

# Bid Bond

## (For Construction Projects)

**Project:** \_\_\_\_\_

**Owner:** \_\_\_\_\_

**Bidder:** \_\_\_\_\_

**Surety:** \_\_\_\_\_

**Bond Amount:** \_\_\_\_\_

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

### Bid Bond Statement

KNOW ALL MEN BY THESE PRESENTS, that we, the above named Bidder, as Principal, and the above named Surety, as surety, are held and firmly bound unto the Owner, in the sum of \_\_\_\_\_, lawful money of [Country], to be paid to the said Owner for which payment, well and truly to be made, said Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid dated the above date to the Owner for the construction of the above described Project, in accordance with the plans and specifications prepared by or for the Owner.

NOW, THEREFORE, if the Owner shall accept the Bid of the Principal and the Principal shall enter into a Contract with the Owner in accordance with the terms of such Bid, and shall furnish the required Performance and Payment Bonds, this obligation shall be null and void; otherwise, it shall remain in full force and effect.

IN WITNESS WHEREOF, the Principal and Surety have executed this Bond under their seals on the above written date.

**Bidder (Principal):** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Surety:** \_\_\_\_\_

**Authorized Representative:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

### Important Notes:

- A bid bond guarantees that the bidder will undertake the contract if awarded and provides financial assurance to the project owner.
- The bond amount is typically a percentage (commonly 5% to 10%) of the bid price.
- The surety issuing the bond must be a reputable and licensed bonding company.
- Failure to execute the contract by the successful bidder may result in the forfeiture of the bond amount.
- Be certain to verify local regulatory requirements for the content and format of bid bonds.