

South Carolina BEAD Performance Bond Template

No: _____

[Name of Issuing Surety]

[Address of Issuing Surety]

South Carolina Office of Regulatory Staff
ATTN: South Carolina Broadband Office
1901 Main Street, Suite 1500
Columbia, SC 29201

WHEREAS, _____ (“Principal”), with primary place of business at _____, and _____ (“Surety”) a company having a certificate of authority to conduct surety insurance business issued in the jurisdiction of the agency awarding a subgrantee agreement, are held and firmly bound unto the South Carolina Office of Regulatory Staff (“Obligee”), in the maximum penal sum of _____ Dollars (\$ _____) (“Penal Sum”).

WHEREAS, the above named Principal, has been awarded a subgrantee agreement, name _____, project _____, subgrant no. _____, under the _____ program [name of state program] (collectively, “Project”) implementing the Broadband Equity, Access, and Deployment (“BEAD”) Program, by Obligee under its selection process and is required to furnish security in the form of a surety bond to secure performance solely of the infrastructure build-out portion of the subgrantee agreement, as further described in the subgrantee agreement, South Carolina BEAD Main Application, and approved South Carolina Initial Proposal (the Work).

For purposes of this Surety Bond, Work associated with this Project shall be deemed completed to a particular address location within the Project area when the Principal provides speed and latency tests from that address location to the Obligee that demonstrate Principal is providing broadband service as defined in the Scope(s) of the Work within the Grant Agreement. The performance bond shall be solely liable for the costs associated with the completion of the construction project(s) in accordance with the contract documents. All other contractual obligations and liabilities of the Principal shall remain the sole responsibility of the Principal.

NOW, THEREFORE, it is the condition of this Bond that, upon demonstrating to the satisfaction of the Obligee that the Principal has completed the buildout of one hundred percent (100%) of the location(s) defined in the Scope(s) of Work, or the period of performance of the subaward has ended, the Principal, with written authorization from the Obligee, may terminate the Surety Bond

and thus the Surety's obligations. Otherwise, the Surety's obligations shall remain in full force and effect except as provided in the **AMENDMENT** clause below.

Regardless of the number of years this Surety Bond is in force or of the number of claims made under this Surety Bond, the Surety's aggregate liability under this Surety Bond shall not exceed the maximum Penal Sum stated above.

SURETY OBLIGATIONS If the Principal is in default pursuant to the terms of the subgrantee agreement regarding the said Work, and the Obligor has so declared the Principal in default, the Surety promptly may remedy the default or shall:

1. Complete the Principal's obligations regarding said Work, with the consent of the Obligor, through the Principal; or
2. Arrange for completion of the Principal's obligations regarding said Work through another entity acceptable to the Obligor, and the Surety shall make sufficient funds available to the successor entity to pay for completion of the Principal's obligations up to the maximum Penal Sum of the Bond; or
3. Reimburse the Obligor the reasonable costs to complete the Principal's obligations regarding said Work, not to exceed the maximum Penal Sum of the Bond, less the subgrant amount balance.

DISPUTES All disputes, claims, or controversies regarding this Bond shall be resolved in a court located in Richland County, State of South Carolina.

AMENDMENT The Penal Sum of this Bond shall automatically be reduced as Work completion milestones are met by the Principal in accordance with the applicable surety bond provisions of the subgrantee agreement.

[Signature page follows]

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This Bond is entered this _____ day of _____, 20____.

SURETY

By

Print Name:

Title:

(Attach Power of Attorney) Witness:

PRINCIPAL

By

Print Name:

Title:

Witness: