

Date: [Insert Date]

To: [Name of the Beneficiary/Employer]

[Address of the Beneficiary]

[City, State, Zip Code]

Subject: Letter of Guarantee for Bid Bond - [Project Name/Tender Reference Number]

Dear Sir/Madam,

Whereas [Name of the Bidder] (hereinafter called "the Bidder") has submitted its bid dated [Insert Date] for the execution of [Name of the Project/Contract] (hereinafter called "the Bid").

KNOW ALL PEOPLE by these presents that we, [Name of the Issuing Bank/Insurance Company], having our registered office at [Address of Bank/Insurer] (hereinafter called "the Guarantor"), are bound unto [Name of the Beneficiary] (hereinafter called "the Employer") in the sum of [Insert Amount in Figures and Words], for which payment well and truly to be made to the said Employer, the Guarantor binds itself, its successors, and assigns by these presents.

The conditions of this obligation are:

- If the Bidder withdraws its Bid during the period of bid validity specified in the Form of Bid; or
- If the Bidder, having been notified of the acceptance of its Bid by the Employer during the period of bid validity:
 - Fails or refuses to execute the Contract Form; or
 - Fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders.

We undertake to pay the Employer up to the above amount upon receipt of its first written demand, without the Employer having to substantiate its demand, provided that in its demand the Employer will note that the amount claimed by it is due to it owing to the occurrence of one or more of the conditions specified above.

This Guarantee will remain in force up to and including [Insert Expiry Date], and any demand in respect thereof should reach the Guarantor not later than the above date.

Yours faithfully,

[Authorized Signature]

[Name and Title of Signatory]

[Name of the Bank/Financial Institution]

[Official Seal/Stamp]