



PALM BEACH  
*Gardens*

CITY OF PALM BEACH GARDENS  
10500 N. MILITARY TRAIL  
PALM BEACH GARDENS, FLORIDA 33410-4698

## **SAMPLE BOND FORMS AND VERBIAGE**

**SAMPLE PERFORMANCE BOND FORMAT**

KNOW ALL MEN BY THESE PRESENTS: that - \_\_\_\_\_

\_\_\_\_\_

(Insert full name and address or legal title of successful Bidder)

as Principal, hereinafter called Contractor, and \_\_\_\_\_,

(Name of Insurer)

as Surety, hereinafter called Surety, are held and firmly bound unto the City of Palm Beach Gardens, Palm Beach County, Florida.

As Obligee, hereinafter called the City, in the amount of \_\_\_\_\_,

(\$ \_\_\_\_\_), for the payment whereof, Contractor and Surety bind themselves, their

heirs, executors, administrators, successors, and assigns, jointly and severably, firmly by the presents.

WHEREAS, Contractor has by written agreement dated \_\_\_\_\_, 20\_\_, entered into Contract No. \_\_\_\_\_ with the City in accordance with the Solicitation specifications prepared by the City, which Contract is by reference made a part hereof and is hereinafter referred as the Contract, for the performance of the following Work:

\_\_\_\_\_

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the City.

Whenever Contractor shall be and declared by the City to be in default under the Contract, the City having performed City’s obligations thereunder, the Surety may promptly remedy the default or shall promptly:

- a. Complete the Contract in accordance with its terms and conditions; or
- b. Obtain a Bid or Bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the most responsible Bidder, or if the City elects, upon determination by the City and the Surety jointly of the most responsible Bidder, arrange for a Contract between such Bidder and the City, and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term “balance of the contract price”, as used in this paragraph, shall mean the total amount payable by the City

to Contractor under the contract and any amendments thereto, less the amount properly paid by the City to the Contractor.

Any suit under this bond must be instituted before the expiration of twenty-five (25) months from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the City named herein or the heirs, executors, administrators, or successors of the City.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Principal) (Seal)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Name of Insurer) Surety (Seal)

\_\_\_\_\_  
(Witness)

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

**SAMPLE PAYMENT BOND FORMAT**

KNOW ALL MEN BY THESE PRESENTS: that - \_\_\_\_\_

\_\_\_\_\_

(Insert full name and address or legal title of successful Bidder)

as Principal, hereinafter called Contractor, and \_\_\_\_\_,

(Name of Insurer)

as Surety, hereinafter called Surety, are held and firmly bound unto the City of Palm Beach Gardens, Palm Beach County, Florida.

As Obligee, hereinafter called the City, in the amount of \_\_\_\_\_,

(\$ \_\_\_\_\_), for the payment whereof, Contractor and Surety bind themselves, their

heirs, executors, administrators, successors, and assigns, jointly and severably, firmly by the presents.

WHEREAS, Contractor has by written agreement dated \_\_\_\_\_, 20\_\_, entered into Contract No. \_\_\_\_\_ with the City in accordance with the Solicitation specifications prepared by the City, which Contract is by reference made a part hereof and is hereinafter referred as the Contract, for the performance of the following Work:

\_\_\_\_\_

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if said Contractor and all subcontractors to whom any portion of the work provided for in said Contract is sublet and all assignees of said Contract and of such subcontractors shall promptly make payments to all persons supplying him or them with labor, products, services, or supplies for or in the prosecution of the work provided for in such Contract, or in any amendment or extension of or addition to said Contract, and for the payment of reasonable attorney's fees, incurred by the claimants in suits on this bond, then the above obligation shall be void; otherwise, it shall remain in full force and effect.

HOWEVER, this bond is subject to the following conditions and limitations:

a) Any person, firm or corporation that has furnished labor, products, or supplies for or in the prosecution of the work provided for in said Contract shall have a direct right of action against the Contractor and Surety on this bond, which right of action shall be asserted in a proceeding, instituted in the county in which the work provided for in said Contract is to be performed or in any county in which Contractor or Surety does business. Such right of action shall be asserted in proceedings instituted in the name of the claimant or claimants for his or their use and benefit against said Contractor and Surety or either of them (but not later than one year after the final settlement of said Contract) in which action such claim or claims shall be adjudicated and judgment rendered thereon.

b) The Principal and Surety hereby designate and appoint \_\_\_\_\_

\_\_\_\_\_ as the agent of each of them to receive and accept service of process or other pleading issued or filed in any proceeding instituted on this

bond and hereby consent that such service shall be the same as personal service on the Contractor and/or Surety.

c) In no event shall the Surety be liable for a greater sum than the penalty of this bond, or subject to any suit, action or proceeding thereon that is instituted later than one year after the final settlement of said Contract.

d) This bond is given pursuant to and in accordance with the provisions of Florida Statutes, and all the provisions of the law referring to this character of bond as set forth in any sections or as may be hereinafter enacted, and these are hereby made a part hereof to the same extent as if set out herein in full.

