



PERFORMANCE BOND
Form to be Used When Bonding Only One Year
of a Multi-Year Contract

KNOW ALL MEN BY THESE PRESENTS: That, _____
(hereinafter called Principal), as Principal, and _____
a corporation duly organized under the laws of the _____
of _____ and duly authorized and licensed to do business in the
_____ of _____ (hereinafter
called Surety), as Surety, are held and firmly bound unto _____ (hereinafter
called the Oblige), as Oblige, in the full and just sum of _____ DOLLARS,
(\$ _____) to the payment of which sum, well and truly to be made, the said Principal and Surety
bind themselves, their and each of their heirs, administrators, executors, successors and assigns, jointly and severally,
firmly by these presents.

WHEREAS, the above bounden Principal has entered into a certain written contract with the above mentioned Oblige
dated _____ for _____
for a period of _____ years which contract is hereby referred to and made a part
hereof as fully and to the same extent as if copied at length herein, and

WHEREAS, the Oblige has agreed to accept a bond guaranteeing the performance of said contract **for a period of
only one year.**

NOW, THEREFORE, if Principal shall faithfully perform such contract or shall indemnify and save harmless the
Oblige from all cost and damage by reason of Principal's failure so to do, then this obligation shall be null and void;
otherwise it shall remain in full force and effect.

PROVIDED, HOWEVER, that this bond is subject to the following conditions and provisions:

1. This bond is for the term beginning _____ and ending _____.
2. In the event of default by the Principal in performance of the contract during the term of this bond the Surety shall be
liable only for the loss to the Oblige for actual excess costs of performance of the contract up to the expiration of the
term of this bond and in no event shall the liability of the Surety exceed the penal sum stated in this bond.



3. No claim, action, suit or proceeding, except as hereinafter set forth, shall be instituted or maintained against the Surety under this instrument unless same be brought or instituted and process served upon the Surety within one year after the expiration of the term of this bond.
4. Neither non-renewal by the Surety, nor failure, nor inability of the Principal to file a performance bond for subsequent terms under said contract shall constitute loss to the Oblige recoverable under this bond.
5. The bond may be extended for additional terms at the option of the Surety, by continuation certificate executed by the Surety and the Principal but regardless of the number of extensions for additional terms and the number of premiums which shall be payable or paid, the liability of the Surety hereunder shall not be cumulative from year to year nor period to period.
6. No right of action shall accrue on this bond to or for the use of any person or corporation other than the Oblige named herein or the heirs, executors, administrators or successors of the Oblige.

Signed and sealed this _____ day of _____ 20_____.

Witness

BY: _____
Principal

ITS: _____

The Guarantee Company of North America USA

Witness

BY: _____
Attorney-In-Fact