



Bid Bond Form

KNOW ALL MEN BY THESE PRESENTS,

That we, _____
(Name and Address of Bidder/Proposer)

hereinafter called the Principal, and a corporation or firm duly authorized to transact surety business in the State of Texas or as listed in the current notice of the Department of Treasury list of companies holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies, hereinafter called the Surety, are held and firmly bound unto the Board of Regents of The Texas State Technical College System, Waco, Texas 76705, hereinafter called the Obligee, in the sum of not less than **five percent (5%)** of the greatest total amount of the bid or proposal, as a guarantee, the payment of which sum will and truly be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid or proposal for:

Project Number _____
(Number) (Name and address of project)

NOW, THEREFORE, if the Obligee shall award the Contract to the Principal and the Principal shall enter into the Contract in writing with the Obligee in accordance with the terms of such bid or proposal, and furnish such bonds and other instruments as may be specified in the Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, then this bond shall be null and void. If in the event of failure of the Principal to execute such Contract and furnish such bonds and other instruments required by the Contract Documents within fifteen (15) days after the date of transmittal of the Contract Documents to the Principal for execution, this bond shall remain in full force and effect and become the property of the Obligee, without recourse of the Principal and/or the Surety, not as a penalty, but as liquidated damages. Surety shall in no event be liable for a greater amount than the difference between the amount of principal's bid or proposal and the lowest amount in excess of the bid or proposal for which the obligee may be able to award the contract within a reasonable time.

5A Am. Jur. Legal Forms 2d § 67:71

Signed this _____ DAY _____ of A.D., 20____ .

By:

(Principle)

(Signature and Title)

By:

(Surety)

(Attorney-in-Fact)

*Attach Power of Attorney for Surety's Attorney-in-Fact with "live seal". Surety Seal

Each bond shall be executed by a corporate surety or sureties authorized to do business in the State of Texas and acceptable to Owner, on Owner's form, and in compliance with the relevant provisions of the Texas Insurance Code. If any bond is for more than ten (10) percent of the surety's capital and surplus, Owner may require certification that the company has reinsured the excess portion with one or more reinsurers authorized to do business in the State. A reinsurer may not reinsure for more than ten (10) percent of its capital and surplus. If a surety upon a bond loses its authority to do business in the State, Contractor shall, within thirty (30) days after such loss, furnish a replacement bond at no added cost to Owner.

