



Surety Bond for Servicing Agreements Instructions

Attention Financial Institutions

To ensure that we provide the best service to developers, we require each insurance institution to use our standard Irrevocable On-Demand Surety Bond template ensuring specific information is accurately included. We have detailed the key components of this document for your information:

- For all Surety Bond adjustments and changes approved by the Town of Comox, we may fax or mail letters directly to the developer, with a copy to the insurance institution, however we still require the original on file with the Town.
- For all Surety Bond claims, the Town of Comox will present a written demand to the insurance institution.
- Each Surety Bond can only have one purpose (i.e. one agreement or one permit only) for the approved purposes as set out in the security information guide table and policy.
- In your communication, please itemize the deposits that the surety bond represents as according to the security information guide table and the related agreement or permit.
- For bonds related to servicing agreements or permits, please reference the servicing agreement or permit that the bond applies to and complete all areas that are applicable.
- The instalment payment will become due as noted in the referenced servicing agreement or permit.

Please review the enclosed templates. For questions, please contact finance@comox.ca or call 250-339-2202.

Thank you for your cooperation.

Updated September 2026

Tel: 250-339-2202

Fax: 250-339-7110

Email: town@comox.ca

Address:

1809 Beaufort Avenue

Comox, B.C. V9M 1R9

**We respectfully acknowledge that we gather and work
on the unceded traditional territory of the K'ómoks
First Nation, the traditional keepers of this land.**

Security Information Guide Table			
Security Type	Project/Permit Number	Civic Address/Comments	Security Options
Landscaping	Subdivision Application Number Development Permit Number	Civic addresses are located in the Application or Development Permit.	Cash or Letter of Credit (LC)
Tree Bonding and Tree Replacement	Tree Permit Number	Civic addresses are located in the Tree Permit.	Cash or LC
Offsite works and services	Subdivision Application Number Development Permit Number	Civic addresses are located in the Development Permit.	Cash, LC, Surety Bond
Servicing Agreement (except Maintenance Bond)	Subdivision Application Number	Civic addresses are located in the application or agreement.	Cash, LC, Surety Bond
Erosion and Sediment Control	Erosion and Sediment Control Permit Agreement	Civic address is the location on the Erosion and Sediment Control Permit Agreement.	Cash or LC
Maintenance Bond	Subdivision Application Number	Civic addresses are located in the application or agreement.	Cash or LC
Comox Development Cost Charges (DCCs)	Building Permit Number or Subdivision Application Number	Civic addresses are located in the Building Permit Fee Summary.	Cash, LC, Surety Bond
Comox Amenity Cost Charges (ACCs)	Building Permit Number or Subdivision Application Number	Civic addresses are located in the Building Permit Fee Summary.	Cash, LC, Surety Bond
CVRD Development Cost Charges (DCCs)	Building Permit Number or Subdivision Application Number	Civic addresses are located in the Building Permit Fee Summary.	Cash, LC, Surety Bond
CVRD Capital Improvement Cost Charges	Building Permit Number or Subdivision Application Number		Cash or LC
Damage Deposit	Building Permit Number or Highway Use Permit	Civic addresses are located in the permit.	Cash or LC

IRREVOCABLE ON-DEMAND SURETY BOND (Servicing Agreements)

BOND NO. _____ (the “Bond”)

BOND AMOUNT: \$ _____

_____,
(Name and Address of Principal)

as principal (hereinafter called the “Principal”), and

_____,
(Name and Address of Surety)

a corporation duly authorized to transact the business of suretyship in British Columbia, as surety (hereinafter called the “Surety”), are held and firmly bound to the Town of Comox, as obligee (hereinafter called the “Obligee”), in the amount of _____ Dollars (<insert the Bond Amount = required security for Works under the servicing agreement>\$_____), lawful money of Canada, hereinafter called the “Bond Amount”) for the payment of which sum, the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

WHEREAS the Principal and the Obligee have entered into a servicing agreement _____ <insert charge # or agreement # for reference> dated the ____ day of _____, 20__ in connection with a development of lands civically known as _____, Comox, British Columbia, and legally described as _____
PID: _____ (said agreement is by reference made a part hereof and is hereinafter referred to as the “Servicing Agreement”); and

NOW THEREFORE, the foregoing obligation is subject to the following terms and conditions:

