

PAYMENT BOND FORM

KNOW ALL MEN BY THESE PRESENTS that we, _____, as
Principal (the "Principal"), and _____, a company organized and existing under the laws
of the _____ of _____, having its principal office at _____
_____, and authorized to do business in the Commonwealth of Pennsylvania, as Surety
(the "Surety"), are held and firmly bound unto _____,
as Oblige (the "Oblige"), as hereinafter set forth, in the full and just sum of _____
_____ Dollars (\$ _____), lawful money of the United States of America, for the payment of
which we bind ourselves, our heirs, executors administrators, successors and assigns, jointly and severally, firmly by these presents.

WITNESSETH THAT:

WHEREAS, the Principal heretofore has submitted to the Oblige a certain Bid, dated _____, 20_____(the
"Bid"), to perform certain _____ Work for the Oblige, in connection with
(Name of Contract)

(Name of Project and Location Municipality, County and State)

pursuant to Drawings, Specifications and other related documents constituting the Bid Documents, which are incorporated into the Bid by reference (the "Contract Documents"), as prepared by Cocalico School District, 800 S. Fourth Street, PO Box 800, Denver, PA 17517; and

WHEREAS, the Oblige is a "contracting body" under provisions of Act No. 385 of the General Assembly of the Commonwealth of Pennsylvania, approved by the Governor on December 20, 1967, known and cited as the "Public Works Contractors' Bond Law of 1967" (the "Act"); and

WHEREAS, the Act, in Section 3(a), requires that, before an award shall be made to the Principal by the Oblige in accordance with the Bid, the Principal shall furnish this Bond to the Oblige, with this Bond to become binding upon the award of a contract to the Principal by the Oblige in accordance with the Bid; and

WHEREAS, it also is a condition of the Contract Documents that this Bond shall be furnished by the Principal to the Oblige, and..."

WHEREAS, under the Bidding Documents, it is provided, inter alia, that if the Principal shall furnish this Bond to the Oblige, and if the Oblige shall make an award to the Principal in accordance with the Bid, then the Principal and the Oblige shall enter into an agreement with respect to performance of such work (the "Agreement"), the form of which Agreement is set forth in the Contract Documents.

NOW, THEREFORE, the terms and conditions of this Bond are and shall be that if the Principal and any subcontractor of the Principal to whom any portion of the work under the Agreement shall be subcontracted, and if all assignees of the Principal and of any such subcontractor, promptly shall pay or shall cause to be paid, in full, all money which may be due any claimant supplying labor or materials in the prosecution and performance of the Work in accordance with the Agreement and in accordance with the Contract Documents, including any amendment, extension or addition to the Agreement and/or to the Contract Documents, for material furnished or labor performed, then this Bond shall be void; otherwise, this Bond shall be and shall remain in force and effect.

This Bond, as provided by the Act, shall be solely for the protection of claimants supplying labor or materials to the Principal or to any subcontractor of the Principal in the prosecution of the Work covered by the Agreement, including any amendment, extension or addition to the Agreement and is conditioned for the prompt payment of all such materials furnished and labor supplied or performed in the prosecution of any portion of the work. The term "claimant", when used herein and as required by the Act, shall mean any individual, firm, partnership, association or corporation. The phrase "labor or materials", when used herein and as required by the Act, shall include, without limitation, public utility services and reasonable rentals of equipment, but only for periods when the equipment rented is actually used at the site of the work covered by the Agreement. As required by the Act, the provisions of this Bond shall be applicable whether or not the material furnished or labor performed enters into and becomes a component part of the public building, public work or public improvement contemplated by the Contract Documents and the Agreement.

