

**St. Mary's County
Board of Education**

**LABOR AND MATERIAL
PAYMENT BOND**

KNOW ALL MEN BY THESE PRESENTS: that _____
(INSERT FULL NAME AND

ADDRESS OR LEGAL TITLE OF CONTRACTOR)

as Principal, hereinafter called Principal and, _____
(INSERT FULL NAME AND

ADDRESS OR LEGAL TITLE OF SURETY)

as Surety, hereinafter called Surety, are held and firmly bound unto

St. Mary's County Board of Education
27190 Point Lookout Road
Loveville, Maryland 20656

as Obligee, hereinafter called Owner, in the amount of _____
_____ DOLLARS (\$_____), for the payment whereof

Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these present.

WHEREAS,

Principal has by written agreement entered into a Contract with Owner for the _____ in accordance with Drawings and Specifications prepared by _____, which Contract is **by reference made part hereof, and is hereinafter referred to as the Contract.**

LABOR AND MATERIAL PAYMENT BOND

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is an individual or entity having a direct contractual relationship with Contractor, subcontractor or sub-subcontractor, who supplied labor, material or both, used or reasonably required for use in the performance of the Contract. Claimant includes a lessor of equipment to the extent of the fair rental value of equipment directly applicable to the Contract.
2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due the claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses or any such suit.
3. No suit or action shall be commenced hereunder by any claimant:
 - a) Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to the Principal within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name or the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by certified mail, postage prepaid, in an envelope addressed to the Principal, at Principal's residence or office which is regularly maintained for the transaction of business.
 - b) After the expiration of one (1) year following the date on which the Owner finally accepts the Work on the Contract (Substantial Completion), it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed amended so as to be equal to the minimum period of limitation permitted by such law.
4. The amount of this bond shall be reduced by and to the extent of any payment of payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens which may be filed of record against said improvement whether or not claim for the amount of such lien be presented under or against this bond.
5. This bond shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise, by the laws of the State of Maryland, without regard to the principals or conflict of laws and without regard to any presumption or other rules requiring construction against the party who drafted it. The parties hereto irrevocably consent and submit to the jurisdiction of the state courts in and for St. Mary's County, Maryland, and further agree that such courts shall constitute the exclusive venue for any suit, action, or judicial proceeding arising out of or relating to this bond or its enforcement.

Signed and sealed this _____ day of _____, 20 ____.

(Witness)

(Principal) (Seal)

(Witness)

(Title)

(Surety)

(Title)