

PAYMENT BOND

This bond is issued simultaneously with performance bond in favor of the Owner conditioned on the full and faithful performance of the contract. Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

KNOW ALL BY THESE PRESENTS: that *(Here insert full name and address of CONTRACTOR)*

as Principal, hereinafter called Principal; and *(Here insert full name and address of SURETY)*

as Surety, hereinafter called Surety, are held and firmly bound unto *(Full name and address of OWNER)*

**Eastern Municipal Water District
P O Box 8300
Perris, CA 92572-8300**

as Obligee, hereinafter called Owner, for the use and benefit of claimants as herein below defined, in the amount of:

_____ \$ _____
(Amount written in words)

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 entered into a contract with Owner in accordance with the Drawings, Specifications and Addenda for:

CONSTRUCTION CONTRACT

Date: _____
Spec Number: _____
Project Name: _____
Project Location: _____

which contract 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 Principal shall promptly (1) make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, and (2) pay all amounts due under the California Unemployment Insurance Code with respect to work or labor performed under the Contract, and (3) pay for any amounts required to be deducted, withheld, and paid over to the California Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Section 13020 of the California Unemployment Insurance Code with respect to the work and labor, 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 any of the persons named in Section 3181 of the California Civil Code.

2 The above-named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, or its assign, 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, including reasonable attorney's fees to be fixed by the court, and have execution thereon. The Owner 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) Unless written notice has been given in compliance with California Civil Code section 3252.

b) 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.

c) 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, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

Signed and sealed this _____ day of _____ , _____

CONTRACTOR AS PRINCIPAL

SURETY

Company: _____

Company: _____

(Corporate Seal)

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: **Attorney-in-Fact**

Notary Public Acknowledgment required for Surety and Contractor

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