

Agreement to Bond Form

1. Agreement to Bond

- a. The Proponent must submit a completed Agreement to Bond (copy below) with their submission.

2. Performance Security upon Award

- a. Upon award notification the successful Proponent is required to provide the following performance security using the prescribed forms in accordance with Section 85.1 of the Construction Act:

- **A Performance Bond** issued by a Surety Company authorized to transact the business of suretyship in the Province of Ontario under the and in the Owner's approved form which is attached hereto and will be in an amount equal to 50% of the Contract Price.
- **A Labour and Material Payment Bond**, be issued by a Surety Company authorized to transact the business of suretyship in the Province of Ontario under the and in the Owner's approved form which is attached hereto and will be in an amount equal to 50% of the Contract Price.

- b. As an alternate to the Performance Security for this Project: if the total fixed fee is less than \$500,000.00, the following alternate forms of security are acceptable in lieu of the Performance Security:
 - an irrevocable letter of credit;
 - a bank draft; or
 - a certified cheque in the amount of 20% of the Contract Price (including applicable taxes).

If this alternate form of security is used, it will be returned to the Contractor ninety (90) days after the completion of the work and the correction of all deficiencies. If deficiencies involve seasonal work that must be postponed, the security will be reduced to an amount equal to the value of the work which remains to be completed and the balance of the security returned to the Contractor ninety (90) days after all outstanding work is complete.

Agreement to Bond Form

To:	_____ (Purchaser)	(the "Owner")
and to:		(the "Contractor")

We, the undersigned, hereby undertake and agree to become bound as Surety for the Contractor in:

- (a) a performance bond totaling **50%** of the Contract Price; and
- (b) a labour and material bond totaling **50%** of the Contract Price.

For the following bid:

RFX # and Project Name	RFX# _____
Name of Proponent	

If the bid for the above mentioned is accepted by the _____ (Purchaser), the undersigned will execute the bond within seven (7) days of notification of acceptance of the bid.

Dated this _____ Day of _____ 20__

Name of Surety Company	
Name of Authorized Person (Printed)	
Signature of Authorized Person Signing for Surety (Attorney-in-Fact)	

(Company Seal)