

INFORMATION REGARDING PERFORMANCE AND PAYMENT BONDS

I. PERFORMANCE BOND

A performance bond secures performance and fulfillment of the Subcontractor's obligations under the subcontract. A performance bond is required in accordance with this subcontract. The Subcontractor shall submit the performance bond to the subcontract administrator within five (5) calendar days after notification of award and prior to starting work for any subcontract exceeding \$30,000.00. The penal sum of the performance bond shall be one hundred percent (100%) of the original subcontract price. If the subcontract price is increased during the performance of the subcontract, the Subcontractor shall obtain additional performance bond protection equal to one hundred percent (100%) of the increase in subcontract price. The Subcontractor shall use the General Services Administration (GSA) Standard Form 25 (current version) for submission of the Performance Bond.

II. PAYMENT BOND

A payment bond assures payments as required by law to all persons supplying labor or material in the prosecution of the work provided for in the Subcontract. A payment bond is required in accordance with this subcontract. The Subcontractor shall submit the payment bond to the subcontract administrator within five (5) calendar days after notification of award and prior to starting work for any work effort exceeding \$30,000.00. The penal sum of the payment bond shall be one hundred percent (100%) of the original subcontract price. If the subcontract price is increased during the performance of the subcontract, the Subcontractor shall obtain additional payment bond protection equal to one hundred percent (100%) of the increase in subcontract price. The Subcontractor shall use the GSA Standard Form 25A (current version) for submission of the Payment Bond.