PAYMENT BOND

Surety Bond No. 4400230

STATE OF TEXAS

COUNTY OF

KNOW ALL MEN BY THESE PRESENTS:

That we, Lemco Construction Services, LP, as Principal, and SureTec Insurance Company hereby held and firmly bound unto the State of Texas as Obligee in the penal sum of Two Million Three Hundred Thirty Seven One Hundred Thirty Eight and 00/100 ($2,337,138.00) for the payment whereof, the said Principal and Surety bind themselves, their heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

The conditions of this obligation are such that whereas the Principal entered into a certain contract, hereto attached, and made a part hereof, with the State of Texas, acting by and through the Board of Regents of The University of Texas System for and on behalf of The University of Texas Southwestern Medical Center, dated October 10, 2014, for E-3, E-4 Team Based Learning (Project No. 729-14-74).

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall promptly make payments to all claimants as defined in Section 2253.021, Texas Government Code, as amended, of all persons supplying labor and materials in the prosecution of the work provided for in said contract, then this obligation shall be null and void, but otherwise it shall remain in full force and effect.

In the event that the Principal fails to promptly pay when due persons who have supplied labor, materials, or supplies used in the performance of the said contract, the Surety will, upon receipt of notice from the State of Texas or a claim in the form required by law, satisfy all undisputed balances due, and make arrangements satisfactory to the interested parties to resolve all amounts disputed in good faith, but in no event shall the liability of the Surety for the Principal's failure to promptly pay for labor, materials, or supplies exceed the penalty of this bond.

This Surety agrees to pay the State of Texas upon demand all loss and expense, including attorney's fees, incurred by the State of Texas by reason or on account of any breach of this obligation by Surety.

Provided further, that this bond is made and entered into for the protection of all claimants supplying labor and material in the prosecution of the work provided for in said Contract, and all such claimants shall have a direct right of action under the bond as provided in Section 2253.021, Texas Government Code, as amended. If any legal action is filed upon this bond, venue shall be in the county where the said Contract is to be performed.

By signature hereon, if the amount of this bond exceeds $100,000, then the Surety attests that at the time the bond was executed (and Surety shall provide the Obligee with evidence of the following):

(1) it was a holder of a certificate of authority from the United States Secretary of the Treasury to qualify as a surety on obligations permitted or required under federal law; or

OGC: 8/30/01
FP Rev: 7/13/09
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(2) had reinsured any liability in excess of $100,000 by a reinsurer holding a certificate of authority from the United States Secretary of the Treasury.

IN WITNESS WHEREOF, the above bounden parties have executed this instrument under their several seals this 26th day of February in the year 2015, the name and corporate seal of each corporate party being hereto affixed, and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

(SEAL)

ATTEST:
By: [Signature]

(Typed or Printed Name and Title)

LEMCO Construction Services, LP
Principal

By: [Signature]

(Typed or Printed Name and Title)

(SWAL)

ATTEST:
By: [Signature]

(Typed or Printed Name and Title)

SureTec Insurance Company
Surety

By: [Signature]

(Typed or Printed Name and Title)

Surety's Texas Local Recording
Agent or Resident Agent:

Clem F. Lesch

(Signature)

Clem F. Lesch

(Typed or Printed Name)

License No. 5426

File No. n/a

3010 LBJ Frwy, #920

Address: Dallas, TX 75234

Telephone No.: 972-459-4749

Surety's Home Office Agent or Servicing Agent:

Jennifer Picchi, Attorney-in-Fact

(Typed or Printed Name and Title)

Name: Mike Whisenant

Title: Vice President

5741 Legacy Drive, #210

Address: Plano, TX 75024

Telephone No.: 469-241-148