

Bond No. _____

MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we _____ (Print Contractor or Developer) hereinafter referred to as PRINCIPAL, and
(Print Surety Company) _____, a corporation organized under the laws of the State of Texas, and duly authorized to do business in the State of Texas, hereinafter referred to as SURETY, are held and firmly bound unto City of New Braunfels, Texas as OBLIGEE, in the sum of \$ _____, for the payment of which we bind ourselves, heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, PRINCIPAL has constructed certain improvements described as Permit no. _____
Subdivision name _____
Public Improvements to include, site work, streets, drainage, water, wastewater, electric, signs & misc.; and

WHEREAS, PRINCIPAL is obligated to protect the CITY against any defects resulting from faulty materials or workmanship of said improvements and to maintain said improvements and keep in good repair for a period of two (2) years from the date accepted in writing by the City Engineer.

NOW, THEREFORE, the condition of this obligation is such that if PRINCIPAL shall promptly and faithfully protect the CITY against any defects and correct any defects resulting from faulty materials or workmanship of the aforesaid improvements and maintain said improvements for a period of two (2) years from the date the City Engineer accepts the final improvements, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

If in the sole opinion of the City Engineer, a defect results from faulty materials or workmanship; or if in the sole opinion of the City Engineer there is any item that is not properly maintained that the City Engineer finds is the responsibility of the PRINCIPAL, then the CITY Engineer shall notify the PRINCIPAL in writing of (1) any defect for which the PRINCIPAL is responsible and (2) any item that is not properly maintained and shall specify in said notice a reasonable period of time within which PRINCIPAL shall have to correct said defect or properly maintain said item.

The SURETY unconditionally covenants and agrees that if the PRINCIPAL fails to perform within the time specified, the SURETY, upon forty-five (45) days written notice from the CITY, or its authorized agent or officer, of the default will forthwith correct such defect or defects, perform the required maintenance and pay all CITY costs related hereto, including, but not limited to, construction costs, engineering costs, legal fees (including attorney fees on appeal) and contingent costs, together with any damages either direct or consequential, which may be sustained on account of the failure of the PRINCIPAL to correct said defects. Should the SURETY fail or refuse to correct said defects and perform the required maintenance, the CITY, in view of the public interest, health, safety and welfare factors involved, and the consideration in approving and filing the said development, shall have the right to resort to any and all legal remedies against the PRINCIPAL and SURETY, both at law and in equity, including specific performance, to which term the PRINCIPAL and SURETY unconditionally agree.

The PRINCIPAL and SURETY further jointly and severally agree that the CITY, at its option, shall have the right (1) to correct said defects and (2) to perform the required maintenance in case the PRINCIPAL shall fail or refuse to do so, and in the event the CITY should exercise and give effect to such right, the PRINCIPAL and the SURETY shall be jointly and severally obligated hereunder to reimburse the

CITY the total cost thereof, including, but not limited to, construction costs, engineering costs, legal fees (including attorney fees on appeal) and contingent costs, together with any damages either direct or consequential, which may be sustained on account of the failure of the PRINCIPAL to correct said defects.

Whenever a defect or failure of any required improvement occurs within the period of coverage, the city shall require that a new maintenance bond or surety instrument be posted for a period of one full calendar year sufficient to cover the corrected defect or failure.

IN WITNESS WHEREOF, the PRINCIPAL and the SURETY have executed these presents this _____ day of _____, 20____.

month

Signature of Principal

By: _____
(print name)

Title: _____

Address: _____

Email: _____

Phone: _____

Name of Surety Company

Signature of Surety

By: _____
(print name)

Title: Attorney-in-Fact _____

Address: _____

Email: _____

Phone: _____

**Note: 1) Attach Power of Attorney to this Bond; 2) Attach approval memo & cost estimate