

Block(s) _____ **Lot(s)** _____

PERFORMANCE SURETY BOND

We, _____, having offices at _____, _____, as principal, and _____, having offices at _____, _____, a corporation duly licensed to transact a surety business in the State of New Jersey, as surety, are indebted to the authority of _____ in the county of _____, obligee, in the sum of \$ _____, for which payment we bind ourselves and our respective heirs, legal representatives, successors, and assigns, jointly and severally.

On _____ (date), principal was granted approval by the _____ (approving authority) of the _____ of _____ for _____ (include reference to specific job and resolution of approval). The estimate by the authority engineer of the cost of this work and the resolution of approval are attached hereto and made a part hereof.

Pursuant to authority ordinance, adopted under authority of the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the principal hereby furnishes a performance surety bond in the amount of \$ _____ (not to exceed 120 percent of the cost of the improvements, as certified by the authority engineer), written by _____, a surety licensed in the State of New Jersey, guarantying full and faithful completion of improvements approved by the approving authority, in lieu of completing the required improvements prior to the granting of final approval. This bond shall remain in full force and effect until such time as all improvements covered by the bond have been approved or accepted by resolution of Little Egg Harbor Municipal Utilities Authority, except that in those instances where some of the improvements are approved or accepted by resolution of the governing body upon certification by the authority engineer, partial release from the bond shall be granted in accordance with N.J.S.A. 40:55D-53. The amount of the bond remaining shall be sufficient to secure provision of the improvements not yet approved; provided, however, that the authority may require that 30 percent of the amount of the bond be retained to ensure completion of all improvements.

This bond shall remain in full force and effect until released by resolution of Little Egg Harbor Municipal Utilities Authority.

This bond is issued subject to the following expressed conditions:

1. This bond shall not be subject to cancellation either by the principal or by the surety for any reason until such time as all improvements subject to the bond have been accepted by the authority, in accordance with the applicable provisions of the Municipal Land Use Law.

2. This bond shall be deemed to be continuous in form and shall remain in full force and effect until the improvements are accepted by the authority and the bond is released, or until default is declared, or until the bond is replaced by another bond meeting applicable legal requirements. Upon approval or acceptance of all improvements by the authority, or upon replacement of this bond by another bond, liability under this bond shall cease. Upon approval or acceptance of some, but not all, of the required improvements by the authority, partial release from the bond shall be granted in accordance with N.J.S.A. 40:55D-53; provided, however, that the portion of the bond amount sufficient to secure completion of the improvements shall continue in effect and the authority may retain 30 percent of the bond amount posted in order to ensure such completion.

3. The aggregate liability of the surety shall not exceed the sum set forth above.

4. In the event that the improvements subject to this bond are not completed within the time allowed under the conditions of the final approval issued pursuant to the Municipal Land Use Law, including such extensions as may be allowed by the approving authority, Little Egg Harbor Municipal Utilities Authority may, at its option, and upon at least 30 days prior written notice to the

