

SAMPLE PERFORMANCE BOND WORDING (ANNUALY/RENEWABLE PERFORMANCE BOND)

Bond Number: \_\_\_\_\_

**PERFORMANCE BOND**

KNOW ALL MEN BY THESE PRESENTS, That we, \_\_\_\_\_,  
(hereinafter called the Principal), as Principal, and NAME OF SURETY COMPANY, duly organized under the laws  
of the State of \_\_\_\_\_, (hereinafter called the Surety), as Surety, are held and firmly bound unto  
\_\_\_\_\_, (hereinafter called the Obligee), in the  
sum of \_\_\_\_\_ (\$\_\_\_\_\_) Dollars, for the payment of which sum well and truly to be made, we, the said  
Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns.

WHEREAS, said Principal has entered into a written Contract with said Obligee, dated \_\_\_\_\_, for  
\_\_\_\_\_, in accordance with the terms and conditions of said Contract,  
which is hereby referred to and made a part hereof as if fully set forth herein:

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the above bounden Principal  
shall well and truly keep, do and perform each and every, all and singular, the matters and things in said contract set  
forth and specified to be by said Principal kept, done and performed, at the times and in the manner in said contract  
specified, or shall pay over, make good and reimburse to the above named Obligee, all loss and damage which said  
Obligee may sustain by reason of failure or default on the part of said Principal so to do, then this obligation shall be  
null and void; otherwise shall remain in full force and effect.

FURTHERMORE, Notwithstanding the provisions of the Contract, the term of this bond shall apply from  
\_\_\_\_\_, 20\_\_\_\_, until \_\_\_\_\_, 20\_\_\_\_, and may be extended by the Surety by  
Continuation Certificate. However, neither non-renewal by the Surety, nor the failure or inability of the Principal to  
file a replacement bond in the event of non-renewal, shall itself constitute a loss to the obligee recoverable under this  
bond or any renewal or continuation thereof. The liability of the Surety under this bond and all continuation certificates  
issued in connection therewith shall not be cumulative and shall in no event exceed the amount as set forth in this bond  
or in any additions, riders, or endorsements properly issued by the Surety as supplements thereto. In no event shall  
Surety's aggregate liability exceed the penal sum of this bond.

NO SUIT, ACTION OR PROCEEDING by the Obligee to recover on this bond shall be sustained unless the same be  
commenced within two (2) years following the date on which Principal ceased work on said Contract.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

*(fill in Principal's name)*  
Principal

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

NAME OF SURETY COMPANY  
Surety

By: \_\_\_\_\_  
Attorney-in-Fact