Any suit under this bond must be instituted before the expiration of twenty-five (25) months from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the City named herein or the heirs, executors, administrators, or successors of the City.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Principal) (Seal)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Name of Insurer) Surety (Seal)

\_\_\_\_\_  
(Witness)

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

**SAMPLE LETTER OF CREDIT FORMAT**

LETTER OF CREDIT NO.: \_\_\_\_\_

ISSUANCE DATE: \_\_\_\_\_

APPLICANT:

**{Name of Corporation}** \_\_\_\_\_

**{Address}** \_\_\_\_\_

**{City, State, Zip}** \_\_\_\_\_

BENEFICIARY:

CITY OF PALM BEACH GARDENS  
10500 N. MILITARY TRAIL  
PALM BEACH GARDENS, FLORIDA 33410

FOR U.S.D. \$ \_\_\_\_\_

DATE OF EXPIRATION: \_\_\_\_\_

WE HEREBY ESTABLISH OUR IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_ IN FAVOR OF THE BENEFICIARY, THE CITY OF PALM BEACH GARDENS, FLORIDA (HEREINAFTER "PBG") FOR THE ACCOUNT OF THE ABOVE-REFERENCED APPLICANT, AVAILABLE BY YOUR DRAFTS DRAWN ON (Insert name of Bank) PAYABLE AT SIGHT FOR ANY SUM OF MONEY NOT TO EXCEED A TOTAL OF (Insert the amount of money), THE AMOUNT REFERENCED ABOVE.

DEMANDS OF THE LETTER OF CREDIT MUST BE ACCOMPANIED BY A STATEMENT FROM THE CITY MANAGER OF THE CITY OF PALM BEACH GARDENS CERTIFYING EITHER: (1) THAT SAID LETTER OF CREDIT IS ABOUT TO EXPIRE AND HAS NOT BEEN RENEWED, OR (2) THAT WORK HAS NOT BEEN COMPLETED IN ACCORDANCE WITH THE PLANS, SPECIFICATIONS, AND AGREEMENTS (INCLUDING ANY AMENDMENTS THEREOF) FOR THE FOLLOWING PROJECT: **{Name of Project}** \_\_\_\_\_ (THE 'PROJECT').

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED FOR PERIODS OF ONE YEAR FROM EXPIRY DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, WITHOUT ANY AMENDMENT, UNLESS THIRTY (30) DAYS BUT NO MORE THAN SIXTY (60) DAYS PRIOR TO ANY EXPIRATION DATE WE SHALL NOTIFY PBG IN WRITING BY CERTIFIED MAIL RETURN RECEIPT REQUESTED, OR BY COURIER VIA HAND DELIVERY AT THE ABOVE-LISTED ADDRESS, THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

WE HEREBY AGREE WITH THE DRAWERS, ENDORSERS, AND BONA FIDE HOLDERS OF ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THE CREDIT THAT SUCH DRAFTS WILL BE DULY HONORED UPON PRESENTATION TO **{Name of Bank}** \_\_\_\_\_ (THE 'BANK'), WHICH IS DULY AUTHORIZED TO CONDUCT BUSINESS IN THE STATE OF FLORIDA IN ACCORDANCE WITH THE TERMS HEREOF. IF A DRAFT, AS DESCRIBED IN THIS LETTER OF CREDIT, IS PRESENTED PRIOR TO THE EXPIRATION DATE AND IN CONFORMITY WITH THE TERMS OF THIS LETTER OF CREDIT AND UPON PRESENTATION IT IS WRONGFULLY DISHONORED BY THE BANK, THE BANK AGREES TO PAY REASONABLE

ATTORNEYS FEES AND COSTS, INCLUDING FEES AND COSTS ON APPEAL, INCURRED BY THE CITY OF PALM BEACH GARDENS TO ENFORCE THIS LETTER OF CREDIT SHOULD PBG PREVAIL.

DOCUMENTS MUST BE PRESENTED FOR PAYMENT TO:

**{Name of Bank Branch}** \_\_\_\_\_

**{Address}** \_\_\_\_\_

**{City, State, Zip}** \_\_\_\_\_

ATTN: **{Department}** \_\_\_\_\_

ALL DRAWINGS UNDER THIS LETTER OF CREDIT MUST BE ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT INSTRUMENT WHICH WILL BE RETURNED TO THE BENEFICIARY AFTER ENDORSING THE BACK OF SAME WITH THE AMOUNT OF EACH DRAWING BY US.

