

**MAINTENANCE AND REPAIR BOND**

*Instructions:*

*Surety company executing this maintenance and repair bond ("Bond") shall appear on the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies", as published in Circular 570 (amended) by the Audit Staff Bureau of Government Financial Operations, U.S. Department of the Treasury, and are licensed to conduct business in the State of Indiana.*

KNOW ALL MEN BY THESE PRESENTS: that

"Contractor": \_\_\_\_\_

and

"Surety": [name] \_\_\_\_\_  
[Address] \_\_\_\_\_  
\_\_\_\_\_

a corporation chartered and existing under the laws of the State of \_\_\_\_\_, and authorized to do business in the State of Indiana,

are held and firmly bound unto the Department of Public Utilities for the City of Indianapolis, acting by and through the Board of Directors for Utilities, as Trustee, in furtherance of the Public Charitable Trust for the Water System d/b/a Citizens Water ("Citizens Water"), and its respective assignees and successors, in the penal sum of

\_\_\_\_\_ Dollars, (\$\_\_\_\_\_)  
(20% of total cost of Work)

in lawful money of the United States, for the payment of which sum well and truly to be made, together with interest at the maximum legal rate from date of demand and any attorney fees and court costs incurred by Citizens Water to enforce this instrument, we bind ourselves, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, Citizens Water or its predecessor-in-interest has entered into a certain agreement with

\_\_\_\_\_  
(Developer)

("Developer"), dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ ("Agreement"), by which Developer has agreed to furnish certain improvements including the installation of a water main extension as described in the Agreement (referred to herein as the

“Work”), which Agreement is attached hereto as Exhibit A and hereby incorporated herein by reference;

WHEREAS, the Developer has entered into an agreement and amendment with Contractor (collectively the "Contractor Contract") whereby the Contractor has agreed to perform the Work and be responsible for all maintenance and warranty obligations as set forth in the amendment to the Contractor Contract and as provided in Section 6(e) and Section 10 of the Agreement;

WHEREAS, Citizens Water is a third party beneficiary of the amendment to the Contractor Contract;

WHEREAS, Contractor has installed and completed all improvements and installations and has met the requirements applicable to the above described Work, but said improvements and installations have not yet been accepted for maintenance by Citizens Water; and

WHEREAS, Citizens Water requires a guarantee against defective materials and workmanship in connection with such maintenance, which Contractor has agreed to provide.

NOW, THEREFORE, the conditions of the Surety's obligation hereunder are such that if Contractor at its own expense, for a period of three (3) years commencing on the date the Work is completed and accepted by Citizens Water (“In-Service Date”), shall promptly make all repairs or replacements thereto which may become necessary by reason of improper or defective workmanship or materials, or any failure thereof to conform to the provisions of the Agreement, the Contractor Contract, or all local, state, and federal laws, ordinances, rules, standards, and regulations applicable to said Work including, but not limited to, Citizens Water's Standard Practice and Engineering Requirements for the Installation of Waterworks, Service Lines, Meters and Appurtenances (collectively the “Laws and Regulations”), and shall timely pay all of its subcontractors and suppliers for all such warranty related work, then Surety's obligations are to be null and void; otherwise such obligations shall remain in full force and effect and the Surety shall pay out, reimburse, and make good to Citizens Water the cost to correct such improper, defective or non-conforming Work and the cost to reimburse Contractor's subcontractors and suppliers for any warranty related work plus interest at the maximum legal rate from date of demand and any attorney fees and court costs incurred by Citizens Water to enforce this instrument. Any repairs or replacements made under this Bond shall in like manner be subject to the terms and conditions hereof. The Surety waives notice of any demand for performance of warranty work made by Citizens Water.

FURTHER, Contractor and Surety covenant that all action required by law to be taken by them to authorize the execution and delivery of this Bond has been taken, that the officers whose signatures appear below have been fully empowered to execute and deliver this instrument and that once executed and delivered, it shall represent the lawful and binding obligation of the parties.

FURTHER, the said Surety, for value received, hereby expressly agrees that no change, extension of time, alteration, or addition to the terms of the Agreement, Contractor Contract, Laws and Regulations, or to the work to be performed thereunder shall in any way affect the obligations of this Bond, and it does hereby waive notice of any such change, extension of time, alteration, or

addition to the terms of the Agreement, Contractor Contract, Laws and Regulations, or to the work to be performed thereunder.

IN WITNESS WHEREOF, this instrument is executed in \_\_\_\_\_(number) counterparts, each one of which shall be deemed an original, this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

CONTRACTOR: \_\_\_\_\_  
[name]

By: \_\_\_\_\_  
[signature] [printed name]

ATTEST: \_\_\_\_\_, Secretary  
[signature]

SURETY: \_\_\_\_\_  
[name]

By: \_\_\_\_\_, Attorney-in-Fact  
[signature]

\_\_\_\_\_  
[printed name] [address]