

Department of Public Works and Highways (DPWH)

Contract ID:

Contract Name:

Location of the Contract:

PERFORMANCE SECURITY: SURETY BOND

SURETY BOND

By this Bond, _____ as Principal (hereinafter called "the Contractor") and _____ as Surety (hereinafter called "the Surety"), are held and firmly bound unto _____ as Obligee (hereinafter called "the Entity") in the amount of _____, callable on demand, for the payment of which sum well and truly to be made in the types and proportions of currencies in which the Contract Price is payable, the Contractor and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Contractor has entered into a written Contract Agreement with the Entity dated the ___ day of _____ 200__ for _____ in accordance with the documents, drawings, specifications and amendments thereto, which to the extent herein provided for, are by reference made part hereof and are hereinafter referred to as the Contract.

WHEREAS, the same contract requires the Contractors to give a sufficient Performance Security on the above stated sum to guarantee the full and faithful obligations of the Contractors with the said contract.

NOW, THEREFORE, the Condition of this Obligation is such that, if the Contractor shall promptly and faithfully perform the said Contract (including any amendments thereto) then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever the Contractor is declared by the Entity to be in default under the Contract, the Entity shall call on this Bond upon written demand to the Surety, and the Surety shall promptly pay the Procuring Entity the amount required by the Entity to complete the Contract in accordance with its terms and conditions up to a total not exceeding the amount of this Bond.

The right to institute action on this penal bond pursuant to Act No. 3688 of any individual, firm, partnership, corporation and association supplying the Contractor with labor and materials for the prosecution of the works is hereby acknowledged and confirmed.

The liability of the Surety under this Bond will expire on the date of issuance to the Contractor by the _____ of the Certificate of Acceptance of the completed works after the end of the one-year Defects Liability Period of the Contract. This Bond will be cancelled ten (10) days after the expiration unless the Surety is notified in writing of any existing obligation thereunder.

Any suit under this Bond must be instituted before the expiration of one (1) year from the date of the issuance of the said Certificate of Acceptance.

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No right of action shall accrue on this Bond to or for the use of any person or corporation other than the Entity named herein or the heirs, executors, administrators, successors and assigns of the Entity.

In testimony whereof, the Contractor has hereunto set his hand and affixed his seal, and the Surety has caused these presents to be sealed with his corporate seal duly attested by the signature of his legal representative, this ____ day of _____ 200 ____.

SIGNED ON _____ SIGNED ON _____

On behalf of _____ On behalf of _____

By _____ By _____

In the capacity of _____ In the capacity of _____

In the presence of _____ In the presence of _____