

Performance Bond

Bond No: _____

Date: _____

Performance Bond for Construction Contract

By This Bond

We, **[Name and Address of Surety]** ("Surety") are held and firmly bound unto **[Name and Address of Employer/Owner]** ("Employer"), in the sum of **[Amount in Words and Figures]** ("Bond Amount") for the payment of which we bind ourselves, our successors and assigns, jointly and severally, by these presents.

Whereas

The Employer has entered into a contract dated **[Contract Date]** ("the Contract") with **[Name and Address of Contractor]** ("Contractor") for the construction of **[Project Name and Brief Description]** (the "Works").

Now, Therefore

The condition of this Bond is such that if the Contractor shall duly perform and observe all the terms and conditions of the Contract, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

Upon default by the Contractor and a written demand by the Employer, the Surety undertakes to pay the Employer up to the Bond Amount or complete the Works as per the terms of the Contract, subject to the conditions and limitations set forth herein.

Bond Conditions

- This Bond shall remain valid and in force until the issuance of the Taking-Over Certificate or practical completion of the Works, or as otherwise stated in the Contract.
- The liability of the Surety under this Bond shall not exceed the Bond Amount.
- No claim under this Bond shall be made after the expiry date unless proceedings in respect thereof are commenced before such date.

Signed and Sealed by

Surety:

Name: _____

Authorized Signature: _____

Designation: _____

Date: _____

Contractor:

Name: _____

Authorized Signature: _____

Designation: _____

Date: _____

Important Notes:

- This performance bond secures the Employer against non-performance or default by the Contractor.
- The Surety (often an insurance or bank) is only liable within the stated Bond Amount.
- Ensure that all blank spaces are duly completed before signing.
- Read the Contract and Bond terms thoroughly to ensure conformity and protection of parties' interests.
- Legal advice is recommended before execution.