According to the Papervvork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0107. The time required to complete this information collection is estimated to average I minute per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing burden to: USDA-RUS, Attn.: Director, PDRA, 1400 Independence Ave., S.W., STOP, 1522, Washington, DC 20250-1522; and to the Office of Information and Regulatory Affairs, Paperwork Reduction Project (1910-1800), Office of Management and Budget DC 20503.

U.S. Department of Agriculture
Rural Utilities Service

BID BOND

1. KNOW ALL PERSONS that we, _____

_____ *as Principal, and*

_____ ,

as Surety, are held and firmly bound unto _____

_____ *(hereafter called the "Owner")*

in the penal sum of ten percent (10%) of the amount of the bid referred to in paragraph 2 below, but not to exceed _____ *dollars ($* _____*), as hereinafter set forth and for the payment of which sum well and truly to be made we bind ourselves, our executors, administrators, successors and assigns, jointly and severally, by these presents;*

2. WHEREAS, the Principal has submitted a bid to the Owner for the construction of the Rural Utilities Service

*project known as*_____ .

3. NOW, THEREFORE, the condition of this obligation is such that if the Owner shall accept the bid of the Principal, and

a. the Principal shall execute such contract documents, if any, as may be required by the terms of the bid and give such Contractor's Bond or Bonds for the performance of the contract and for the prompt payment of labor and material furnished for the project as may be specified in the bid, or

b. in the event of the failure of the Principal to execute such contract documents, if any, and give such Contractor's Bond or Bonds, if the Principal shall pay to the Owner the difference, not to exceed the penal sum hereof, between the amount specified in the bid and such larger amount for which the Owner may in good faith contract with another party to construct the project, then this obligation shall be void, otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed and their respective corporate seals to be affixed and attested by their duly authorized representatives this

_____ *day of*_____ *, 20*_____ .

_____ *(Seal)*
Principal

ATTEST: *By*_____

_____ _____
Secretary *Title*

_____ *(Seal)*
Surety

ATTEST: *By*_____

_____ _____
Secretary *Title*

RUS FORM 307 (Rev. 2-04)