

PAYMENT BOND

Bid No.

Bond No.

Bond Amount

For the Benefit of: Redevelopment Authority of the City of Coatesville (“RDA”)

1. **Contractor (insert name and address)** _____
and **Surety (insert name and address)** _____,
jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the RDA to pay for labor, materials, and equipment furnished for use in the demolition work at 126 and 128 N. 4th Avenue; and 366, 368, 370, 372 and 399 Fleetwood Street described in the RDA’s Demolition Bid package of documents, which is incorporated herein by reference.

2. With respect to the RDA, this obligation shall be null and void if the Contractor:
(a) Promptly makes payment, directly or indirectly, for all sums due Claimants; and
(b) Defends, indemnifies, and holds harmless the RDA from any claims, demands, liens, or suits by any person or entity whose claim, demand, lien, or suit is for the payment for labor, materials, or equipment furnished for use in the performance of the RDA contract, provided the RDA has promptly notified the Contractor and the Surety (at the addresses above) of any such claims, demands, liens or suits and has tendered defense of such claims, demands, liens, or suits to the Contractor and the Surety.

3. With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.

4. In the event that the Contractor shall not make prompt payment to Claimants, the Surety's obligation to Claimants under this Payment Bond, and a Claimant's rights under this Payment Bond, shall be governed by the Public Works Contractors' Bond Law of 1967, 8 P.S. § 191, et seq., and any other applicable law.

5. Amounts owed by the RDA to the Contractor under the RDA contract shall be used for the performance of the RDA contract and to satisfy claims, if any, under any Performance Bond. By the Contractor furnishing and the RDA accepting this Payment Bond, they agree that all funds earned by the Contractor in the performance of the RDA contract are dedicated to satisfy obligations of the Contractor and the Surety under this Payment Bond, subject, however, to the RDA's priority to use the funds for the completion of the work under the RDA contract.

6. The Surety shall not be liable to the RDA, Claimants, or others for obligations of the Contractor that are unrelated to the RDA contract. The RDA shall not be liable for payment of any costs or expenses of any Claimant under this Payment Bond, and the RDA shall have under this Payment Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Payment Bond.

7. The Surety hereby waives notice of any change or modification to the RDA contract, including changes of time, or changes to related subcontracts, purchase orders, and other obligations.

8. Any suit or action under this Payment Bond shall be commenced by a Claimant in accordance with the Public Works Contractors' Bond Law of 1967, 8 P.S. § 191, et seq., or any other applicable law.

9. All notices to the Surety or the Contractor shall be mailed or delivered to the respective addresses shown on the signature page. In the event of a change in the address of the Surety or

the Contractor, such party shall promptly provide notice to the RDA and the other party, with such notice to include reference to this Payment Bond.

10. When this Payment Bond has been furnished to the RDA in compliance with the Public Works Contractors' Bond Law of 1967, 8 P.S. § 191, et seq., any provision in this Payment Bond which conflicts with applicable statutory or legal requirements shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein.

11. Upon request by any person or entity appearing to be a potential beneficiary of this Payment Bond, the Contractor shall promptly furnish a copy of this Payment Bond or shall permit a copy to be made.

12. The law controlling the interpretation or enforcement of this Payment Bond shall be Pennsylvania law.

13. Definitions

a. Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials, or equipment for use in the performance of the RDA contract.

b. RDA contract: The agreement between the RDA and the Contractor identified on the front page, which shall encompass all contract documents, including the Bid, Bid attachments and exhibits, and any Amendments to the RDA contract, and any changes thereto.

c. Labor, materials, or equipment: All labor supplied or performed, all materials furnished, all equipment or machinery rented, and all services rendered by public utilities in the performance of the work under the RDA contract, whether or not such labor, material,

equipment, machinery, or public utility services enter into and become component parts of the work or improvement contemplated by the RDA Contract, including, inter alia:

(a) all material furnished, equipment or machinery rented, services rendered by public utilities, and labor supplied or performed in preparing the work site for the performance of the work covered by the RDA contract;

(b) all equipment, machinery, public utility services, labor, shoring, sheathing and blasting supplies, and other materials used on the work site in doing such excavating as may be necessary or required to institute or perform the work specified in the RDA contract; (c) all water, gas, power, light, heat, oil, gas, phone service, or rental equipment used in the RDA contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors; and (d) all material furnished, equipment or machinery rented, services rendered by public utilities, and labor supplied in the performance of work or of maintenance required by or performed under the terms of the RDA contract.

14. Any proceeding, suit, or claim, legal or equitable, under this Payment Bond shall be instituted in the U.S. District Court for the Eastern District of PA or the Court of Common Pleas of Chester County, PA and shall be instituted within two years of the date on which the Surety refuses or fails to perform its obligations under this Payment Bond. If the provisions of this Paragraph are void or prohibited by law, the minimum limitations period available to sureties as a defense in the jurisdiction of the proceeding, suit, or claim shall be applicable.

CONTRACTOR AS PRINCIPAL:

SURETY:

Signature:
Print Name:

Signature:
Print Name:

Date: _____

Date _____