



AIA[®]

Document A313™ – 2020

Warranty Bond

CONTRACTOR/PRINCIPAL:
(Name, legal status, and address)

SURETY:
(Name, legal status, and address)

OWNER/OBLIGEE:
(Name, legal status, and address)

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

CONSTRUCTION CONTRACT
Date:

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

Description:
(Name and location)

BOND

Term of the Bond

The Term of this Bond commences on the date of final completion under the Construction Contract and continues for a period of 2 years, unless otherwise specified below, notwithstanding a longer warranty period set forth in the Construction Contract.

Amount of this Bond: \$

Modifications to this Bond: None See Section 16

CONTRACTOR AS PRINCIPAL
Company: *(Corporate Seal)*

SURETY
Company: *(Corporate Seal)*

Signature: _____
Name and Title:
(Any additional signatures appear on the last page of this Warranty Bond.)

Signature: _____
Name and Title:

(FOR INFORMATION ONLY — Name, address, and telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE:
(Architect, Engineer, or other party:)

§ 1 During the Term of the Bond, the Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the Contractor's warranty obligations set forth in the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor satisfies its warranty obligations under the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond. It is understood and agreed that in no event shall the Surety's obligations under this Bond extend to warranties provided by the Contractor's suppliers and manufacturers.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after:

- .1 the Owner first provides notice to the Contractor and the Surety during the Term of the Bond of the Owner's intent to declare a Contractor Default;
- .2 the Contractor fails to remedy the Contractor Default within a reasonable amount of time of such notice; and,
- .3 the Owner declares a Contractor Default and notifies the Surety.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly, under reservation of rights, and at the Surety's expense, remedy the Contractor's Default. The Surety may, with the consent of the Owner, arrange for the Contractor to remedy the Contractor's Default.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 The responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. The Surety is obligated, without modification or qualification, for the responsibilities of the Contractor for correction of defective work as set forth in the Construction Contract, and additional legal and design professional costs resulting from the Contractor's Default or resulting from the actions or failure to act of the Surety under Section 5.

§ 8 The Owner may request an extension of the Term of this Bond. The Surety, at its sole option, may extend the Term of this Bond by continuation certificate or rider setting forth the new expiration date.

- .1 If the Surety extends the Term of this Bond, the Bond shall be considered one continuous bond.
- .2 If the Surety decides not to extend the Term of this Bond, then the Surety shall notify the Owner in writing thirty (30) days prior to the end of the current term of this Bond at the address indicated on page 1.
- .3 Neither the Surety's failure to extend the Term of this Bond nor the Contractor's failure to provide a replacement bond or other acceptable security shall be considered a breach or default by the Surety or Contractor on this Bond, nor serve as a basis for a claim or demand on this Bond.

§ 9 The Surety's total liability under this Bond is limited to the Amount of this Bond indicated on Page 1, regardless of whether the Term of this Bond is extended, the length of time this Bond remains in force, and the number of premiums that shall be payable or paid.

§ 10 No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work of the Contractor required by the Construction Contract is located and shall be instituted within two years after a declaration of Contractor Default. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be in writing and mailed or delivered to the address shown on the first page of this Bond.

§ 13 Provisions in this Bond that conflict with applicable statutory or other legal requirements shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein.

§ 14 Definitions

§ 14.1 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.2 Contractor Default. Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with the warranties required under the Construction Contract.

§ 14.3 Owner Default. Failure of the Owner, which has not been remedied or waived, to perform or otherwise comply with the other material terms of the Construction Contract.

§ 14.4 Contract Documents. All the documents that comprise the Construction Contract.

§ 14.5 Surety. The company or companies lawfully authorized to issue surety bonds in the jurisdiction where the project is located.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this Bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Name and Title: _____

Address _____

Signature: _____

Name and Title: _____

Address _____