

# Bid Bond (Guarantee) (for delivery of goods)

## Specimen

### BID BOND (GUARANTEE)

We have been informed that Messrs \_\_\_\_\_ participates in your invitation for bid no. \_\_\_\_\_ of \_\_\_\_\_ for the supply of \_\_\_\_\_ in the total value of \_\_\_\_\_ as per offer no. \_\_\_\_\_ dated \_\_\_\_\_.

According to the terms of the bid invitation, a Bid Bond (Guarantee) for \_\_\_\_\_ (% of the offer value) is required.

The closing date for the bid is \_\_\_\_\_.

At the request of Messrs \_\_\_\_\_, we, Zürcher Kantonalbank, hereby irrevocably undertake to pay to you on your first demand, regardless of whether such bid is in any way binding upon Messrs \_\_\_\_\_, and therefore irrespective of any legal effects of such bid and waiving all rights of objection and defence arising from such legal effects, any amount up to

\_\_\_\_\_ (in words: \_\_\_\_\_)

upon receipt of your duly signed demand for payment stating that Messrs \_\_\_\_\_ have been awarded the contract and

- a) have withdrawn their offer before its expiry date without your consent
- or
- b) have failed to sign the contract awarded to them according to the terms of their offer
- or
- c) have failed to open the performance bond foreseen in the bid invitation upon signature of the contract.

The total amount of this guarantee will be reduced by any payment effected thereunder.

For the purpose of identification, your demand for payment in writing has to be presented through the intermediary of a bank, with their confirmation by authenticated SWIFT to us that the signature(s) thereon is (are) legally binding upon you.

Your demand is also acceptable if transmitted to us in full by authenticated SWIFT through the intermediary of a bank confirming that your original demand has been sent to us and that the signature(s) thereon is (are) legally binding upon you.

Your demand will be considered as having been made once we are in possession of your written demand for payment and the bank's confirmation of your signature(s) by authenticated SWIFT or the authenticated SWIFT transmitting your demand for payment.

Our present undertaking expires upon receipt of your legally signed letter of discharge; however, it expires automatically and in full on

\_\_\_\_\_.

provided we have not received your demand for payment in the above-mentioned form by that time.

This guarantee is governed by Swiss Law, place of jurisdiction is Zurich 1.