

**BHUTAN POWER CORPORATION LIMITED  
PROCUREMENT SERVICES DEPARTMENT  
THIMPHU: BHUTAN**



(Tender No. **BPC/HRA-PSD/2010/02** dated 17<sup>th</sup> January **2010**)

**BID DOCUMENT  
FOR  
BPC CANTEEN RUNNING  
&  
PROVIDING CATERING SERVICES TO BPC**

January 2010



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**Bhutan Power Corporation Limited**  
Procurement Services Department  
Thimphu : Bhutan

**SALIENT FEATURES OF THE BID**

Sl #	Item	Remark
1.	Tender No. & date	BPC/HRA-PSD/2010/02 <b>dated 17<sup>th</sup> January 2010</b>
2.	Item Descriptions	BPC Canteen Running and Providing Catering Services to BPC
3.	Bid Details: a) Date of Sale: b) Cost of document: c) Place of Sale: d) Date of submission: e) Place of submission: f) Opening Date: g) Place of Opening:	18 <sup>th</sup> January 2010 to 1 <sup>st</sup> February 2010 Nu. 300.00 (Non-refundable) PSD, BPC, Thimphu 2 <sup>nd</sup> February 2010 till 15:00 hours PSD, BPC, Thimphu 2 <sup>nd</sup> February 2010 at 15:30 hours BPC Tender Opening Room, Thimphu
4.	Bid Security (EMD)	Nu. 2,000.00
5.	Bid Validity Period	90 days from the date of bid opening
6	EMD Validity	120 days from the date of bid opening (up to 4 <sup>th</sup> June 2010)

## **SECTION I**

### **INSTRUCTION TO BIDDERS**

#### **1. Scope of Bid**

- 1.1 The Procurement Services Department, Bhutan Power Corporation Limited, (hereinafter referred to as "**the Employer**") wishes to receive bids for the canteen contract and providing catering services in the offices (hereinafter referred to as "**contractor**") as detailed in PRICE SCHEDULE.

#### **2. Eligible Bidders**

- 2.1 Invitations for bids is open to all the firms holding a valid trade license of restaurants and hotel under the Ministry of Economic Affairs (erstwhile Ministry of Trade & Industry of RGoB) and have been trained by BAFRA, a supporting evidence to corroborate the claim should be enclosed.

#### **3. Cost of Bidding**

- 3.1 The Bidder shall bear all costs associated with the preparation and delivery of its bid and the Employer will in no case be responsible or liable for those costs.

#### **4 Joint Ventures**

- 4.1 Joint Venture shall not be allowed.

#### **5 Bidding Documents**

- 5.1 The services required, bidding procedures and Contract terms are prescribed in the bidding documents.
- 5.2 The Bidder is expected to examine the bidding documents, including all instructions, forms, and terms. Failure to furnish all information required by the bidding document or submission of a bid not substantially responsive to the Bidding Document in every respect shall result in the rejection of that Bid.

#### **6 Clarification of Bidding Documents**

- 6.1 Prospective bidders requiring any further information or clarification of the bidding document may notify the employer in writing or by fax at the employer's mailing address indicated in the Invitation for Bids. The employer will respond in writing to any request for information or clarification of the bidding documents, which it receives no later than 5 (five) days prior to the deadline for the submission of Bids prescribed by the employer. The employer's response (including an explanation of the query) will be sent in writing or by fax to all prospective bidders who have purchased the Bidding Document.

#### **7. Amendment of Bidding Document**

- 7.1 At any time prior to the deadline for submission of bids, the employer may, for any

reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the Bidding Documents by addendum.

7.1.1 The amendment shall be part of the Bidding Documents, pursuant to Sub-Clause 7.1 and it will be notified in writing or by fax to all prospective bidders who have received the Bidding Documents, and will be binding on them.

7.1.2 In order to afford prospective bidders reasonable time in which to take the amendment into account in preparing their Bids, the employer may, at its discretion, extend the deadline for the submission of Bids.

## **8 Language of Bid: English/Dzongkha**

The Bid prepared by the Bidder, and all correspondence and documents relating to the Bid exchanged by the Bidder and the employer, shall be written in the *English/ Dzongkha* language. Any printed literature furnished by the bidder may be written in any other language, provided that this literature is accompanied by an English translation, in which case, for purposes of interpretation of the Bid, the *English* translation shall govern.

