

**UNIVERSITY OF NEBRASKA
OWNERS PROTECTIVE BOND**

KNOW ALL MEN BY THESE PRESENTS:

THAT we,
as Principal, hereinafter called the Principal and
as Surety, hereinafter called the Surety, are held and firmly bound unto the Board of Regents of the University of Nebraska, as Owner, in the sum of
for the payment of which sum will and truly be made, the said Principal and the said Surety, bind ourselves, our legal representatives, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has executed a contract with the Owner,
dated _____ for the _____.

Which contract, including all contract documents, are by reference made a part hereof.

NOW THEREFORE, if the Principal shall faithfully perform such contract, and shall make payment to all laborers and mechanics for labor that shall be performed in connection therewith, and shall make payment for all material which is used in the erecting, furnishing or repairing of the building under said contract or in or about the improvement, or used in the performance of the contract, and shall make payment of all premiums for insurance required by the contract, and shall indemnify and save harmless the owner from all cost and damage by reason of the principal's or any primary, secondary, or other classes of sub-contractor's default, or failure so to do, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

All persons who have furnished labor or material for use in the erecting, furnishing or repairing of the building under the said contract, or for use in or about the improvement, or in connection with the performance of the contract, shall have a direct right of action under this bond, subject to the Owner's priority.

Any payment or payments under the bond shall reduce its penalty to the extent of such payment or payments.

Any suit under this bond must be instituted before the expiration of five (5) years from the date on which final payment under the contract falls due.

And for value received, the Surety further agrees that no change, forbearance, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder, or to the specifications accompanying the same, shall in any way affect its obligations under this bond and it hereby waives notice of any such change, forbearance, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications, made or extended by the Owner or Principal.

The Owner and Architect shall cooperate with and assist the Surety in prosecuting its rights and claims, if any, against Principal and others by supplying testimony as to facts, books, records and documentary evidence in their possession.

In the event Principal is in default under the contract as defined therein, Surety will (a) within fifteen (15) days of determination of such default, take over and assume completion of said contract and become entitled to the payment of the balance of the contract price, or (b) pay the Owner in cash the reasonable cost of completion, less the balance of the contract price, including retained percentage. The cost of completion shall be fixed by taking bids from at least three responsible contractors, one chosen by the Owner, one by the Architect, and one by the Surety. The Surety will make such payment within fifteen (15) days after the cost of completion shall have been so determined.

Signed and sealed this ___ day of _____, 2007

ATTEST:
BY _____
TITLE _____

PRINCIPAL
BY _____
TITLE _____

WITNESS
BY _____
TITLE _____

SURETY
BY _____
TITLE _____