

Effective Date: _____

Bond No.: _____

SURETY BOND - WEEKLY

This Surety Bond Agreement is made and entered into on this ____ day of _____, by _____ as Principal (the "Principal") with an address of _____, and _____ as Surety (the "Surety") with an address of _____.

RECITALS

A. Principal has entered into an Agreement with United Association Local Union No. 725 of Miami, Florida, A.F.L.-C.I.O. (hereinafter "Local 725"), dated _____, which together with any and all modifications or amendments thereto shall be referred to as the "Collective Bargaining Agreement", or "CBA".

B. Pursuant to the Collective Bargaining Agreement, Principal is required to pay certain Fringe Benefit Contributions and other amounts scheduled in the CBA to MCASF LOCAL 725 SERVICE CORPORATION (the "Obligee"), serving as designated representative for the ACRA-Local 725 Pension Trust Fund, the ACRA-Local 725 Health and Welfare Trust Fund, the ACRA-Local 725 Defined Contribution Retirement Trust, ACRA-Local 725 JATC Trust Fund, Local 725, and the Air Conditioning, Refrigeration, Heating and Piping Association, Inc. ("MCASF") for the work performed by Principal's employees (the "Employees") who are covered under the Collective Bargaining Agreement (the "Fringe Benefits"). The Fringe Benefits must be paid to Obligee on a weekly basis.

C. To secure Principal's obligations to submit the Fringe Benefits to the Obligee, Surety has agreed to provide a surety bond in the amount of One Thousand Eight Hundred Dollars (\$1,800.00) for each employee of Principal for whom such Principal is obligated to pay contributions to the associated employee benefit trusts, the MCASF, and when applicable Local 725 (an "Employee").

NOW THEREFORE, the Parties to this Surety Bond Agreement agree as follows:

1. For good and valuable consideration, the receipt and sufficient of which is hereby acknowledged, Principal and Surety are held and firmly bound to Obligee in the sum of _____, which represents \$1,800.00 multiplied by ____ (the number of Employees employed by Principal for whom Principal is obligated to pay contributions to MCASF, the associated employee benefit trusts, and if applicable Local 725) (the "Bond"), the payment of which Principal and Obligee bind themselves, their successors and assigns, jointly and severally.

2. The monies provided by this Bond will be used by Obligee to secure and guarantee the Principal's payment of Fringe Benefits required to be paid by Principal under the Collective Bargaining Agreement, which includes the benefit contributions as well as all other

charges, fees and costs, including service charges, late payment service fees, liquidated damages, auditor's fees and attorneys fees for which the Principal as an employer is required to pay. In the event Principal fails to timely submit Fringe Benefits or any other charge as required by the Collective Bargaining Agreement, upon the Surety receiving written notice from the Obligee that Principal has not performed its payment obligations, the Surety shall promptly and fully pay to the Obligee the sums demanded by the Obligee as being then due from Principal pursuant to the terms of said Collective Bargaining Agreement. If Obligee is required to collect monies from the Bond, the Principal shall ensure the Bond is immediately replenished to the amount that existed prior to Obligee's taking of a portion or all of it.

3. In the event Principal seeks to add Employees, the Bond amount must be adjusted by \$1,800.00 per additional Employee. No additional employees will be provided by Local 725 to Principal until the proper amount of Bond has been received by Surety. If Obligee makes a demand upon the Bond for payments of sums due hereunder, then Employees shall not be furnished to Principal unless within ten (10) days after such demand, Principal increases the Bond in an amount equal to such demand. No additional Employees will be referred by Local 725 to Principal after the date of this Agreement until receipt of written evidence that the Bond has been adjusted upwards to reflect the increased number of employees.

4. This Surety Bond shall be irrevocable until the later of:
- a. 90 days after the effective date of a termination to the Principal's contribution obligation pursuant to the terms of the Collective Bargaining Agreement; and
 - b. payment of all sums due to the Employee Benefit Trust Funds under the Collective Bargaining Agreement, including amounts due pursuant to an audit conducted by Obligee of Principal's records after the date of a termination of the contribution obligation.

When all sums due under the Collective Bargaining Agreement are paid to Obligee under these provisions, this Bond shall thereafter be null and void.

5. In the event a dispute arises concerning payments due to Obligee or the amount of the Bond, Obligee shall nevertheless be entitled to collect the requested amount from Surety, and said dispute will be referred to the Obligee's Board of Trustees for resolution in accordance with claims review procedures established by the Board of Trustees.

6. The Surety shall not be liable hereunder for a larger amount, in the aggregate, than the amount of this bond.

7. This bond may be canceled by the Surety as to subsequent liability by giving ninety (90) days' notice in writing to the Obligee.

Remainder of this page left intentionally blank.

SIGNED, and dated this ____ day of _____, _____.

Principal

By: _____

Surety

By: _____