

GUARANTY OF PERFORMANCE

GUARANTY OF PERFORMANCE (Guaranty), dated this _____ day of _____, 20__ executed and delivered by the undersigned _____ (Guarantor) in favor of the Maryland Department of Transportation (Administration).

WITNESSETH:

WHEREAS, Administration and [_____] (Contractor), a wholly-owned subsidiary of Guarantor, are parties to Administration Contract No. _____ dated _____ (the Contract); and

WHEREAS, the Contract requires Guarantor to guarantee the performance by Contractor of its obligations under the Contract.

NOW, THEREFORE, in consideration of the above premises and other good and valuable consideration, receipt of which is acknowledged, Guarantor agrees as follows:

1. Guarantor guarantees full, faithful and satisfactory performance of the Contract in accordance with all of its terms and conditions. If Contractor defaults in performance of its obligations under the Contract, Guarantor shall cause, or, if Guarantor fails to cause then, at Administration’s option, Guarantor shall reimburse Administration for causing such performance to be completed by another in accordance with the terms and conditions of the Contract and Guarantor pay Administration all damages, costs and expenses that Administration is entitled to recover from Guarantor.
2. This Guaranty shall continue in force until all of Contractor’s obligations under the Contract arising during or relating to the term of the Contract have been satisfied or until Contractor’s liability to Administration under the Contract has been completely discharged, whichever comes first. Contractor shall not be discharged from liability under this Guaranty as long as any claim by Administration against Contractor remains unresolved.
3. Written consent of Guarantor shall be required prior to any amendment of the Contract that would increase Guarantor’s obligations under this Guaranty.
4. The rights and obligations of Administration and Contractor shall not be suspended, abrogated or affected by the fact that performance of the Contract may also be secured or guaranteed by bond or other security.
5. Guarantor waives notice of acceptance of the Guaranty of Performance.
6. This Guaranty shall be binding upon the legal representatives and assigns of Guarantor.

7. This Guaranty shall be governed by and construed in accordance with the laws of the State of Maryland without regard to rules concerning conflict of laws.
8. Should any one or more provisions of this Guaranty be determined illegal or unenforceable, all other provisions shall remain effective.
9. This Guaranty embodies the entire agreement between Administration and Guarantor. There are no promises, terms, conditions or obligations other than those contained in this Guaranty and this Guaranty shall supersede all previous communications, representations or agreements, either verbal or written, between Administration and Guarantor.

IN WITNESS WHEREOF, Guarantor, has executed and delivered this Guaranty as of the date first above written.

Guarantor

BY: _____

NAME: _____

TITLE: _____

DATE: _____