

**003 CONTRACT BOND REQUIRED-SURETY TO FURNISH LEGAL DEFENSE.
(REV 8-16-06) (FA 8-22-06) (1-07)**

SUBARTICLE 3-5.4 (Pages 17 and 18) is deleted and the following substituted:

3-5.4 Surety to Furnish Legal Defense: The surety company shall indemnify and provide defense for the Department when called upon to do so for all claims or suits against the Department, by third parties, pertaining to Contractor payment or performance issues arising out of the Contract. It is expressly understood that the monetary limitation on the extent of the indemnification shall be the approved Contract amount, which amount shall be the original Contract amount as may be increased by subsequent Supplemental Agreements.