# REINSURANCE AGREEMENT FOR A BONDS STATUTE PERFORMANCE BOND

*(See instructions on reverse)*

**OMB Control Number: 9000-0045**
**Expiration Date: 8/31/2022**

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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 NUMBER | 4B. DATE OF BOND | 4C. BOND NUMBER |
| 3D. DESCRIPTION OF CONTRACT | | 4D. PRINCIPAL* | |
| 3E. CONTRACTING AGENCY | | 4E. STATE OF INCORPORATION *(If Corporate Principal)* | |

AGREEMENT:

(a) The Direct Writing Company named above is bound as surety to the United States of America on the performance bond described above, wherein the above described is the principal, for the protection of the United States on the contract described above. The contract is for the construction, alteration, or repair of a public building or public work of the United States, and the performance bond was furnished to the United States under 40 U.S.C. chapter 31, subchapter III, Bonds, known as the Bonds Statute. The Direct Writing Company has applied to the Reinsuring Company named above to be reinsured and counter-secured in the amount shown opposite the name of the Reinsuring Company (referred to as the "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 performance 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 the agreement.

TERMS AND CONDITIONS:

(a) The purpose and intent of this agreement is to guarantee and indemnify the United States against loss under the performance and to the extent of the "Amount of this Reinsurance," or any sum less than the "Amount of this Reinsurance" that is owing and unpaid by the Direct Writing Company to the United States under the performance bond.

(b) If the Direct Writing Company fails to pay any default under the performance bond equal to or in excess of the "Amount of this Reinsurance," the Reinsuring Company covenants and agrees to pay to the United States, the obligee on the performance bond, the "Amount of this Reinsurance." If the Direct Writing Company fails to pay to the United States any default for a sum less than the "Amount of this Reinsurance" the Reinsuring Company covenants and agrees to pay to the United States the full amount of the default, or so much thereof that is not paid to the United States by the Direct Writing Company.

(c) If there is a default on the performance bond for the "Amount of this Reinsurance," or more, the Reinsuring Company and the Direct Writing Company hereby covenant and agree that the United States may bring suit against the Reinsuring Company for the "Amount of this Reinsurance" or, in case the amount of the default is for less than the "Amount of this Reinsurance," for the full amount of the default.

WITNESS:

The Direct Writing Company and the Reinsuring Company, respectively, have caused this Agreement to be signed and impressed with their respective corporate seals by officers possessing power to sign this instrument, and to be duly attested by officers empowered thereto, on the day and date above written opposite their respective names.

**Items 1, 2, 4D - Furnish legal name, business address and ZIP Code.*

*(Over)*

| 5. DIRECT WRITING COMPANY | | |
|---|---|---|
| 5A(1) SIGNATURE | (2) ATTEST: SIGNATURE | *Corporate Seal* |
| 5B(1) NAME AND TITLE *(Typed)* | (2) NAME AND TITLE *(Typed)* | |

| 6. REINSURING COMPANY | | |
|---|---|---|
| 6A(1) SIGNATURE | (2) ATTEST: SIGNATURE | *Corporate Seal* |
| 6B(1) NAME AND TITLE *(Typed)* | (2) NAME AND TITLE *(Typed)* | |

## INSTRUCTIONS

**This form is to be used in cases where it is desired to cover the excess of a Direct Writing Company's underwriting limitation by reinsurance instead of co-insurance on Bonds Statute performance bonds running to the United States. See FAR (48 CFR) 28.202-1 and 53.228(h).**

**Execute and file this form as follows:**

**Original and copies (as specified by the bond-approving officer), signed and sealed, shall accompany the bond or be filed within the time period shown in the bid or proposal.**

**One copy, signed and sealed, shall accompany the Direct Writing Company's quarterly Schedule of Excess Risks filed with the Department of the Treasury.**

**Other copies may be prepared for the use of the Direct Writing Company and Reinsuring Company. Each Reinsuring Company should use a separate form.**