



SUBDIVISION AND DEVELOPMENT COORDINATION  
 DEVELOPMENT SERVICES  
 URBAN FORM & CORPORATE STRATEGY DEPT.  
 7<sup>th</sup> FLOOR, EDMONTON TOWER  
 10111 – 104 AVENUE NW

**Development Bond**

Bond No. \_\_\_\_\_

Bond Amount \$ \_\_\_\_\_

KNOW ALL PERSONS BY THESE PRESENTS THAT

(the "Principal")

AND

a corporation created and existing under the laws of Canada, and duly authorized to transact the business of suretyship in the Province of Alberta as Surety (the "Surety"), are held and firmly bound unto the City of Edmonton, a municipal corporation, as Obligee (the "Obligee"), in the amount of

\_\_\_\_\_ dollars (\$ \_\_\_\_\_).

lawful money of Canada (hereinafter called "Bond Amount"), for payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally by these presents.

WHEREAS, the Principal has or will be entering into a servicing agreement with the Obligee to develop their subdivision approval number SA \_\_\_\_\_ for \_\_\_\_\_ ( Neighbourhood Name ) Stage \_\_\_\_ including the submitted engineering drawings, hereinafter referred to as "the Agreement".

NOW, THE CONDITION OF THIS BOND IS SUCH THAT, if the Principal shall, in the sole and absolute determination of the Oblige, promptly and faithfully performs all its obligations under the Agreement, then this Bond is null and void; but otherwise shall remain in force and effect to the terms thereof.

On determination of the Oblige, in its sole and absolute discretion, that the Principal is in default of its obligations under the Agreement, the Surety and Principal agree that the Surety will make payments to the Oblige for amounts demanded by the Oblige, up to an aggregate of the Bond amount, within seven (7) business days after the Surety's receipt of a demand from the Oblige at the address noted herein by hand or courier and the form of a Statement of Claim, the form of which is attached to this Bond as Schedule "A".

The Surety and the Principal expressly waive and defence that the Principal is not in default of its obligations under the Agreement following the delivery of a Statement of Claim to the Surety as defined in this Bond. The Statement of Claim delivered to the Surety shall be accepted by the Surety and Principal as conclusive evidence that the amount demanded within the Statement of Claim is payable to the Oblige; and all payments shall be made free and clear without deduction, set-off, or withholding.

If the Surety, at any time, gives ninety (90) days notice by registered letter to both the Principal and Oblige of its intention to terminate this Bond, then this Bond and all accruing responsibility thereunder shall terminate and after the last day of such ninety (90) days aforesaid terminate only if the Principal has provided financial security to the Oblige in at least the same amount as this Bond in a form acceptable to the Oblige. If the Principal does not provide such financial security to replace this Bond, then the Surety shall, at its sole discretion, either immediately pay the full Bond Amount to the Oblige within seven (7) business days, or confirm to the Oblige in writing that this Bond will remain in full force.

The Surety shall not be liable for a greater sum than the Bond Amount.

This Bond shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable thereto and shall be treated, in all respects, as a contract entered into in the Province of Alberta without regard to conflict of laws principles. The Principal and Surety hereby irrevocably and unconditionally attorn to the jurisdiction of the courts of the Province of Alberta.

It is a condition of this Bond that any suit or action under this Bond must be commenced the expiration of one (1) year from the date of the last Final Acceptance Certificate required under the Agreement is acknowledged by the Oblige.

Any notice hereunder is to be given:

In the case of the Obligee, to:  
General Supervisor, Development Servicing Agreements  
Urban Form and Corporate Strategic Development  
2<sup>nd</sup> Floor, 10111 – 104 Avenue NW  
Edmonton, AB T5J 0J4

in the case of the Principal, to:

\_\_\_\_\_  
(name and address)

in the case of the Surety, to:

\_\_\_\_\_  
(name and address)

IN WITNESS WHEREOF, this bond is duly signed, sealed and delivered this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_\_.

The Principal:

\_\_\_\_\_  
Name of Person signing

\_\_\_\_\_  
Signature (Affix Seal)

The Surety:

\_\_\_\_\_  
Name of Person Signing

\_\_\_\_\_  
Signature (Affix Seal)

**Schedule A**

**Notice of Default**

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

Surety: \_\_\_\_\_

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

Attention: \_\_\_\_\_

Re: Servicing Agreement Bond No.: \_\_\_\_\_ (the "Bond")

Principal: \_\_\_\_\_ ("The Principal")

Obligee: \_\_\_\_\_ ("The Obligee")

Agreement: \_\_\_\_\_ ("The Servicing Agreement")

Dear Sir:

Pursuant to the above referenced Bond, The City of Edmonton hereby declares a default under the Servicing Agreement.

We hereby demand that the Surety honour its seven (7) day payment obligation as per the terms of the Bond and we hereby certify that we are entitled to draw on the Bond pursuant to the terms of the Servicing Agreement and demand payment of \$ \_\_\_\_\_ under the terms of the Bond.

Payment Instructions:

Yours truly,

THE CITY OF EDMONTON