

PAYMENT BOND

Surety Bond No. _____

THE UNIVERSITY OF TEXAS PERMIAN BASIN

§

KNOW ALL MEN BY THESE PRESENTS:

ECTOR COUNTY

§

That we, _____, as Principal,
and _____, as Surety, are
hereby held and firmly bound unto the State of Texas as Oblige in the penal sum of
_____ (\$ _____) for
the payment whereof, the said Principal and Surety bind themselves, their heirs, executors,
administrators, and successors, jointly and severally, firmly by these presents.

The conditions of this obligation are such that whereas the Principal entered into a
certain contract, hereto attached, and made a part hereof, with the State of Texas, acting by
and through the Board of Regents of The University of Texas System for and on behalf of
The University of Texas Permian Basin, dated _____, _____, for

(Project No. _____),

NOW, THEREFORE, the condition of this obligation is such that, if the Principal
shall promptly make payments to all claimants as defined in Section 2253.021, Texas
Government Code, as amended, of all persons supplying labor and materials in the
prosecution of the work provided for in said contract, then this obligation shall be null and
void, but otherwise it shall remain in full force and effect.

In the event that the Principal fails to promptly pay when due persons who have
supplied labor, materials, or supplies used in the performance of the said contract, the
Surety will, upon receipt of notice from The University of Texas Permian Basin or a
claim in the form required by law, satisfy all undisputed balances due, and make
arrangements satisfactory to the interested parties to resolve all amounts disputed in good
faith, but in no event shall the liability of the Surety for the Principal's failure to promptly
pay for labor, materials, or supplies exceed the penalty of this bond.

This Surety agrees to pay The University of Texas Permian Basin upon demand all
loss and expense, including attorney's fees, incurred by The University of Texas Permian
Basin by reason or on account of any breach of this obligation by Surety.

Provided further, that this bond is made and entered into for the protection of all
claimants supplying labor and material in the prosecution of the work provided for in said
Contract, and all such claimants shall have a direct right of action under the bond as

provided in Section 2253.021, Texas Government Code, as amended. If any legal action is filed upon this bond, venue shall be in the county where the said Contract is to be performed.

By signature hereon, if the amount of this bond exceeds \$100,000, then the Surety attests that at the time the bond was executed (and Surety shall provide the Obligee with evidence of the following):

- (1) it was a holder of a certificate of authority from the United States Secretary of the Treasury to qualify as a surety on obligations permitted or required under federal law; or
- (2) had reinsured any liability in excess of \$100,000 by a reinsurer holding a certificate of authority from the United States Secretary of the Treasury.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this _____ day of _____ in the year _____, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

(SEAL)

Principal

ATTEST:

By: _____

By: _____

(Typed Name and Title)

(Typed Name and Title)

(SEAL)

Surety

ATTEST:

By: _____

By: _____

(Typed Name and Title)

(Typed Name and Title)

Surety's Texas Local Recording
Agent or Resident Agent:

(Signature)

(Typed Name)

License No. _____

File No. _____

Address: _____

Telephone No.: _____

Surety's Home Office Agent or Servicing
Agent:

Name: _____

Title: _____

Address: _____

Telephone No.: _____