

**PAYMENT BOND**

KNOW ALL MEN BY THESE PRESENTS: that \_\_\_\_\_

\_\_\_\_\_, a  
Name and Address of Contractor

\_\_\_\_\_, of the State of \_\_\_\_\_,  
Corporation, Partnership, or Individual

the "Principal," and \_\_\_\_\_  
Name and Address of Surety

\_\_\_\_\_, the "Surety," are held and firmly bound  
unto the City of Chattanooga, Tennessee (the "Owner") existing under and by virtue of the  
laws of the State of Tennessee, in the sum of \_\_\_\_\_

\_\_\_\_\_ (\$ \_\_\_\_\_) in lawful money of the United States, for the payment of which  
sum in lawful money of the United States well and truly to be made we do hereby bind  
ourselves, our heirs, executors, administrators, successors, and assigns jointly and  
severally.

The condition of this obligation is such that whereas Principal has entered into a  
certain Contract with the Owner, dated as of the \_\_\_\_\_ day of \_\_\_\_\_,  
2003, which is by reference incorporated in and made a part hereof as fully as if copied  
here verbatim, for the following work:

**Contract Number**

**Contract Description Here**

NOW, THEREFORE, if the Principal shall fully pay for all the labor and materials used by said Principal or any immediate or remote subcontractor or furnisher of labor or materials under him in the performance of the work in lawful money of the United States as the same shall become due, including all amounts due for materials, lubricants, oil, gasoline, electricity, coal and coke, repairs on machinery, equipment, and tools, consumed or used in connection with performance of the work and all insurance premiums and other charges incurred under said contract, then this obligation shall be void; otherwise to remain in full force and effect.

Principal and Surety further bind themselves, their heirs, executors, administrators, and assigns, jointly and severally, that they shall promptly make payments of all taxes, licenses, assessments, contributions, penalties, and interest thereon, when, and if, the same may be lawfully due the State of Tennessee or any County, Municipality, or political subdivision thereof by reason of and directly connected with the performance of the Contract, or any part thereof.

And the Surety, for value received, hereby stipulates and agrees that the obligations of the Surety and this Bond shall in no way be impaired or affected by any extension of time, modification, omission, addition, or change in or to the contract, the work to be performed thereunder, or by any payment thereunder before the time required therein, or by any waiver of any provision thereof, or by any assignment subletting or other transfer thereof, or of any part thereof, of any work to be performed, or of any moneys due to become due thereunder; and the said Surety does hereby waive notice of any and all such extensions, modifications, omissions, additions, changes, payments, waivers, assignments, subcontracts, and transfer, and hereby stipulates and agrees that any and all things done and omitted to be done by and in relation to executors, administrators, successors, assignees, subcontractors, and other transferees shall have the same effect as to said Surety as though done or omitted to be done by and in relation to the Principal.

IN WITNESS WHEREOF, the principal and Surety have executed this Bond by causing their respective names to be hereunto subscribed and their seals to be hereunto affixed by their duly authorized officers, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2003.

CONTRACTOR - PRINCIPAL:

\_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_  
(Please Print or Type)

Title \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Name \_\_\_\_\_  
(Please Print or Type)

(SEAL)

Title \_\_\_\_\_

Note: Attest for a corporation must be by the corporate secretary; for a partnership by another partner; for an individual by a Notary.

SURETY:

\_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_  
(Please Print or Type)

Title \_\_\_\_\_

WITNESS:

\_\_\_\_\_

Name \_\_\_\_\_  
(Please Print or Type)

(SEAL)

Title \_\_\_\_\_

Note: Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is located.