

If bid amount exceeds \$35,000.00 a 100% Performance Bond may be required.

## PERFORMANCE SECURITY

In order to assure full performance of all obligations imposed on the bidder by contracting with HSU, the contractor will be required to post a performance bond in the amount of 100% of the proposal before contractor shall begin work. The only form of security accepted shall be a standard form of performance bond that is approved by the State of Arkansas and issued by a surety companies licensed and authorized to do business in Arkansas. The performance security will be required immediately after award of the contract has been made.

If bidder fails to deliver the required performance security, the bid shall be rejected and award made to the next qualified bidder, as determined through the evaluation process. In the event of a breach of contract, either due to quality problems, late delivery, warranty performance, or other factors within the control of the bidder, Henderson State University will notify the bidder of the default and may assess reasonable damages against the bidder. If, after notification of default, the bidder fails to remedy the damages to HSU within ten (10) working days, procedures for collection against the bidder's performance security will be instituted by HSU. In order to achieve the greatest economy for HSU, HSU may, at its option, choose the next qualified bidder as determined through the evaluation process, re-advertise for proposals, negotiate a purchase or complete any other action consistent with the Arkansas purchasing laws. The Performance Bond is to be signed by an Arkansas resident agent with his Power of Attorney attached and filed in Clark County, Arkansas. A certified copy (by the Clark County Circuit Clerk) shall be submitted to HSU Purchasing Department as evidence the filing of the original. The Contractor is to pay all expense incidental to the filing of the bond.

The performance security will be released at the satisfactory completion of the job.