

Stanford University's

Payment & Performance Bond Requirements

For construction-related Projects that cost \$50,000 or more, the University may require Payment and Performance Bonds as specified below. When responding to an Invitation for Bid or Request for Proposal for such Projects, submit a Project Price that includes the cost of the P & P Bonds, but break out that cost on a separate line.

All bonds required hereunder shall be in the amount of 100% of the Contract Sum, and shall be in such form, and with such California corporate surety, as are satisfactory to the University, in University's sole discretion. The amount of the bonds shall be increased in accordance with any increase in the Contract Price as established by a Change Order to the Contract. Contractor shall deliver all bonds required hereunder to the University not later than the date of execution of the Contract, or if the Work is commenced prior thereto in response to a notice to proceed, the Contractor shall, prior to commencement of the Work, submit evidence satisfactory to the University that such bonds will be issued.

Contractor shall deliver to the University a payment bond securing the faithful payment of all obligations arising under the Contract. Contractor shall pay all premiums for such bond, which costs shall be included within the bid submitted by the Contractor.

Contractor shall deliver a performance bond securing the faithful performance of the Contract covering the work. Contractor shall pay all premiums for such bond, which costs shall be included within the bid submitted by the Contractor. Concurrent with the submission of bids in the Contract, the Contractor shall list separately the identity of the surety for the performance bond and the amount of the premium therefore.