

**PAYMENT BOND**

THE STATE OF TEXAS                    §  
  §                   KNOW ALL BY THESE PRESENTS:  
COUNTY OF GUADALUPE               §

That we, Don Krueger Construction Co., as Principal herein, and \_\_\_\_\_  
\_\_\_\_\_, a corporation organized and existing under the laws of the  
State of \_\_\_\_\_ and who is authorized and admitted to use surety bonds in the  
State of Texas, as surety, are held and firmly bound unto the City of Seguin located in Guadalupe  
County, Texas, Obligee herein, in the amount of Eleven Million Seventy-One Thousand One  
Hundred Forty-Six and 50/100 Dollars (\$11,071,146.50) for the payment whereof, the said  
Principal and Surety bind themselves and their heirs, executors, administrators, successors and  
assigns, jointly and severally, firmly by these presents:

WHEREAS, the Principal has entered into a certain written contract with the Obligee  
dated the 15<sup>th</sup> day of December 2015, which contract is hereby referred to herein as “the  
Contract” and is incorporated herein to the same extent as if copied at length, for the following  
project: New Operations Center for the City of Seguin, Texas.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the  
said Principal shall directly or indirectly timely make payment to each and every claimant (as  
defined in Chapter 2253, Texas Government Code, as amended) supplying labor or materials in  
the prosecution of the work under the Contract, then this obligation shall be void; otherwise, to  
remain in full force and effect. *This obligation may be enforced by the Obligee in the event of  
bankruptcy or default by Principal in payments to suppliers of labor or materials in the  
prosecution of the work under the Contract, in either of which events the Surety shall make such  
payments as Principal has failed to pay and as may be required to complete the work under the  
contract.* The Surety stipulates and agrees that no change, extension of time, alteration,  
omission, addition or other modification to the terms of the Contract will affect its obligations on  
this bond, and it hereby waives notice of any such changes, extensions of time, alterations,  
omissions, additions, or other modifications, to the Contract or to related subcontracts, purchase  
orders or other obligations, and any notices provided in such regard shall not create as to any  
party a duty related thereto.

PROVIDED, HOWEVER, that this bond is executed pursuant to Chapter 2253 of the Texas Government Code, as amended, and all rights and liabilities on this bond shall be determined in accordance with the provisions of said statute, to the same extent as if it were copied at length herein. All notices shall be delivered in writing to the addresses shown below or to addresses provided in the Contract Documents.

This bond is filed with the Owner in Guadalupe County, Texas, and the Principal and Surety agree that mandatory venue for any legal action filed upon this bond is in the District Courts of Guadalupe County, Texas.

IN WITNESS WHEREOF, the duly authorized representatives of the Principal and the Surety have executed this instrument.

SIGNED and SEALED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**The date of bond shall not be prior to date of Contract.**

Don Krueger Construction Co.  
PRINCIPAL

By: \_\_\_\_\_

Name: Kevin Krueger

Title: President

Address: 205 Profit Drive  
Victoria, Texas 77901

Telephone Number: (361) 573-5291

\_\_\_\_\_  
SURETY

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Attorney in Fact

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

Telephone Number: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
(Principal) Secretary

(S E A L)

\_\_\_\_\_  
Witness as to Principal

ATTEST:

\_\_\_\_\_  
Secretary

(S E A L)

\_\_\_\_\_  
Witness as to Surety

**An original copy of Power of Attorney shall be attached to Bond by the Attorney-in-Fact.**

Approved as to Form:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_