

**SCHEDULE A**  
Form of Notice

Re: \_\_\_\_\_

Bond No: \_\_\_\_\_

Contractor: \_\_\_\_\_

Owner: \_\_\_\_\_

Contract: \_\_\_\_\_

Dear Sir/Madam,

We hereby notify you that the Contractor is in default of the captioned Contract. In general terms the details of the default are as follows:

We have given such notice of this default to the Contractor as is required under the Contract and enclose a copy for your records, and confirm that we have honoured our obligations under the Contract.

We call on you as Surety to honour your obligations under the Bond. We represent and warrant that we have in our possession the original, executed Performance Bond and herein enclose a copy.

Please provide us with potential dates and times to conduct the Post-Notice Conference under Section 5.1 of the Bond.

**OPTIONAL:** In the circumstances we plan to proceed with work and incur expenses necessary in the circumstances to ensure public safety or to preserve or protect the work under the Contract from deterioration or damage, referred to as the Necessary Interim Work under Section 4.1 of the Bond, and will provide you with information and access to discuss and observe this work. In the interim the following is a general description of the anticipated Necessary Interim Work:

**OPTIONAL:** To assist you in your Investigation we enclose with this Notice the documents and information indicated in Appendix A to this Notice. *[In addition to Appendix A, the Owner is encouraged to provide any information or material that may expedite the Investigation.]*

We look forward to receiving your acknowledgment of this Notice no later than four (4) business days of receipt and your request for any additional documentation or information you require to meet your obligations under the Bond.

Your truly,

By: \_\_\_\_\_

CC: \_\_\_\_\_

## Appendix A

The following checked documents and information are enclosed with this Notice:

- Copy of full, executed Contract (with letter of award), including approved changes and pending changes relevant to this Notice (along with a copy of the Change Order log)
- Copy of original schedule and latest approved schedule for the Contract including actual progress and the order to commence work
- Specifications and drawings, including tender and post tender addenda, if any, applicable to the Contractor's scope of work
- Copies of and summary reconciliation of all invoices received under the Contract
- Copies of and summary reconciliation of all payments made and holdback of any kind retained under the Contract
- Copy of the most recent approved or certified payment application including the applicable Schedule of Values and copies of all unpaid payment applications
- A detailed list of all outstanding work in the Contractor's scope of work (including any deficiencies identified to date)
- Any issued or pending backcharges from the Owner to the Contractor
- Copy of any notice or correspondence to and from the Contractor related to the Contract and relevant to this Notice
- Copy of any claim for lien, legal proceeding or other documents received on the Contract
- Copy of any correspondence from subcontractors, suppliers or others indicating claims for unpaid amounts related to the Contract
- Copy of the executed and delivered Performance Bond
- [Additional documents or information]**

**SCHEDULE B**  
Surety's Acknowledgement of a Notice

Re: .....

Bond No: .....

Contractor: .....

Owner: .....

Contract: .....

Dear Sir/Madam,

On behalf of the Surety defined in the captioned Bond we acknowledge receipt on ..... of your Notice  
(date of receipt)  
of your Notice under the captioned Performance Bond.

Please advise as soon as possible which of the following proposed dates and times and logistics are convenient to conduct the Post-Notice Conference:

Proposed Date	Proposed Time	Meeting or conference/video conference logistics

To enable our Investigation of the Notice please provide us promptly with the information and/or documentation identified in Appendix A to this Acknowledgement (and as necessary with access for our staff or appointed representatives to attend the place where the Contract is being performed to inspect the condition and progress of the work), hereinafter the Information.

We will provide you with the Surety's Position to the Notice no later than twenty (20) business days of our receipt of the Notice based on the information, documentation and access you have provided.

We continue to reserve all of our rights pursuant to the Bond and at law.

Yours truly;

By: .....

CC:

**Appendix A to Surety's Acknowledgement  
Surety's Request for Information**

Please identify and provide contact information for a person who is knowledgeable about the circumstances of the Notice and any Necessary Interim Work and Mitigation Work, and who can speak for the Owner.

Please identify and provide contact information for a person with whom arrangements can be made for access to the site where the work under the Contract is being performed.