As provided and required by the Act, the Principal and the Surety agree that any claimant, who has performed labor or furnished material in the prosecution of the Work in accordance with the Agreement and in accordance with the Contract Documents, including any amendment, extension or addition to the Agreement and/or to the Contract Documents, and who has not been paid therefore, in full, before the expiration of ninety (90) days after the day on which such claimant performed the last of such labor or furnished the last of such materials for which payment is claimed, may institute an action upon this Bond, in the name of the claimant, in assumpsit, to recover any amount due the claimant for such labor or material, and may prosecute such action to final judgment and may have execution upon the judgment; provided, however, that: (a) any claimant who has a direct contractual relationship with any subcontractor of the Principal, but has no contractual relationship, express or implied, with the Principal, may institute an action upon this Bond only if such claimant first shall have given written notice, served in the manner provided in the Act, to the Principal within (90) days from the date upon which such claimant performed the last of the labor or furnished the last of the materials for which payment is claimed, stating, with substantial accuracy, the amount claimed and the name of the person for whom the work was performed or to whom the material was furnished; and (b) no action upon this Bond shall be commenced after the expiration of one (1) year from the day upon which the last of the labor was performed or material was supplied, for the payment of which such action is instituted by the claimant; and (c) every action upon this Bond shall be instituted either in the appropriate court of the County where the Agreement is to be performed or of such other County as Pennsylvania statutes shall provide, or in the United States district court for the District in which the project, to which the Agreement related, is situated, and not elsewhere.

This Bond is executed and delivered under and subject to the Act, to which reference hereby is made.

The Principal and the Surety agree that any alterations, changes and/or additions to the Contract Documents, and/or any alterations, changes and/or additions to the work to be performed under the Agreement in accordance with the Contract Documents, and/or any alterations, changes and/or additions to the Agreement, and/or any giving by the Obligee of any extensions of time for the performance of the Agreement in accordance with the Contract Documents and/or any act of forbearance of either the Principal or the Obligee toward the other with respect to the Contract Documents and the Agreement, and/or the reduction of any percentage to be retained by the Obligee as permitted by the Contract Documents and by the Agreement, shall not release, in any manner whatsoever, the Principal and the Surety, or either of them, or their heirs, executors, administrators, successors and assigns, from liability and obligations under this Bond; and the Surety, for value received, does waive notice of any such alterations, changes, additions, extensions of time, acts of forbearance and/or reduction of retained percentage.

If the Principal is a foreign corporation (incorporated under any laws other than those of the Commonwealth of Pennsylvania) then further terms and conditions of this Bond are and shall be that the Principal and the Surety shall not be discharged from liability on this Bond, nor this Bond surrendered until such Principal files with the Obligee a certificate from the Pennsylvania Department of Revenue evidencing the payment in full of all bonus taxes, penalties and interest, and a certificate from the Bureau of Employment and Unemployment Compensation of the Pennsylvania Department of Labor and Industry, evidencing the payment of all unemployment compensation, contributions, penalties and interest due the Commonwealth of Pennsylvania from said Principal or any foreign corporation, subcontractor thereunder or for which liability has accrued but the time for payment has not arrived, all in accordance with the provisions of the Act of June 10, 1947, P.L. 493, of the Commonwealth of Pennsylvania.

Any dispute resolution proceeding, legal or equitable, under this Payment Bond, shall be instituted in the Court of Common Pleas of Berks County and in such dispute resolution proceeding, Obligee may join both Principal and Surety as parties, and Principal and Surety hereby consent to such joinder, jurisdiction and venue. This Payment Bond shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of laws.

IN WITNESS WHEREOF, the Principal and the Surety cause this Bond to be signed, sealed and delivered this _____ day of _____, 20_____.

(Individual Principal)

_____(SEAL)

(Signature of Individual)
Trading and doing business as:

Witness:

(Partnership Principal)

(Name of Partnership)

Witness:

BY: _____(SEAL)
Partner

BY: _____(SEAL)
Partner

BY: _____(SEAL)
Partner

(Corporation Principal)

(Name of Corporation)

ATTEST:

Secretary (Assistant Secretary)

BY: _____
(Vice President)

CORPORATE SEAL

or (if appropriate)

Witness:

*BY: _____
Authorized Representative

*Attach appropriate proof, with raised corporate seal, dated as of the same date as the Payment Bond, evidencing authority to execute in behalf of the corporation.

(Corporation Surety)

(Name of Corporation)

Witness:

**BY: _____
Attorney-in-fact

**Attach an appropriate power of attorney with raised corporate seal, dated as of the same date as the Bond, evidencing the authority of the Attorney-In-Fact to act on behalf of the Corporation Surety. The Power of Attorney must show that the Attorney-in-Fact is a Pennsylvania Resident.

END OF DOCUMENT