

**FORM G1: BID BOND AND AGREEMENT TO BOND**

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(See "Bid Security" clause in Tender document)

No. \_\_\_\_\_

Bond Amount: 10% of Tender

1. \_\_\_\_\_ as principal,

hereinafter called the "Principal", and \_\_\_\_\_  
a corporation created and existing under the laws of Manitoba and duly authorized to transact the business of Suretyship in Manitoba as surety, hereinafter called the "Surety", are held and firmly bound unto The City of Winnipeg as obligee, hereinafter called the "City", in the sum of ten percent (10%) of the Total Bid Price set out in the Bid hereinafter described, for the payment of which sum the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

2. The Principal has submitted a written bid to the City, for (Title and Tender Number):

\_\_\_\_\_

3. The condition of this obligation is such that if the Principal shall have the bid accepted within the Validity Period and:

- a) Enters into a formal contract; and,
- b) Gives such bond or bonds as may be specified in the City's bid documents from a Surety duly authorized to transact the business of Suretyship in the jurisdiction of the project,

then this obligation shall be void. Otherwise, provided the City takes all reasonable steps to mitigate the amount of such excess costs, the Principal and the Surety will pay to the City the difference in money between the amount of the bid of the Principal and the amount for which the City legally contracts with another party for the work, supplies and services which were specified in the said bid, if the latter amount be in excess of the former.

4. The "Validity Period" as used in this Bond shall mean the time period prescribed in the City's bid documents during which the bid, remains valid or, if no time period is specified in the City's bid documents, sixty (60) calendar days, as defined in the Tender, from the closing date of the bid. By agreement between the Principal and the City, the Validity Period may be extended by up to sixty (60) calendar days without notice to the Surety. Further or longer extensions of the Validity Period require prior consent of the Surety.

The Principal and Surety shall not be liable for a greater sum than the Bond Amount.

It is a condition of this bond that any suit or action must be commenced within one (1) year of the date of this Bond.

The Surety agrees to issue for the Principal:

- A. a Performance Bond in an amount equal to fifty percent (50%) of the Contract Price for the due and proper performance of the Work shown and described in the Tender; and
- B. a Labour and Material Payment Bond in an amount equal to fifty percent (50%) of the Contract Price for the payment for all labour, service and material used or reasonably required for use in the performance of the Work shown and described in the Tender;

If the Principal's Bid is accepted by the City and thereby a contract has been formed, such Performance Bond and Labour and Material Payment Bond (the "Bonds") to be maintained and continue in full force and effect until the expiration of the warranty period.

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The Bonds shall be in the form specified in the Tender

No right of action shall accrue hereunder to or for the use of any person or corporation other than the City named herein, or the heirs, executors, administrators or successors of the City.

The Surety:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

IN WITNESS WHEREOF the Principal and Surety have signed and sealed this bond dated

\_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_.

SIGNED AND SEALED  
In the presence of

ATTORNEY IN FACT

**Principal**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of person signing

**Surety**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of person signing