

**FORMAT OF TENDER SECURITY INSTRUMENT**

Whereas ..... (*Name of the tenderer*) (hereinafter called “the tenderer” has submitted its tender dated..... (*Date of submission of tender*) for the .....(*Name and/or description of the tender*) (Hereinafter called “the Tender”).

KNOW ALL PEOPLE by these presents that WE.....of ..... (*Name of Insurance Company*) having our registered office at..... (hereinafter called the “the Guarantor”), are bound unto.....(*Name of Procuring Entity*) (hereinafter called “the Procuring Entity”) in the sum of .....(*Currency and guarantee amount*) for which payment well and truly to be made to the said Procuring Entity, the Guarantor binds itself, its successors, and assigns by these presents.

Sealed with the Common Seal of the said Guarantor this\_\_\_\_\_day of\_\_\_\_\_20\_\_\_\_\_.

THE CONDITIONS of this obligation are:

1. If after tender opening the tenderer withdraws his tender during the period of tender validity specified in the instructions to tenderers; or
2. If the tenderer rejects the correction of an error upon prompt notice by the procuring entity; and
3. If the tenderer, having been notified of the acceptance of his tender by the Employer during the period of tender validity:
  - (a) fails or refuses to execute the form of Agreement in accordance with the Instructions to Tenderers, if required; or
  - (b) fails or refuses to furnish the Performance Security, in accordance with Instructions to Tenderers.

We undertake to pay to the Procuring Entity up to the above amount upon receipt of its first written demand, without the Procuring Entity having to substantiate its demand, provided that in its demand the Procuring Entity will note that the amount claimed by its due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force upto and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Guarantor not later than the said date.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of the Guarantor)

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Seal)