Please provide copies of the following documentation in digital or hard format:

- Copy of full, executed Contract (with letter of award), including approved changes and pending changes relevant to this Notice (along with a copy of the Change Order log)
- Copy of original schedule and latest approved schedule for the Contract including actual progress and the order to commence work
- Specifications and drawings, including tender and post tender addenda, if any, applicable to the Contractor's scope of work
- Copies of and summary reconciliation of all invoices received under the Contract
- Copies of and summary reconciliation of all payments made and holdback of any kind retained under the Contract
- Copy of the most recent approved or certified payment application including the applicable Schedule of Values and copies of all unpaid payment applications
- A detailed list of all outstanding work in the Contractor's scope of work (including any deficiencies identified to date)
- Any issued or pending backcharges from the Owner to the Contractor
- Copy of any notice or correspondence to and from the Contractor related to the Contract and relevant to this Notice
- Copy of any Notice of Non-payment issued under the Act
- Copy of any Notice of Adjudication issues under the Act
- Copy of any claim for lien, legal proceeding or other documents received on the Contract
- Copy of any correspondence from subcontractors, suppliers or others indicating claims for unpaid amounts related to the Contract
- Copy of the executed and delivered Performance Bond
- [Additional documents or information]**

**SCHEDULE C**  
Surety's Position

Re: \_\_\_\_\_

Bond No: \_\_\_\_\_

Contractor: \_\_\_\_\_

Owner: \_\_\_\_\_

Contract: \_\_\_\_\_

Dear Sir/Madam,

Based on the Information you have provided and given the current status of our Investigation, we can advise that [use only one of these Options]:

**OPTION A**

The Surety accepts liability under the Bond. To satisfy our Obligation we propose, under Section 6.1 of the Bond, to:  
[Select 1 and delete the others]

- a) Promptly remedy the Contractor Default. *[Describe proposal and timelines.]*  
*or*
- b) Complete the Contract in accordance with its terms but only on the condition that the Owner undertakes to pay or to make available to the Surety the Balance of the Contract Price. *[Describe proposal and timelines.]*  
*or*
- c) Obtain a bid or bids for submission to the Owner for completing the Contract in accordance with its terms and conditions and, upon determination by the Owner and the Surety of the lowest responsible bidder:
  - i. arrange for a contract between such bidder and the Owner; and
  - ii. make available as work progresses (even if there should be a default, or a succession of defaults, under the contract or contracts of completion, arranged under this paragraph) sufficient funds to complete the Contractor's obligations in accordance with the terms and conditions of the Contract including any applicable value-added taxes for which the Surety may be liable, less the Balance of Contract Price. *[Describe proposal and timelines.]**or*
- d) pay the Owner the lesser of : (1) the Bond Amount, or (2) without duplication, the Owner's Direct Expenses plus the Owner's proposed cost of completion of the Contract and any applicable value-added taxes for which the Surety may be liable; less the Balance of Contract Price. *[Describe proposal and timelines.]*

**OPTION B**

The Surety disputes the Notice. The reasons are as follows:

**OPTION C**

Based on the Information you have provided and the time available for our Investigation

*[if applicable]* and taking into account genuine disputed issues as between the Owner and the Contractor that have not been resolved according to the terms of the Contract as outlined generally below,

the Surety is unable to determine whether or not one or more of the Conditions Precedent has been satisfied and, therefore, is not able to accept liability under the Bond.

In particular we have been unable to determine that

*[delete those that do not apply]*

- a) the Contractor is, in fact, in default of its obligations under the Contract. *[Provide further explanation as appropriate.]*  
*and/or*
- b) the Owner has performed its obligations under the Contract. *[Provide further explanation as appropriate.]*  
*and/or*
- c) the Owner has given the notice to the Contractor of a Contractor Default as required under the terms of the Contract. *[Provide further explanation as appropriate.]*  
*and/or*
- d) the Owner has agreed to apply the Balance of Contract Price as necessary to enable the Surety to exercise the Surety Option under the Bond. *[Provide further explanation as appropriate.]*

With your agreement and assistance we are willing to extend our Investigation in an effort to resolve outstanding issues. Should this extended Investigation allow us to provide you with an alternative Surety's Position we will do so promptly.

*[if applicable]* Under a full reservation of all of our rights under the Bond and the applicable law, and without prejudice to the rights and obligations of the Owner, the Contractor or the Surety under the Bond we propose to proceed as follows:

We continue to reserve all of our rights pursuant to the Bond and at law.

If you have any questions or concerns, please do not hesitate to contact us.

Yours truly;

By:

CC: