

MATERIAL AND REPAIR GUARANTEE BOND

INTRODUCTION

This bond is to guarantee the quality of the materials supplied and used in waterproofing work subject to owner's written specifications and also applies to maintenance and to the repairs needed to keep the project in good conditions for a period of ten (10) years.

Project Total Cost: _____

Roofing Contractors: _____

Surety: _____

Owner or Obligee: _____

Location of Building: _____

Type of Roof: _____

Area of Roof (sq. ft.): _____

Area of Roof under Guarantee: _____

Date of Completion of Roofing: _____

KNOWN ALL MEN BY THESE PRESENTS, that we as principals:

1st. _____ as The Roofing Contractor,

2nd. _____ as The Roofing Material Supplier,

3rd. _____ as Surety, a Corporation

organized according to the Laws of the Commonwealth of Puerto Rico, thus authorized to do business within its jurisdiction, duly licensed by the Commissioner of Insurance and approved as a U.S. Treasury Listed Surety under Circular 570, are held and firmly bound for period of ten years (10) to the _____ called herein after the Local Housing Authority, as owner and obligee, in the penal sum of not exceeding:

1. A fixed 10% of the total cost value of the project for the first five (5) years equal to _____ dollars, and

2. A fixed 5 % of the total cost value of the project for the remaining five (5) years equal to _____dollars. For the payment of which sum well and truly to be made, we bind ourselves, ours heirs, executors and administrators and successors, jointly and severally, firmly by these presents.

The Conditions of this Obligations Area Such, that whereas The Roofing Contractor as the first principal have entered into a certain contract with the owner of obligee date ____ of _____ of 20____.

WHEREAS THE ROOFING CONTRACTOR has entered into a contract with the Roofing Materials Supplier, whereas the former using roofing materials supplied by the letter have performed a roof waterproofing work on buildings described as follows:

WHEREAS, THE PRINCIPAL'S guarantee subject to the conditions herein set forth and subject to the conditions herein stated, that during a period of ten (10) years from the date of completion of said waterproofing, work, it well at the cost of the principals and, at their own expenses, make or cause to be made such repairs of damage to said roofs resulting from ordinary wear and tear of the elements and or from improper installation of said elements, as may be necessary to maintain said roof in watertight condition.

WHEREAS, said Bonded Guarantee is made with further conditions as follows:

1. The principals are committed to perform at least three (3) inspections of the project during the period of the guarantee.
2. The first inspection shall be performed by the principals two (2) years from the date of completion of the work. Second inspection shall be performed by the

principals, five (5) years from the date of completion and the third inspection shall be performed eight (8) years from the date of completion of the work.

3. On each and every one of the above mentioned inspections the owner shall be presented by an official of the Maintenance Division. In case of discrepancies as to the cause of any damage to the roofing and whose responsibility it is to repair it, the owner representative shall submit a written report to the Program Director, stating his views. The matter shall be discussed with the principals before any other action is taken.
4. Any damage found to be faulty material and or faulty installation of said material, shall be repaired by the principals at their own cost and expenses.
5. Damages caused by reasons other than those stated herein will be fixed by the owner under the supervision of the principals and by no means that will end the principals responsibility as to the compliance with the guarantee agreement.

NOW THEREFORE, if said Principals, their successors and assigns, shall in all thing well and truly perform and observe all covenants, agreements, stipulations and conditions shown above to be performed and observed by it, then this obligation shall be void, otherwise to be in full force and effect.

IN WITNESS WHEREOF, the above bound parties have executed this instrument under their several seals this _____ day of _____ 20____, the name and corporate seals of each corporate party being hereto affixed and these presents duly signed by its undersigned representatives, pursuant to authority of its governing body.

IN PRESENCE OF:

BY: _____ SEAL
Roofing Contractor (Individual Principal)

BY: _____ SEAL
Roofing Materials Supplier Business Address

(Partnership)

Business Address (Partnership)

Attest: _____ SEAL

(Business Address)

(Corporate Surety)

(Business Address)

BY: _____

The rate of premium on this bond is _____ per thousand. The amount of premium charged, \$ _____. (The above rate and total of premium must be filled in by corporate surety).

ACKNOWLEDGEMENTS

1. INDIVIDUAL PRINCIPAL

On the _____ day of _____ 20____, before at _____ appeared _____ of _____ and _____ of, of legal age and personally know to me and upon oath to have the executed the foregoing Material and Repair Guarantee Bond.

NOTARY PUBLIC

2. CORPORATE PRINCIPAL BY THE SECRETARY OF STATE PUERTO RICO

A certificate, issued by the Secretary of State of Puerto Rico must be attached hereto stating:

That on the date this Material and Repair Guarantee Bond was signed, the Corporation, principal to this bond, was duly registered with the Secretary of State of Puerto Rico.

The official title of the signer of the Bond for the Principal at the time of issuing certificate number (3) below.

3. CORPORATE PRINCIPAL BY ITS SECRETARY OF AUTHORIZED OFFICER

I, _____, certify that I am the _____ of the Corporation named as Principal in the foregoing Materials and Repair Guarantee Bond; that _____ who signed this Bond on behalf of the Principal, was then _____ of said Corporation, that said Bond was duly signed for signed for and behalf of said Corporation by authority of its governing body, and is within the scope of its corporate power.

CORPORATE SEAL

AT _____
_____ of _____ 20 _____

CORPORATE SEAL

AT _____
_____ of _____ 20 _____

4. CORPORATE SURETY

On the ____ day of _____ of 20__ before me, a notary Public of _____ appeared _____ to the personally known, who upon his oath stated that (1) he is the duly authorized Attorney-in-Fact of _____, the Surety herein; (2) he executed the foregoing Material and Repair Guarantee Bond covering Project No. _____ on behalf of the Surety and at its direction; (3) he executed it pursuant to the authority contained in the Power of Attorney of the Surety date _____, the original of which is on file in the office of the Commissioner Insurance of Puerto Rico, and (4) the Power of Attorney and the authority guarantee to him by it are still in full force and effect.

IN TESTIMONY WHEREOF, I have hereinto set my hand and affixed my official seal, at _____ the day and year above written.

NOTARY PUBLIC

5. CORPORATE SURETY BY COMMISSIONER OF INSURANCE OF PUERTO RICO

The following documents must be attached to the captioned bond:

1. "Certificate of Authority": issued by the Commissioner of Insurance Certifying that the surety or insurer has complied with the requirements of the Insurance Code of Puerto Rico Title 26, (LRPA) and thus granted authority to transact within the Commonwealth.
2. Copy of the Power of Attorney issued by the Surety or insurer nominating and appointing its representative as Attorney-in-Fact with full power and authority to make, execute and deliver for an on its behalf as surety, and as its acts and deed, any and all bonds, etc.
3. Copy of the License of Power of Attorney (Licencia de Apoderado) issued by Commissioner of Insurance of Puerto Rico.