we bind ourselves, our executors, administrators, successors and assigns, jointly and severally, by these presents;

2. *WHEREAS*, the *Principal* has submitted a bid to the *Owner* for the construction of the Rural Utilities Service project known as _____.

3. *NOW, THEREFORE*, the condition of this obligation is such that if the *Owner* shall accept the bid of the *Principal*, and

- a. the *Principal* shall execute such contract documents, if any, as may be required by the terms of the bid and give such *Contractor's Bond* or *Bonds* for the performance of the contract and for the prompt payment of labor and material furnished for the project as may be specified in the bid, or
- b. in the event of the failure of the *Principal* to execute such contract documents, if any, and give such *Contractor's Bond* or *Bonds*, if the *Principal* shall pay to the *Owner* the difference, not to exceed the penal sum hereof, between the amount specified in the bid and such larger amount for which the *Owner* may in good faith contract with another party to construct the project, then this obligation shall be void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed and their respective corporate seals to be affixed and attested by their duly authorized representatives this

_____ day of _____, 20_____.

Principal (Seal)

ATTEST:

By _____

Secretary

Title

Surety (Seal)

ATTEST:

By _____

Secretary

Title