

Date: [Insert Date]

To: [Insert Beneficiary/Employer Name]
[Insert Address]

Kafalah Bid Bond No: [Insert Reference Number]

Tender Reference: [Insert Tender Name and Number]

Dear Sir/Madam,

In accordance with the invitation for Tender for [Insert Project Name], [Insert Contractor/Bidder Name] (hereinafter called "the Bidder") is required to submit a Bid Bond to guarantee their participation in the said tender.

We, [Insert Name of Islamic Bank/Financial Institution], having our registered office at [Insert Address], hereby irrevocably and unconditionally undertake to pay you, as the Beneficiary, an amount not exceeding [Insert Currency and Amount in Figures] ([Insert Amount in Words]) upon receipt of your first written demand.

This Kafalah (Guarantee) is provided under the following conditions:

- The Bidder withdraws their bid during the period of bid validity.
- The Bidder, having been notified of the acceptance of their bid, fails or refuses to execute the Contract Agreement.
- The Bidder fails or refuses to furnish the Performance Bond as required by the tender documents.

Your demand for payment must include your written statement stating that the Bidder is in breach of their obligation(s) under the tender conditions, specifying the nature of the breach.

This guarantee shall remain valid until [Insert Expiry Date]. Any demand for payment under this guarantee must be received by us at this office on or before that date, after which this guarantee will become null and void, whether the original document is returned to us or not.

This guarantee is subject to the laws of [Insert Country/Jurisdiction].

Yours faithfully,

For and on behalf of [Insert Bank Name]

[Authorized Signature]
[Name and Title]
[Bank Seal/Stamp]