

ANNE ARUNDEL COUNTY, MARYLAND

AGREEMENT NO. \_\_\_\_\_

BOND NO. \_\_\_\_\_

**LABOR AND MATERIALS BOND**

THIS LABOR AND MATERIALS BOND is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, by and between \_\_\_\_\_ as principal ("Principal") and \_\_\_\_\_, a business entity that is authorized to transact business in the State of Maryland and is organized and existing under the laws of the State of \_\_\_\_\_, as surety ("Surety"), for the use and benefit of Anne Arundel County, Maryland (the "County") and Claimant. For purposes of this bond, Claimant means only those persons for whose protection a payment bond is to be furnished pursuant to the provisions of the Little Miller Act, State Finance and Procurement Article, Section 17-101 through 17-110, Maryland Annotated Code.

WHEREAS, the above-named Principal has entered into a written contract known as \_\_\_\_\_ No. \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_\_\_, with the County for \_\_\_\_\_ (the "Agreement", the terms of which are hereby incorporated by reference; and

WHEREAS, as a condition of the Agreement and as required by the Anne Arundel County Code, Principal is required to provide security to the County for the payment of labor and materials in an amount that is equal to 50% of the approved cost estimate.

NOW, THEREFORE, the Principal and Surety are held and firmly bound unto the County for the use and benefit of the County and Claimant in the sum of \$\_\_\_\_\_ Dollars (\$\_\_\_\_\_), lawful money of the United States of America, for the payment of which sum of money the Principal and Surety do bind themselves and their personal representatives, legal representatives, successors, and assigns, jointly and severally, firmly by this labor and materials bond.

**DO NOT MAKE CHANGES TO THIS FORM. Three originals are required. Bonding company must be listed in federal register (Department of Treasury Publication 570).**

The conditions of this bond are as follows:

1. If the Principal shall promptly make payment to each and every Claimant for all labor, materials, supplies, and rental for equipment reasonably required and used or consumed in the performance of the Agreement, this obligation shall be null and void. Otherwise, it shall remain in full force and effect.

2. In the event of a default on the part of the Principal that may be the subject of a claim under this bond, the Claimant shall mail by certified mail to Surety at the address listed below a written statement that a claim is being made under the bond and, with substantial accuracy, the amount of the claim. Surety shall have no obligation under this bond until the notice of claim is mailed. The right of a Claimant to have and maintain an action upon this bond shall be in accord with and limited by the provisions of the Little Miller Act, State Finance and Procurement Article, Section 17-101 through 17-110 Maryland Annotated Code, including all notice and other requirements set forth in those sections.

3. When the conditions of Paragraph 2 have been satisfied, the Surety shall promptly and at the Surety's expense send an answer to the Claimant within 30 days after the date of the claim. The answer shall state the amounts that are undisputed and the basis for challenging any amounts that are disputed. The answer shall be accompanied by payment (or arrangements for immediate payment) of any undisputed amounts. The amount of the bond shall be reduced by and to the extent of any payment or payments made in good faith by the Surety.

4. Surety expressly waives any right to receive notice of extensions of time or alterations or modifications to the Agreement that may be granted by the County and agreed upon by the Principal, and any such extensions, alterations, or modifications shall not affect the obligation of the Surety under this bond.

5. This bond is a specialty governed by the twelve-year statute of limitations period set forth in Maryland Courts and Judicial Proceedings Code Annotated, §5-102.

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WITNESS OR ATTEST:

\_\_\_\_\_

\_\_\_\_\_(SEAL)  
Type name of business entity, if applicable

By: \_\_\_\_\_ (SEAL)  
PRINCIPAL  
Type Name: \_\_\_\_\_  
Type Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_(SEAL)  
Type name of business entity.

By: \_\_\_\_\_ (SEAL)  
SURETY  
Type Name: \_\_\_\_\_  
Type Title: Attorney in Fact  
Type Address: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_