

BEAD SURETY BOND – DUAL OBLIGEEES

No. _____

_____ (“Contractor/Principal”), with primary place of business at _____, and _____ (“Surety”), a company having a certificate of authority to conduct surety insurance business issued in the jurisdiction of the project and listed as a certified surety in Circular 570 issued by the U.S. Department of the Treasury, are held and firmly bound unto the _____ [insert Name of Subgrantee Agreement Awardee] and to _____ [insert Name of State Broadband Office], as Obligees, in the maximum penal sum of _____ Dollars (\$_____) (“Penal Sum”), which shall be the aggregate liability of the Surety under this Surety Bond to the Obligees.

WHEREAS, the above named Contractor/Principal, has entered into a contract, contract name _____, date _____, no. _____, (“Contract”) generally for _____, hereinafter (“Work”) with the _____ [insert Obligee/Name of Subgrantee Agreement Awardee], which received an award of a subgrantee agreement under the _____ [insert name of state program] program, under the applicable provisions of _____ [insert the pertinent state regulatory or statutory section reference], implementing the Broadband Equity, Access, and Deployment (“BEAD”) Program, by _____ [insert Obligee/Name of State Broadband Office] under its selection process and is required in the subgrantee agreement to furnish construction and other services for broadband infrastructure as further described in the following specific provisions and exhibits, _____, which are incorporated by reference into the Contract and this Surety Bond as the Work of the Contractor/Principal. Work shall be deemed completed to a particular address location when speed and latency tests from that address location to the Obligees that demonstrate qualifying broadband, as defined in the Contract. In accordance with the BEAD Notice of Funding Opportunity, qualifying broadband to an address location that is not a



SFAA
THE SURETY &
FIDELITY ASSOCIATION
OF AMERICA

Community Anchor Institution (CAI) means the broadband service that has (i) a speed of not less than 100 Mbps for downloads; and (ii) a speed of not less than 20 Mbps for uploads; and (iii) latency less than or equal to 100 milliseconds; qualifying broadband to a CAI means broadband service that has (i) a speed of not less than 1 Gbps for downloads and uploads alike and (ii) latency less than or equal to 100 milliseconds.

NOW, THEREFORE, it is the condition of this Surety Bond that, once the Contractor/Principal completes the Work, as referenced above, the Surety's obligations under this Surety Bond will terminate. Otherwise, the Surety's obligations shall remain in full force and effect. The Obligees may not invoke the provisions of this Surety Bond if any Obligee fails to make payments to the Contractor/Principal in accordance with the terms of the Contract and/or fails to perform any of the other obligations under the Contract.

SURETY OBLIGATIONS If the Contractor/Principal is in default pursuant to the terms of the Contract regarding the said Work, and an Obligee has so declared the Contractor/Principal in default, the surety promptly may remedy the default or shall:

1. Complete the Contractor/Principal's obligations regarding said Work, with the consent of the Obligees, through the Contractor/Principal; or
2. Arrange for completion of the Contractor/Principal's obligations regarding said Work through another entity acceptable to the Obligees, and the Surety shall make sufficient funds available to the successor entity to pay for completion of the Contractor/Principal's obligations up to the maximum Penal Sum of the Surety Bond; or
3. Reimburse the Obligee the reasonable costs to complete the Contractor/Principal's obligations regarding said Work, not to exceed the maximum Penal Sum of the Surety Bond, less the contract amount balance.

DISPUTES All disputes regarding this Bond shall be instituted in a federal district court in the jurisdiction in which the Contractor/Principal is performing its obligations under the Contract referenced herein and shall be commenced within one year after the Contractor/Principal's default. If this provision is prohibited by law, the minimum period of limitation available to sureties in the jurisdiction shall be applicable.

AMENDMENT Aggregate liability of Surety to Obligees is limited to the penal sum stated above and the Penal Sum of this Bond shall automatically be reduced as Work completion milestones are met by the Contractor/Principal in accordance with the applicable surety bond provisions of the Contract.

This Bond is entered this _____ day of _____, 20____.

SURETY

By

Print Name:

Title:

(Attach Power of Attorney)

Witness:

PRINCIPAL

By

Print Name:

Title:

Witness: