

ADVANCE PAYMENT BOND

Know all men these presents:

That we _____ of P.O. Box _____ Nairobi as Contractor and _____ of P.O. Box _____ Nairobi as Surety, are held and firmly bound to _____ as Principal in the sum of Kshs _____ to the payment of which, well and truly to be made, the Contractor and the surety bind themselves, the heirs, executors and successors, jointly and severally firmly by these presents.

Whereas the Contractor has entered into a contract dated _____ with the Principal for

_____ and whereas the contract between the Contractor and the Principal provides that the Principal shall make an advance payment to the Contractor in the amount of Kshs _____.

Now, therefore, the condition of the above obligation is such that, if the above bound Contractor shall well and truly perform his obligation as set forth in the said Contract or in the event of non-fulfillment to his obligations under the said Contract, the above-bound contractor shall repay the Principal the sum

of Kshs _____ or such part thereof as will be outstanding or in the event of default by the above-bound contractor the Surety shall satisfy and discharge the Principal to the sum of Kshs _____

_____ or such part thereof as will be outstanding, then this obligation shall be void, otherwise it will remain in full force and effect.

The amount of this Bond shall be reduced by the value of the said materials delivered to site until the total amount of funds advanced has been recovered.

The Bond will be returned to the Contractor as soon as the advance payment has been so recovered.

In witness whereof we have hereunto set our hands this _____ day of _____ 20__

Witness _____

Signature of Surety _____

Name of Witness _____

Address _____

Signed under Power of Attorney No. _____