## **9 Documents Comprising the Bid**

- (a) Bid Form and Price Schedule
- (b) Bidder shall produce valid trade license issued by Ministry of Economic Affairs erstwhile Ministry of Trade and Industry
- (c) certificate of quality compliance from BAFRA
- (d) Bid security.

## **10 Bid Form**

The bidder shall complete an original and one copy of the Bid Form and the appropriate Price Schedules furnished in the Bidding Documents.

## **11 Bid Prices**

*11.1* The bidder shall complete the appropriate Price Schedules.

*11.2* *Prices quoted by the bidder shall remain fixed for the entire contract duration and will not be subject to variation on any account.*

## **12 Bid Security**

12.1 The bidder shall furnish, as part of its Bid, Nu. 2,000.00 (Two thousand only) as earnest money.

**12.2 The Bid security shall be valid for 120 days from the date of tender opening (i.e. valid up to 2<sup>nd</sup> June 2010) and shall be in the form of; Bank Guarantee/Demand Draft/Cash Warrant This shall be drawn in favor of Chief Finance Officer, Finance**

and Accounts Department, BPC, Thimphu

- a. Bank guarantee issued by a reputable bank acceptable to the employer in the form provided in the Bidding Document or another form acceptable to the Employer
- b. Banker's certified cheque cash warrant, demand draft.

12.3 Any Bid not secured in accordance with above Sub-Clause 12 .1 and 12 .2 above shall be rejected by the employer as non-responsive.

12.4 An unsuccessful Bidder's bid security will be discharged/returned as promptly as possible upon award of Contract to the successful bidder, but in any event not later than thirty (30) days after the expiration of the period of bid validity prescribed by the employer.

12.5 The successful Bidder's bid security will be discharged/returned upon furnishing the performance security, pursuant to Clause 28 and the Bidder's executing the Contract, pursuant to Clause 27.

12.6 The bid security may be forfeited:

- (a) If a bidder withdraws its Bid during the period of bid validity.
- (b) In the case of a successful Bidder, if the Bidder fails

12.1.1 To sign the Contract in accordance with Clause 27; or

12.1.2 To furnish the performance security in accordance with Clause 28.

### **13 Period of Validity of Bids**

13.1 *Bids shall remain valid for 90(Ninety) days from the date of bid opening prescribed by the Purchaser.*

13.2 The employer may solicit bidder's consent to an extension of the period of bid validity. The request and the responses thereto shall be made in writing or by fax. If the bidder agrees to the extension request, the validity of the bid security shall also be suitably extended. A Bidder may refuse the request without forfeiting its bid security. Bidders granting the request will not be required or permitted to modify its Bid.

### **14 Format and Signing of Bid.**

14.1 The original Bid Form and accompanying documents (as specified in Clause 9), clearly marked "Original Bid", plus (one) copy must be received by the employer at the date, time and place specified pursuant to Clauses 16. In the event of any discrepancy between the

original and the copies, the original shall govern.

14.2 The original and copy of the bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person(s) duly authorized to sign on behalf of the Bidder. Written power-of-attorney accompanying the Bid shall indicate such authorization. The person or persons signing the Bid shall initial all pages of the Bid, except for un-amended printed literature. The name and position held by each person signing must be typed or printed below the signature.

14.3 The Bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such correction shall be initialed by the person or persons signing the Bid.

### 15 Sealing and Marking of Bids

15.1 The bidder shall seal the original and copy of the Bid in an inner and an outer envelope, duly marking the envelopes as "original" and "copy".

15.2 Be addressed to the employer at the following address

**The General Manager,  
Procurement Services Department  
Bhutan Power Corporation Limited  
Thimphu: Bhutan**

15.3 **Bear the words ("BPC Canteen Running and Providing Catering Services in the BPC"), the Tender Number and the words "DO NOT OPEN BEFORE 15:30 hours on 2<sup>nd</sup> February 2010"**

The envelope shall indicate the name and address of the bidder to enable the Bid to be returned unopened in case it is declared "Late".

15.4 If the outer envelope is not sealed and marked as required by Sub-Clause 15.1, the employer will not be responsible for the bid misplacement or premature open.

