

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that

_____, as Principal, and
(Name of Contractor)

_____, as Surety,
(Name of Surety)

a corporation duly organized under the laws of the State of _____, licensed to do business in the State of Montana, are held and bound unto the Montana Department of Transportation, as the Obligee, in the sum of ten percent (10%) of the amount bid, for payment of which the Principal and Surety, bind themselves, jointly and severally.

Surety and Principal understand and agree that this Bond has been requested, and is given, as bid security under the provisions of §18-1-201 *et seq* and §18-2-302, MCA. This Bond is submitted as a condition precedent for Obligee's consideration of Principal's bid, as evidence of the Principal's good faith (e.g., complying with Obligee's bid procedures, such as providing bid documentation), and to fully indemnify the Obligee for Obligee's benefit against any possible failure or refusal by the Principal to enter into any written contract that may be awarded to it by the Obligee following the Obligee's acceptance of the Principal's bid.

The Principal expressly covenants that it will not withdraw the bid herewith submitted, will comply with the "AWARD OF CONTRACT" provision contained in Principal's PROPOSAL, and, if it is awarded the contract, will, within the time stated in the "AWARD OF CONTRACT" provision, enter into a formal contract and give a good and sufficient bond to secure the performance of the terms and conditions of the contract.

Signed this _____ day of _____, Year: _____, for Project Number _____

THE CONDITIONS OF THIS OBLIGATION ARE: that if Obligee accepts the bid of Principal and Principal enters into a contract with Obligee for the project and gives bond with good and sufficient surety for the faithful performance of such contract: or in the event of the failure of Principal to demonstrate its good faith or to enter into the contract and give the bond, if Principal pays to Obligee the difference (not to exceed the penalty hereof) between this bid amount and the amount for which Obligee legally contracts with another party to perform that work, if the latter amount be in excess of the former, then this obligation shall be null and void, otherwise to remain in full force and effect.

Name of Principal

SEAL (if applicable)

** By: _____

Name of Surety Company

SEAL

** By: _____

Title: _____

** **THIS BOND MUST BE SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE SURETY AND THE PRINCIPAL. UNSIGNED BONDS ARE NOT RESPONSIVE AND A BID WILL BE REJECTED IF THE BOND IS NOT PROPERLY SIGNED.**

NOTE: A copy of the agent's Power of Attorney for the Surety Company must be attached to this bond form.