

SECURITY BOND

THE STATE OF _____

COUNTY OF _____

KNOW ALL MEN BY THESE PRESENTS; That we, a _____ with a primary office address of _____ in _____ County, _____, ("**Principal**") and _____ a _____ State of _____ ("**Surety**"), are held and firmly bound unto THE UNIVERSITY OF HOUSTON SYSTEM ("**Owner**"), in the penal sum of _____ Dollars (\$ _____) in lawful money of the United States or Five Percent (5%) of the Construction Cost Limitation for _____ (the "**Project**"), to be paid in Harris County, Texas for the payment of which sum well and truly be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall execute the Guaranteed Maximum Price proposal and deliver payment and performance bonds to Owner as required by the contract documents for the Project with good and sufficient surety for the faithful performance of the contract for the construction of the Project (the "**Contract**") and for the prompt payment of labor and materials furnished in the prosecution thereof, then this obligation shall be null and void, otherwise Principal and Surety will pay Owner the difference in money between the amount of the Guaranteed Maximum Price Proposal of the said Principal and the amount for which Owner legally contracts with another party to perform the work if the latter amount be in excess of the former, but in no event shall liability hereunder exceed the penal sum hereof.

PROVIDED FURTHER, that if any legal action be filed upon this bond, venue shall lie in Harris County, State of Texas, and that the said surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed hereunder or the specifications accompanying the same shall in any wise affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the specifications.

IN WITNESS WHEREOF, this instrument is executed in six counterparts, each one of which shall be deemed an original, and this the _____ day of _____, A.D. 20 _____. [*Date of Bond must not be prior to date of Contract*]

ATTEST:

Principal

(Principal) Secretary

BY _____

(SEAL)

(Address)

(Address)

ATTEST:

Surety

(Surety) Secretary

BY: _____

(SEAL)

Address

Witness as to Surety

(Address)

NOTE: If contractor is a partnership, all partners should execute this bond on behalf of the partnership.

The address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number for the Texas Department of Insurance at 1-800-252-3439.