

LABOR, EQUIPMENT AND MATERIAL PAYMENT BOND

Bond No. _____

KNOWN ALL MEN BY THESE PRESENTS: That,

(Here insert the name and address, or legal title, of the Contractor)

as Principal, herein after called Principal, and

(Here insert the full name and title and address)

as Surety, hereinafter called Surety, are held and firmly bound unto THE TOWN OF OLD LYME, 52 Lyme Street, Old Lyme, CT 06371 as Obligee, hereinafter called Obligee, in the amount of Dollars (\$ _____), for the payment whereof Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has by written agreement dated _____ entered into a contract with Obligee for the Hains Park Boathouse Project, in accordance with drawings and specifications prepared by Nina Cuccio Peck Architects which contract including all Contract Documents and all changes made to the contract and the Contract Documents is by reference made a part hereof, and is hereinafter referred to as the contract. NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if the Principal shall promptly make payments of all sums due to all claimants as hereinafter defined, for all labor, equipment and materials used or reasonably required for use in the performance of the contract, and all duly authorized modifications, alterations, changes or additions to said contract that may hereafter be made, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment, notice to the surety of such modifications, alterations, changes or additions being hereby waived, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

- (1) A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, equipment and material, or both, used or reasonably required for use in the performance of the contract. Labor, equipment and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service, rental of equipment, payroll taxes, contributions for unemployment insurance, old age pensions and annuities which are measured by wages and/or salaries directly applicable to the contract.
- (2) The above-named Principal and Surety hereby jointly and severally agree with the Obligee that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant and have execution thereon. The Obligee shall not be liable for the payment of any costs or expenses of any such suit.
- (3) No suit or action shall be commenced hereunder by any claimant,
 - (a) After the expiration of one (1) year following the date on which Principal ceased work on said contract it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.
 - (b) Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the project, or any part thereof, is situated, or in the United States District Court for the district in which the project or any part thereof, is situated, and not elsewhere.
- (4) The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

The Surety's obligations to a claimant under this Bond shall arise after such claimant (1) furnishes a written notice of non-payment to both the Principal and the Obligee, at the addresses shown above, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied, or for whom the labor was done or performed, within sixty (60) days after having last performed labor or last furnished materials or equipment included in the claim; and (2) sends a written claim to the Surety at the address shown above.

Signed and sealed this _____ day of _____ 2011
IN THE PRESENCE OF:

(Principal)

(Witness)

(Title)

(Surety)

(Witness)

(Title)

Labor, Equipment and Material Payment Bond, This bond is issued simultaneously with another bond in favor of the Obligee conditioned for the full and faithful performance of the contract.