

FORM OF BID BOND

Surety Bond No. _____

STATE OF TEXAS §

COUNTY OF _____ §

KNOW ALL MEN BY THESE PRESENTS:

That we, _____, as Principal, and _____, as Surety, are hereby held and firmly bound unto _____, as Obligee, and its successors and assigns, in the Penal Sum of five percent (5%) of _____ and ____/100 Dollars (\$_____), the Total Proposal Price, a total Penal Sum of _____ and ____/100 Dollars (\$_____), for the Project defined herein below, for 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 has submitted to the Obligee a certain Proposal in response to a Request for Proposals, attached hereto and hereby made a part hereof to enter into a contract in writing, for the construction of the _____ to be located in Kyle, Texas (the "Project").

NOW THEREFORE, the condition of this obligation is such that, if said Proposal shall be accepted by Obligee and if the Principal fails to execute and deliver a contract in the form of Contract specified in the Proposal Documents (properly completed in accordance with said contract as such contract may be modified by Principal and Obligee during contract negotiations) or fails to deliver Performance and Payment Bonds within the time required by the Contract, to secure the performance of the terms and conditions of the Contract, the Principal and Surety will pay the Obligee (i) the difference in money between the amount of the Principal's Proposal and the amount of the proposal of the offeror next selected by Obligee, and (ii) the amount of the costs Obligee incurs to reselect a contractor for the Project, but in no event shall the Surety's aggregate liability hereunder exceed the Penal Sum hereof.

PROVIDED, FURTHER, that this Bid Bond is effective for the term of six (6) months from the time of its execution and will be deemed to be automatically extended without amendment for six (6) months from the expiry date hereof, or any future expiration date, unless at least sixty (60) days prior to any expiration date Surety notifies Obligee by registered mail, at the address for notices to obligee set forth in the Contract, that it elects not to extend the term of this Bid Bond for any additional period.

[Signature Page Follows]

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)