



City of San Diego  
**Development Services**  
 1222 First Ave., MS-302  
 San Diego, CA 92101  
 (619) 446-5000

THE CITY OF SAN DIEGO

# Improvement Agreement Bond

(LDC 144.0132)

FORM  
**DS-402**

FEBRUARY 2011

Agency: \_\_\_\_\_

Project No.: \_\_\_\_\_

Address: \_\_\_\_\_

Bond No.: \_\_\_\_\_

Premium \$ \_\_\_\_\_

**KNOW ALL MEN BY THESE PRESENTS:** That as, and hereinafter without regard to gender and number, called **PRINCIPAL**, and \_\_\_\_\_ a corporation authorized to do business in the State of California and presently possessed of authority under Title 6 of the United States Code to do business under Sections 6 to 13 thereof, in the aggregate amounts hereof, as **SURETY**, are held and firmly bound unto **THE CITY OF SAN DIEGO**, a municipal corporation in the County of San Diego, State of California, in the sum of \_\_\_\_\_

**100% DOLLARS \$** \_\_\_\_\_, for the faithful performance of a certain contract hereinafter referred to; and are held and firmly bound unto the State of California for the benefit of the Unemployment Insurance Fund, to the extent that the State of California is interested, and for the benefit of the contractor, subcontractor and to persons renting equipment or furnishing labor or materials hereinafter referred to, or their assigns in the sum of **100% DOLLARS \$** \_\_\_\_\_, for the payment of which sums well and truly to be made, the said Principal and the said Surety hereby bind themselves and all and singularly their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

Signed, sealed with our seals, and dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_. **THE CONDITION OF THIS OBLIGATION** for faithful performance is such that if the said Principal shall faithfully perform the covenants, conditions and agreements contained in a certain contract to be made between said Principal and **THE CITY OF SAN DIEGO**, and which said contract is dated \_\_\_\_\_, and identified as Project \_\_\_\_\_, hereby referred to and made a part hereof, and shall furnish materials in compliance with the specifications and perform all that certain work and improvement in said City which is more particularly described in said contract, to which contract reference is hereby made for further particulars, then the obligation with respect to the faithful performance of said contract shall be void, otherwise to remain in full force and effect.

**THE CONDITION OF THIS OBLIGATION** for securing payment to contractor, subcontractor, and to persons renting equipment or furnishing labor or materials is such that if the said Principal or its heirs, executors, administrators, successors and assigns shall fail to pay for any materials, provisions, provender, or other supplies used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act, with respect to such work or labor, then said Surety will pay the same in or to an amount not exceeding the amount herein above specified to be for the benefit of contractor, subcontractor, and to persons renting equipment or furnishing labor or materials, and also will pay, in case suit is brought upon this bond, such reasonable attorney's fee as shall be fixed by the court, awarded and taxed as provided by law.

This bond, to the extent of the obligation hereof with respect to contractor, subcontractor, and to persons renting equipment or furnishing labor or materials, shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California, so as to give a right of action to them or their assigns to any suit brought upon this bond.

This bond, to the extent of the obligation securing payment to the contractor, subcontractor, and to persons renting equipment or furnishing labor or materials may, sixty days after the recording of Notice of Completion and Acceptance of Subdivision Improvement Agreement be reduced to an amount no less than the total of all claims on which an action has been filed and notice thereof given in writing to the governing body, and if there are no actions filed, this portion of the bond may be released in full.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in no wise affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

IN WITNESS WHEREOF, the said Principal and Surety have executed this instrument the day and year first hereinabove written.

\_\_\_\_\_  
PRINT NAME & TITLE

\_\_\_\_\_  
SIGNATURE - PRINCIPAL

\_\_\_\_\_  
PRINT NAME & TITLE

\_\_\_\_\_  
SIGNATURE - PRINCIPAL

\_\_\_\_\_  
SURETY

Approved By: \_\_\_\_\_  
DEVELOPMENT SERVICES DEPARTMENT DIRECTOR

**NOTE: ALL SIGNATURES MUST INCLUDE NOTARY ACKNOWLEDGMENTS PER CIVIL CODE SEC. 1180 ET.SEQ.**