**Transaction Reference Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(*Beneficiary’s Physical Address*)

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Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**BID BOND**

**Bidder:** (*Insert Co. Name*) (Registration Number:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Beneficiary:** (*Insert Co. Name*) (Registration Number:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Bid:**  (*Insert Contract Details*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Guarantee:** The guarantee issued by the Bank to the Beneficiary in terms of this document

**Guaranteed Amount:** (*Insert in amount in figures and words*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*)*

**Expiry Date**: (*Insert Expiry Date* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Bank:** The Standard Bank of South Africa Limited (Registration Number: 1962/000738/06) a public company duly incorporated with limited liability according to the company laws of the Republic of South Africa

**Bank’s Presentation**

**Address:** Trade Services, 1st Floor, 6 Simmonds Street, Johannesburg or any other physical address notified to the Beneficiary in writing by the Bank

1. The Bidder wishes to submit a Bid proposal in response to the Beneficiary’s Bid invitation (“**Bid Proposal**”) and it is a requirement under the Bid invitation that each Bid Proposal should be supported by a guarantee.
2. At the request of the Bidder and subject to the provisions of clause 5 below, the Bank hereby undertakes and guarantees to pay the Beneficiary such amount(s) which in aggregate do not exceed the Guaranteed Amount, following receipt of a Complying Demand.
3. The Beneficiary is only entitled to claim under this Guarantee, in the following circumstances:
   1. if the Bidder withdraws its Bid Proposal during the validity period specified in the Bid Proposal; or
   2. if the Bidder, having been notified of the acceptance of its Bid Proposal by the Beneficiary:
      1. fails or refuses to execute a contract, if required; or
      2. fails or refuses to furnish the performance security in accordance with the Bid invitation instructions.
4. A **Complying Demand** must:
   1. be in writing;
   2. contain a statement (whether included in the demand or a separately signed document) stating that the Bidder has failed to meet its obligations under the Bid;
   3. state the amount claimed; and
   4. purport to be signed by the Beneficiary’s duly authorised signatory/(ies).
5. Payment of the Guaranteed Amount, or any part thereof, will only be made following presentation by the Beneficiary at the Bank’s Presentation Address of a Complying Demand.
6. The Bank will pay on demand under this Guarantee without regard to any claim or dispute of any nature which any party may allege and without verifying:
   1. the validity or authenticity of the Complying Demand; or
   2. the Bidder’s alleged non-compliance; or
   3. the correctness of the amount(s) demanded.
7. The Bank’s obligation herein is restricted to the payment of money only and will not be interpreted as extending the Bank’s liability to anything other than the payment of the Guaranteed Amount.
8. This Guarantee is for the sole benefit of the Beneficiary and is thus not negotiable nor transferable.
9. Save for any amendments to the Bank’s Presentation Address, no variation of this Guarantee will be of any force or effect without the prior written consent of the Beneficiary, the Bidder and the Bank.
10. This Guarantee will expire, whether surrendered to the Bank for cancellation or not, on the earlier of:
    1. the Bank’s receipt of copies of the contract signed by the Bidder and the performance security issued to the Beneficiary;
    2. if the Bidder is not the successful bidder, the Bank’s receipt of a copy of the Beneficiary’s notification to the Bidder stating the name of the successful bidder;
    3. 28 (twenty eight) days after the expiration of the Bidder’s Bid Proposal; or
    4. on the Expiry Date.
11. The Bidder shall have sole responsibility to deliver the original of this Guarantee (where available) to the Beneficiary following issuance by the Bank.

1. This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No.758.