1. Within 15 business days after the Obligee demands payment from the Surety in accordance with section 2 of this Bond, the Surety shall pay to the Obligee the amount identified in the demand notice from the Obligee under section 2.
2. The Obligee may demand payment from the Surety pursuant to this Bond by giving a written notice to the Surety of such demand that includes:
 - a. a statement that the Obligee has determined that the Principal has failed to perform its obligations under the Servicing Agreement in accordance with its terms and conditions or otherwise failed to comply with the requirements of the Servicing Agreement, and
 - b. the amount the Obligee demands to be paid by the Surety to the Obligee.
3. The Surety must make payment referred to in section 1 of this Bond within the time provided under that section despite any objections of the Principal and the Surety may not assert any defence or other grounds for not making the payment, including, without limitation the foregoing, any objection, defence or grounds based on any of the following:

- a. that the Principal is not in default of its obligations under the Servicing Agreement;
- b. that the Principal committed any fraud or misrepresentation in its application for, or otherwise in connection with, this Bond; or
- c. that the amount demanded is not accurate or not in accordance with the Servicing Agreement.

Without limiting the rest of this section, the Surety's liability under this Bond shall not be discharged, released, modified or otherwise affected by (i) any arrangement between the Obligor and the Principal, (ii) any dispute between the Surety and the Principal, (iii) the taking or receiving of security by the Obligor from the Principal, (iii) any amendments to the Servicing Agreement, or (iv) the Obligor's exercise or non-exercise of any rights or remedies under or in relation to the Servicing Agreement.

- 4. The Surety shall make all payments under this Bond without deduction, set-off or withholding for any reason whatsoever and under no circumstances shall the Surety be entitled to any repayment or reimbursement from the Obligor of any payments made to the Obligor under this Bond.
- 5. The Obligor may make multiple demands under this Bond.
- 6. In no event shall the Surety be liable for a greater sum than the Bond Amount.
- 7. The Bond Amount may be reduced from time to time as advised by notice in writing by the Obligor to the Surety and whether to reduce the Bond Amount shall be at the Obligor's sole discretion.
- 8. The Surety may not terminate its obligations under this Bond unless:
 - a. the Surety gives written notice to the Obligor and the Principal of its intention to terminate this obligation at least 90 days before the intended date of such termination, and
 - b. the Principal delivers to the Obligor another surety, or other form of security, in the amount of this Bond and in a form acceptable to the Obligor, in its sole discretion, at least 30 days before the date on which the Surety intends to terminate its obligations, provided that no such termination shall be effective until and unless the Obligor has provided written notice to the Surety that the Obligor has accepted such replacement surety or other form of security.
- 9. Nothing in this Bond (including any termination) shall limit the Principal's obligations to the Obligor under the Servicing Agreement.
- 10. In this Bond, the term "business day" shall mean any day that is not a Saturday, Sunday or a holiday as the term "holiday" is defined under the *Interpretation Act*, R.S.B.C. 1996, c. 238.
- 11. This Bond shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable thereto and shall be treated, in all respects, as a contract entered into in the Province of British Columbia without regard to conflict of laws principles.

The Principal and Surety hereby irrevocably and unconditionally attorn to the jurisdiction of the courts of the Province of British Columbia.

12. Any notice to be provided by a party to this Bond to another party to this Bond shall be delivered by hand, registered mail or electronic mail to the receiving party’s address set out below, subject to any change of address in accordance with this section. Any notice delivered by hand shall be deemed given on the day of delivery. Any notice sent by electronic mail shall be deemed given on the day it is sent. Any notice sent by registered mail shall be deemed given on the day that is five business days after the date on which it was mailed. The address for the Surety, the Obligee or the Principal may be changed by giving notice to the other parties setting out the new address in accordance with this section.

	The Surety:	The Principal:	The Obligee:
Name:			Town of Comox
Address:			1809 Beaufort Avenue,
			Comox, BC V9M 1R9
Email:			finance@comox.ca
Phone:			250-339-2202

[Signature page follows]

IN TESTIMONY WHEREOF, the Principal and the Surety have Signed and Sealed this Bond dated _____, in the year _____.

SIGNED AND SEALED this ____ day of _____, 20__, in the presence of:

[Principal Proper Name]

By: _____ Witnessed By: _____

Name: _____ Name of Witness: _____

Title: _____ Address of Witness: _____

I have authority to bind the corporation.

[Surety Proper Name]

By: _____

Name: _____

Attorney-in-fact: _____