

Form of Bid Security

[insert Bank's Name, and Address of Issuing Branch or Office]

Beneficiary:

Chief Executive Officer FESCO

Tender No. _____

Amount PKR: _____ (in words _____)

Issue Date: _____

Expiry Date: _____

BID GUARANTEE No.:*[insert number]*

We have been informed that *[insert name of the Bidder]* (hereinafter called "the Bidder") has submitted to you its bid dated *[insert date]* (hereinafter called "the Bid") for the execution of *[insert name of contract]* under Notice for Invitation of Tender No. *[insert NIT number]* ("the NIT").

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee.

At the request of the Bidder, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]**[insert amount in words]* upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- (a) has withdrawn its Bid during the period of bid validity specified by the Bidder in the Form of Bid; or
- (b) having been notified of the acceptance of its Bid by the *Purchaser* during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the performance security, in accordance with the ITB.
- (c) does not accept the corrections of errors in accordance with ITB.

This guarantee will expire: (a) if the Bidder is the successful Bidder, upon our receipt of copies of the contract signed by the Bidder and the performance security issued to you upon the instruction of the Bidder; and (b) if the Bidder is not the successful Bidder, upon the earlier of (i) our receipt of a copy your notification to the Bidder of the name of the successful Bidder; or (ii) **thirty (30) days** after the expiration of the Bidder's bid.

Consequently, we must receive any demand for payment under this guarantee at the office on or before that date.

Name _____

In the capacity of _____

Signed _____

Duly authorized to sign the Bid Security for and on behalf of _____

Date _____