

(The bid bond should be on the letterhead of the issuing Insurance Company regulated by the Insurance Regulatory Authority of Uganda and should be signed by a person with the proper authority to sign the Bid bond. The Surety shall fill in this Bid Bond Form in accordance with the instructions indicated)

Form of Bid Security (Bid Bond)

Date: _____

BOND NO. _____

BY THIS BOND [*name of Bidder*] as Principal (hereinafter called “the Principal”), and [*name, and address of Insurance Company*], authorized to transact business in Uganda as Surety (hereinafter called “the Surety”), are held and firmly bound unto [*name of Procuring and Disposing Entity*] as Obligee (hereinafter called “the Entity”) in the sum of [*amount of Bond*]¹ [*amount in words*], for the payment of which sum, well and truly to be made, we, the said Principal and Surety, bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS the Principal has submitted or will submit a written Bid to the Purchaser dated the ____ day of _____, 20 __, for the [*subject of procurement*] (hereinafter called the “Bid”).

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Principal:

- (a) withdraws its Bid prior to the Bid validity expiry date set forth in the Principal’s Letter of Bid, or any extended date provided by the Principal; or
- (b) having been notified of the acceptance of its Bid by the Entity prior to the expiry date of the Bid validity or any extension thereto provided by the Applicant has failed to:
 - (i) execute the Contract Agreement; or
 - (ii) furnish the Performance Security, in accordance with the Instructions to Bidders (“ITB”) of the Entity’s bidding document.

then the Surety undertakes to immediately pay to the Entity the above amount upon receipt of the Entity’s first written demand, without the Entity having to substantiate its demand, provided that in its demand the Entity shall state that the demand arises from the occurrence of any of the above events, specifying which event(s) has occurred.

The Surety hereby agrees that its obligation will remain in full force and effect up to set forth in the Principal’s Letter of Bid or any extension thereto provided by the Principal.

IN TESTIMONY WHEREOF, the Principal and the Surety have caused these presents to be executed in their respective names this ____ day of _____ 20 __.

Principal: _____ Surety: _____
Corporate Seal/ Stamp (where appropriate) Corporate Seal/ Stamp (where appropriate)

(Signature)
(Printed name and title)

(Signature)
(Printed name and title)

¹ The amount of the Bond shall be denominated in the currency indicated in the bidding document.