

Bid Bond

Cover Sheet and Instructions

APPROVED DOCUMENT – This document is approved by the Office of the President and Office of the General Counsel for use by the Facility and is available on electronic media.

PURPOSE OF DOCUMENT:	Provides confirmation that the Proposal is secured with a bond.			
CROSS-REFERENCE TO FACILITIES MANUAL:	[!]:4.5.5			
CONTENTS:	Bid Bond form			
FOR USE WITH:	CM/Contractor Agreement			
COMPLETED BY:	✓	Filling in	Adding Text	No Data Required
ITS USE IS:	*	Required	Optional	

* Use of the Bid Bond form is required only when a bond is posted as bid security. The Bidder may instead submit a certified check in the amount of 10 percent of the Anticipated Contract Value as bid security.

NOTE: To use the electronic file of this document, you must go to the “Tools” pull down menu in Microsoft Word, select “Options,” select the “View” tab, and then put a check in the box “Hidden text.” Most instructions and alternate language is displayed in hidden text. Do not print the hidden text for the final document.

Completion Instructions:

1. If the Bid Bond is required for funding purposes to be valid for a period different than the 90 days shown, insert the required number of days.
2. Notes, suggested text, instructions and other information is formatted using the following methods:
 - Hidden text within brackets. Read the material within the brackets and take the appropriate action (usually inserting text or selecting from a choice of texts.) When printing this document, the default print property will not print the hidden text.
 - Coded instruction within brackets. {This is an example of the format.} The instructions and shading will disappear when the required information is typed.
 - Suggested text is shaded in gray without brackets (see Modifications and Additions below.)

Modifications and Additions:

1. Areas shaded in gray, without brackets, represent suggested text that may be modified by the Facility to meet the needs of the Project. This is an example of the format. Ensure that any modified or added text is consistent with the Contract Documents.
2. Areas not highlighted in gray, without brackets, shall not be altered without approval of the Office of the President.

Comments:

1. When a Bid Bond is submitted, make sure that the Bidder has listed it on Bid Form.
2. Signature on behalf of the surety must be notarized.

BID BOND

KNOW ALL PERSONS BY THESE PRESENTS:

That we, _____,
as Principal, and _____,
as Surety, are held and firmly bound unto THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, hereinafter called THE REGENTS, in the sum of **[\$Amount]** for payment of which in lawful money of the United States, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT, WHEREAS, Principal has submitted a Bid for the work described as follows:

{Project Name & Location including building, facility, city, county, state}

In the event of the withdrawal of said Bid within the time period specified, or within **{Number}** days if no time period be specified, Principal shall pay to THE REGENTS an amount equal to the difference, not to exceed the amount hereof, between the amount specified in said Bid and such larger amount for which THE REGENTS procure the required work covered by said Bid, if the latter be in excess of the former. Upon the failure of Principal to make such payment, Surety shall pay said amount to THE REGENTS.

In the further event of the disqualification of said Bid due to failure of Principal, within the time period specified, or within **{Number}** days if no time period be specified, (i) to enter into a written agreement, in the prescribed form, in accordance with the Bid and/or (ii) to furnish certificates of insurance, and all other items as required by the Bidding Documents, Principal shall pay to THE REGENTS an amount equal to the difference, not to exceed the amount hereof, between the amount specified in said Bid and such larger amount for which THE REGENTS procure the required work covered by said Bid, if the latter be in excess of the former. Upon the failure of Principal to make such payment, Surety shall pay said amount to THE REGENTS.

In the further event that Principal enters into a written agreement for the work and Principal fails to furnish payment and performance bonds within 10 days of THE REGENTS' issuance of the Notice of Intent, as required by Article 11.3 of the General Conditions, THE REGENTS may:

- (a) Elect to not exercise its Option for Phase 2 and further elect to not award a contract for Construction Work to another contractor, in which case Principal shall pay to THE REGENTS, as liquidated damages for breach of the obligation to timely furnish the appropriate payment and performance bonds, the amount of \$250,000. THE REGENTS, Principal and Surety agree that if event THE REGENTS issues a Notice of Intent; that if thereafter Principal fails to timely furnish payment and performance bonds in accordance with the Bidding Documents; and that if thereafter THE REGENTS elects to not exercise its Option for Phase 2 and not award a contract for Construction Work to another contractor, then THE REGENTS' damages would be extremely difficult or impracticable to determine and that the aforesaid amount is a reasonable sum for such damages. If THE REGENTS elects to proceed in the manner set forth in the first sentence of this subparagraph (a), upon the failure of Principal to pay the \$250,000, Surety shall pay said amount to THE REGENTS.
- (b) Elect to not exercise its Option for Phase 2 and further elect to award a contract for the Construction Work to another contractor, in which case Principal shall pay to THE REGENTS an amount equal to the difference, not to exceed the amount hereof, between the amount of the Option Sum Phase 2 and such larger amount for which THE REGENTS procure the Work, if the latter be in excess of the former, plus liquidated damages at the rate specified in Article 6 of this Agreement, for each day of delay, beyond the 10 days for furnishing payment

and performance bonds, in awarding a contract for the Construction Work to another contractor. If THE REGENTS elects to proceed in the manner set forth in the preceding sentence, upon the failure of Principal to make such payment, Surety shall pay said amount to THE REGENTS.

- (c) Elect to exercise its Option for Phase 2, after Principal furnishes the payment and performance bonds, in which case THE REGENTS will take a credit against the amount of the Contract for liquidated damages for each day of delay in furnishing the payment and performance bonds beyond the 10 days specified in the Bidding Documents. Liquidated damages shall be calculated at the rate specified in Article 6 of the Agreement.

Terms used in this Bid Bond have the same meaning as those terms have in the Bidding Documents for the Work.

In the event suit is brought upon this bond by THE REGENTS, Surety shall pay reasonable attorneys' fees and costs incurred by THE REGENTS in such suit

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of .

_____.

Principal: _____
(Name of Firm)

Surety: _____
(Name of Firm)

By: _____
Title: _____

By: _____
Title: _____

Address for Notices:

NOTE: Notary acknowledgement for individual signing above on behalf of Surety is required. Surety's Power of Attorney must also be attached with Notary Acknowledgement of Signature on Power of Attorney.