

Performance Guarantee in respect of:

Contract between <<Supplier>> and High Peak Borough Council

We are informed by <<Supplier>> ("the Seller") that they have entered into a contract with you for the supply of <<details>> to the value of £XXX, and in this connection we have been requested to issue a Performance Guarantee. The contract will commence in <<XXX>>

Therefore, we, <<XXX>> irrevocably undertake to pay you any amount or amounts not exceeding in aggregate 10% of £XXX, despite any objection by the Seller, upon receipt by us of your first demand made in accordance with the claim procedure detailed below.

Your demand must be received by us on or before <<date/period>> and must be accompanied by:

- a. a copy of your notice to the Seller (dated at least 30 days prior to the date of your demand), informing the Seller of a breach of their obligations under this contract
- b. the nature of the breach and of your intention to demand payment under this Guarantee if the breach is not remedied within 30 days from the date of your notice; and
- c. your signed declaration stating that the Seller has failed to remedy the breach detailed in your notice by the date specified.

Any demand under this Guarantee must be submitted by letter and the signature(s) on the demand authenticated by your bankers.

A demand submitted by facsimile transmission will not be accepted.

Any demand and documents specified at a) and b) above shall be accepted as conclusive evidence that the amount claimed is due to you under this Guarantee.

**ALWAYS PROVIDED THAT:**

Our liability under this Guarantee is limited to an amount or amounts not exceeding in aggregate 10% of £XXX

This Guarantee will come into force on <<date>>

This Guarantee will expire on completion of the contract and any demand hereunder and the documents specified in clauses a) and b) above must be received by us at this office in accordance with the aforesaid claim procedure on or before that date, after which this Guarantee will become of no effect whatsoever whether returned to us or not.

This Guarantee is personal to yourselves and is not transferable or assignable.

This Guarantee shall be governed by and construed in accordance with the Laws of England and Wales and shall be subject to the exclusive jurisdiction of the English Courts.

Signed ..... Date .....

Name and position at Bank.....

Signed ..... Date .....

Name, position, company name .....

Signed ..... Date .....

Name, position, company name .....

One copy of the signed Bond should be returned to Legal Services, High Peak  
Borough Council Town Hall Buxton Derbyshire SK17 6EL