

EFFECTIVE DATE _____

BOND NUMBER _____

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____,
(Name of Employer)

_____, California, as Principal,
(Address and County)

_____, a corporation
(Name of Bonding Company)

organized and existing under the Laws of the State of _____
and duly authorized to transact surety business in the State of California, as
Surety are held and firmly bound unto Local No. 38 of the United Association of
Journeyman and Apprentices of the Plumbing and Pipe Fitting Industry, the
Trustees of the U.A. Local 38 Pension Trust, U.A. Local 38 Health & Welfare
Trust, U.A. Local 38 Apprenticeship Trust, and such other Trusts as are
established pursuant to the terms of the current Labor Agreement and the
employees of the Principal, as joint and several Obligees, in the aggregate sum
of \$ _____ for the payment of which sum to be made we bind
ourselves, our heirs, executors, administrators, successors and assigns, jointly
and severally, firmly by these presents.

WHEREAS, The Principal is required to furnish an Indemnity Bond as
hereinafter conditioned, pursuant to the current Labor Agreement between
Principal and Local 38 of the United Association of Journeyman and Apprentices
of the Plumbing and Pipe Fitting Industry,

NOW THEREFORE, the conditions of this obligation are such that if the
Principal pays wages due his employees and makes all payments and
contributions due to the U.A. Local 38 Pension Trust, U.A. Local Health &
Welfare Trust, U.A. Local 38 Apprenticeship Trust, and such other Trusts as are
established pursuant to the terms of the current Labor Agreement; liquidated
damages for late payment to the aforementioned Trusts for benefits as provided
for in Section 49 of the Agreement, audit fees, and attorney's fees as provided in
each Declaration of Trust of each Trust Fund, then this obligation is to be null
and void; otherwise, it is to remain in full force and effect; subject, however, to
the following conditions:

- (1) The total liability of the Surety under this bond shall not exceed the sum of
\$ _____; except for wilful failure to pay upon the conditions

hereinafter described in which case the Surety will be liable for all foreseeable and proximate costs resulting thereby, including but not limited to attorney's fees for, and the costs of litigation. However, in the event the claims against said Bond exceed \$_____, the Surety shall pay the extent of the claims submitted until the total amount of the bond is exhausted in the following order: Wages, Vacation & Holiday, Pension, Health & Welfare, 401A, Apprenticeship, Employer Operated Trust in pro-rata amounts.

- (2) Upon receipt of a Certificate of Default relating to default of Principal, from the Trustees of the above Trust, the Administrator, the Business Manager of the Local Union, or their designated representatives, the Surety shall pay to the employee(s), the Local Union, to the Trustees or Trusts, or their designated representatives as the Certificate shall direct, the sum set forth therein. The Principal waives any right of claim against the Surety if the Surety pays upon receipt of the Certificate of Default.
- (3) The Trustees, the Administrator, the Local Union or their designated representatives shall have the right to enforce payment of any sum set forth in the Certificate of Default.
- (4) The Surety herein shall have the right to withdraw as Surety from this bond; except as to any liability incurred as accrued and any damages for violations committed prior to the effective date of cancellation, whether assessed before or after such date; and may do so upon giving the Local Union sixty (60) days written notice to its office located at 1621 Market Street, San Francisco CA 94103. The liability of the Surety under this bond, except as hereinabove provided, shall thereupon terminate and be of no more force and effect.
- (5) No agreement by the Obligee to extend to the Principal reasonable time in which to pay any delinquency shall defeat the obligations of this bond.
- (6) A notice of claim for payment of monies due as a result of a breach of this bond must be served in writing upon the Surety at its office:

(Address)

- (7) This bond is intended to guarantee payment of the Obligees of obligations provided for in the current Labor Agreement and any subsequent Labor Agreement entered into between Principal and the Union.
- (8) This Bond shall apply to any debt of the Contractor other than debts existing prior to the effective date of this bond of which the fringe benefit trusts had knowledge. If, upon audit of employer records, it is determined

that amounts are due from the effective date of this Collective Bargaining Agreement (_____), this bond shall be applicable to such amounts so found to be due but undiscovered prior to the effective date of this bond.

In Witness Whereof, the seal and signature of the Surety Company and the Principal is hereto affixed, and the corporate seal and name of said Surety Company is hereto affixed and attested by its duly authorized attorney-in-fact, in the City of _____, State of _____, this _____ day of _____.

Company Name

State Contractor's License Class.

Principal (Contractor)

Contractor's Address

Surety

By _____
Attorney-in-fact

State Contractor's License No.

All communications relative to the Bond shall be mailed to each of the following and any cancellation shall be ineffective without proof of such notification:

Office of the Administrator
U.A. Local 38 Trust Funds
1625 Market Street
San Francisco CA 94103

U.A. Local 38
1621 Market Street
San Francisco CA 94103