

FORM 15.1
FINANCIAL GUARANTEE BOND UNDER SECTION 44 OF THE ACT

Construction Lien Act

Bond No. _____ **Amount \$** _____

The surety of this bond is _____, an insurer licensed under the *Insurance Act* to write surety and fidelity insurance.

The principal of this bond is _____.

The obligee of this bond is the Accountant of the Superior Court of Justice.

WHEREAS _____ has registered (or where the lien does not attach to the premises, has preserved the lien by giving to the appropriate office) a claim for lien with respect to an improvement to the premises described in Schedule A to this bond.

AND WHEREAS _____ and others may prove liens with respect to the improvement to the premises.

AND WHEREAS this bond is being posted pursuant to section 44 of the *Construction Lien Act*.

THEREFORE, subject to the conditions contained in this bond, the surety and the principal bind themselves, their heirs, estate trustees, successors and assigns, jointly and severally, to the obligee as follows:

1. The principal shall on or before the date specified in the judgment, order or report of the court, in any action to enforce lien claims arising from the improvement, pay to the obligee the amounts for lien(s) and costs as is directed by the court, unless in the meantime an appeal has been taken from the judgment, order or report in which case payment is not required until the final disposition of the appeal.
2. The surety, in default of payment by the principal, shall pay to the obligee within such further time as is specified by the court, the amount of any deficiency in the payment by the principal but the surety is not liable to pay more than a maximum amount of \$ _____. The surety shall make the payment upon the written demand of the obligee without the right to question the merit of the demand and despite any objection by the principal.

This bond is subject to the following conditions:

1. The total amount of this bond shall be reduced by and to the extent of any payment made under the bond pursuant to an order, report or judgment of the court.
2. The surety shall be entitled to an assignment of the rights of any person who receives a payment or benefit from the proceeds of this bond, to the extent of the payment or benefit received.

Signed and sealed by the principal and the surety on the _____ day of _____, 20 _____

SIGNED AND SEALED in the presence of: _____ (principal) (seal)

_____ (surety) (seal)

NOTE: If the principal is not a corporation, the principal's signature must be verified by the affidavit of a subscribing witness.