PARTIAL DRAWINGS ARE PERMITTED.

THE AMOUNT OF ANY DRAFT DRAWN UNDER THIS CREDIT MUST BE ENDORSED ON THE REVERSE OF THE ORIGINAL CREDIT. ALL DRAFTS MUST BE MARKED "DRAWN UNDER **{Name of Bank}** \_\_\_\_\_ LETTER OF CREDIT NUMBER \_\_\_\_\_ DATED \_\_\_\_\_, 20\_\_."

THIS CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, (2007 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600", AND TO THE PROVISIONS OF FLORIDA LAW. IF A CONFLICT BETWEEN THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS AND FLORIDA LAW SHOULD ARISE, FLORIDA LAW SHALL PREVAIL. IF A CONFLICT BETWEEN THE LAW OF ANOTHER STATE OR COUNTRY AND FLORIDA LAW SHOULD ARISE, FLORIDA LAW SHALL PREVAIL. VENUE FOR ANY DISPUTES RELATING TO THE ENFORCEMENT OF THIS LETTER OF CREDIT SHALL BE PALM BEACH COUNTY, FLORIDA.

**{Name of Bank}** \_\_\_\_\_

BY: \_\_\_\_\_

**{Name}** \_\_\_\_\_

**{Title}** \_\_\_\_\_

**SAMPLE BID BOND FORMAT**

KNOW ALL MEN BY THESE PRESENTS, that we \_\_\_\_\_ (hereinafter called the Principal) and \_\_\_\_\_ (hereinafter called the Surety), a Corporation chartered and existing under the Laws of the State of Florida, and authorized to do business in the State of Florida, are held and firmly bound unto the City of Palm Beach Gardens, Florida, in the full and just sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_) good and lawful money of the United States of America, to be paid upon demand of the City, to which payment will and truly be made, we bind ourselves, our heirs, executors, administrators, successors, and assigned jointly and severally and firmly by these presents.

WHEREAS, the Principal is about to submit, or has submitted to the City, a Bid/Proposal for the purpose of

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WHEREAS, the Principal desires to file this Bond in lieu of a certified check otherwise required to accompany this Bid/Proposal;

NOW THEREFORE, the conditions of this obligation are such if the Bid/Proposal is accepted, the Principal shall, within ten (10) days after the date of receipt of written Notice of Intent to Award a Contract, execute the Agreement in accordance with the Bid/Proposal and upon the terms, conditions and price set forth therein, in the form and manner contained in the Contract Documents and any related Forms; and, if required, executes a Public Construction Bond payable to City, in the amount of 110 percent (110%) of the total Contract Price, in form and with surety satisfactory to said City, then this obligation to be void, otherwise to be and remaining full force and virtue in law, and the surety shall, upon failure of the Principal to comply with any or all of the foregoing requirements within the time specified above, immediately pay to the aforesaid City, upon demand, the amount of this Bond, in good and lawful money of the United States of America, not as a penalty, but as liquidated damages.

In the event the numerical expression is omitted this figure shall be assumed to be erroneously stated and this Bid Bond shall be binding upon the Principal and Surety in the amount stated in the related Solicitation for this project.

IN TESTIMONY THEREOF, the Principal and Surety have caused these presents to be duly signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_.

City of Palm Beach Gardens, FL

ATTEST:

PRINCIPAL:

\_\_\_\_\_

BY:

\_\_\_\_\_

\_\_\_\_\_

Witness

(SEAL)  
Authorized Signature (Principal)

\_\_\_\_\_

\_\_\_\_\_

Witness

Printed Name

\_\_\_\_\_

Title of Person Signing Above

ATTEST:

SURETY:

\_\_\_\_\_

Printed  
Name

\_\_\_\_\_

BY:

Witness

\_\_\_\_\_

(SEAL)  
Authorized Signature

\_\_\_\_\_

\_\_\_\_\_

Witness

Printed Name

\_\_\_\_\_

BY:

Witness

\_\_\_\_\_

(SEAL)  
Attorney in Fact

\_\_\_\_\_

\_\_\_\_\_

Witness

Printed Name

\_\_\_\_\_

Business Address

NOTES:

1. Write in the dollar amount of the bond, which must be the same as the amount required in the Solicitation.
2. All bonds signed by an agent must be accompanied by a certified copy of such agent's authority to act.
3. Attorneys-in-fact who sign Bid Bonds or Contract Bonds must file with each bond a certified and effectively dated copy of their power of attorney.

