revised March 15, 2000

CONTRACTOR GUARANTY

WHEREAS, HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT, as ultimate owner and operator of the ______ water and/or sewer utility systems, located at Tax _____ Map _____, requires tangible assurance as to the quality of materials and workmanship used on the aforementioned project; and

WHEREAS, _______, (contractor), as the duly licensed and responsible contractor having constructed and/or supervised the construction of the aforementioned project, desires to assure the HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT that the quality of materials and workmanship meet published standards governing the construction of such utilities work.

THEREFORE, it is hereby agreed that neither final payment by the developer, nor any provision in the contract with the developer, no partial or entire use of the constructed utility improvements by the HILTON HEAD NO. 1 PUBLIC SERVICE DISTRICT or the public shall constitute an acceptance of work not performed in accordance with approved plans or relieve the contractor of liability or responsibility for faulty materials or workmanship. It is further agreed that the contractor shall promptly remedy any defects in the work, with the exception of damages construed as acts of God, at his own expense, and pay for any damage to other work resulting therefrom which shall appear within a period of twelve (12) months from the date of the service authorization.

IN WITNESS WHEREOF, this instrument of GENERAL GUARANTY is hereby executed.

Attest: ______ (Authorized signature of contractor)

For: ______, (Company name)

_____(Address)

<u>NOTARY</u>

Submitted and sworn to before me this _____ day of _____, 20___

by ______ authorized company official for ______

(company name)

Notary Public for South Carolina My commission expires _____