

REINSURANCE AGREEMENT FOR A MILLER ACT PAYMENT BOND

(See instruction on reverse)

OMB No.: 9000-0045

Public reporting burden for this collection of information is estimated to average 25 minutes 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 this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.

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|-----------------------------|------------------|--|--------------|
| 1. DIRECT WRITING COMPANY* | | 1A. DATE DIRECT WRITING COMPANY EXECUTES THIS AGREEMENT | |
| | | 1B. STATE OF INCORPORATION | |
| 2. REINSURING COMPANY* | | 2A. AMOUNT OF THIS REINSURANCE \$ | |
| | | 2B. DATE REINSURING COMPANY EXECUTES THIS AGREEMENT | |
| | | 2C. STATE OF INCORPORATION | |
| 3. DESCRIPTION OF CONTRACT | | 4. DESCRIPTION OF BOND | |
| 3A. AMOUNT OF CONTRACT | | 4A. PENAL SUM OF BOND | |
| 3B. CONTRACT DATE | 3C. CONTRACT NO. | 4B. DATE OF BOND | 4C. BOND NO. |
| 3D. DESCRIPTION OF CONTRACT | | 4D. PRINCIPAL* | |
| 3E. CONTRACTING AGENCY | | 4E. STATE OF INCORPORATION <i>(If Corporate Principal)</i> | |

AGREEMENT:

(a) The Direct Writing Company named above is bound as a surety on the payment bond described above, wherein the above described is the principal, for the protection of all persons supplying labor and material on the contract described above, which is for the construction, alteration, or repair of a public building or public work of the United States. The payment bond is for the use of persons supplying labor or material, and is furnished to the United States under the Act of August 24, 1935, as amended (40 U.S.C. 270a-270e), known as the Miller Act. The Direct Writing Company has applied to the Reinsuring Company named above to be reinsured and counter-secured in the amount above opposite the name of the Reinsuring Company (referred to as "Amount of this Reinsurance"), or for whatever amount less than the "Amount of this Reinsurance" the Direct Writing Company is liable to pay under or by virtue of the payments bond.

(b) For a sum mutually agreed upon, paid by the Direct Writing Company to the Reinsuring Company which acknowledges its receipt, the parties to this Agreement covenant and agree to the terms and conditions of this agreement.

TERMS AND CONDITIONS:

The purpose and intent of this agreement is (a) to guarantee and indemnify the persons who have furnished or supplied labor or material in the prosecution of the work provided for in the contract referred to above (hereinafter referred to as "laborers and materialmen," the term "materialmen" including persons having a direct contractual relation with a subcontractor but no contractual relationship expressed or implied with the contractor who has furnished the said payment bond) against loss under the payment bond to the extent of the "Amount of this Reinsurance," or for any sum less than the "Amount of this Reinsurance," that is owing and unpaid by the Direct Writing Company to the "laborers and materialmen" on the payment bond; and (b) to make the "laborers and materialmen" obligees under this Reinsurance Agreement to the same extent as if their respective names were written herein.

THEREFORE:

1. The Reinsuring Company covenants and agrees -

(a) To pay the "Amount of this Reinsurance" to the "laborers and materialmen" in the event of the Direct Writing Company's failure to pay to the "laborers and materialmen" any default under the payment bond equal to or in excess of the "Amount of this Reinsurance"; and

(b) To pay (1) the full amount to the "laborers and materialmen," or (2) the amount not paid to them by the Direct Writing Company; in case the Direct Writing Company fails to pay the "laborers and materialmen" any default under the payment bond less than the "Amount of this Reinsurance."