### 16 Deadline for submission of Bids

16.1 The original Bid, together with the copy must be received by the employer no later than **15:00 Hours on 2<sup>nd</sup> February 2010**.

16.2 The employer may, at its discretion, extend the deadline for the submission of Bids by amending the Bidding Documents, in which case all rights and obligations of the employer and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

### 17 Late Bids

- 17.1 Any Bid received by the employer after the deadline for submission of Bids prescribed by the employer will be declared "Late" and rejected and returned unopened to the Bidder.

## **18 Opening of Bids by Employer**

The employer will open Bids, in the presence of bidders' representatives who choose to attend at **15:30 Hours on 2<sup>nd</sup> February 2010** and at the following location,

*Tender Opening Room,  
Bhutan Power Corporation Limited  
Thimphu: Bhutan*

## **19 Process to be Confidential**

- 19.1 Information relating to the examination, clarification, evaluation and comparison of Bids and recommendations for the award of a contract shall not be disclosed to Bidders or any other persons not officially concerned with such process. Any effort by a Bidder to influence the employer's processing of Bids or award decisions may result in the rejection of the Bidder's Bid.

## **20 Clarification of Bids**

- 20.1 To assist in the examination, evaluation and comparison of Bids, the employer may, at its discretion, ask the bidder for a clarification of its Bid. All responses to requests for clarification shall be in writing, and no change in the price or substances of the Bid shall be sought, offered or permitted.

## **21 Preliminary Examination of Bids**

- 21.1 The employer will examine the Bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the Bids are generally in order.
- 21.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price per item that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price per item will be corrected. If there is a discrepancy between the Total Amount and the sum of the Total price per item, the sum of the total price per item shall prevail and the Total Amount will be corrected.
- 21.3 A Bid determined as not substantially responsive will be rejected by the employer and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

## **22 Evaluation and Comparison of Bids.**

- 22.1 The employer will evaluate and compare the Bids previously determined to be substantially responsive on lot wise basis.

**23 Contacting the Purchaser**

- 23.1 No bidder shall contact the employer on any matter relating to its Bid, from the time of bid opening to the time the Contract is awarded. Any effect by a Bidder to influence the employer in the employer's decisions in respect of bid evaluation, bid comparison or Contract awards will result in the rejection of the bidder's Bid.

**24 Employer's Right to Accept Any Bid and to Reject Any or All Bids**

- 24.1 The employer reserves the right to accept or reject any Bid and to annual the bidding process and reject all Bids at any time prior to award of Contract, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the ground for the employer's action.

**25 Post qualification and Award**

- 24.1 The Employer will determine to its satisfaction whether the Bidder selected as having submitted the lowest-evaluated, responsive Bid is qualified to satisfactorily perform the Contract.
- 24.2 An affirmative determination will be a prerequisite for award of the Contract to the Bidder. A negative determination will result in rejection of the Bidder's Bid.
- 24.3 The Employer will award the Contract to the successful Bidder whose Bid has been determined to be the lowest-evaluated responsive Bid, provided further that the Bidder is determined to be qualified to satisfactorily perform the Contract.

**26 Notification of Award**

- 26.1 The employer will notify the successful Bidder in writing by registered letter, or by fax to be confirmed in writing by registered letter, that its Bid has been accepted and on which basis the Bid has been accepted.
- 26.2 The Notification of Award will constitute the formation of a Contract, until the Contract has been affected pursuant to Clause 27.

**27 Signing of Contract**

- 27.1 At the time of Notification of Award, the employer will send the successful Bidder the Contract Form provided in those Bidding Documents, incorporating all agreements between the parties.
- 27.2 Within fifteen (15) days of receipt of such Contract Form, the successful Bidder shall sign and date the Contract and return it to the employer.

**28 Performance Security**

- 28.1 Within 10 (Ten) days of the receipt of notification of award of contract, the successful Bidder shall furnish the performance security, in accordance with the Conditions of Contract.
- 28.2 The Performance Security of **Nu. 20,000.00** shall be furnished by the successful Bidder in the form of Demand Draft/Cash Warrant/Bank Guarantee issued by the institution reflected in the clause 12.2. The performance security should be valid for three years from the date of running the canteen and the proceeds of the performance security shall be payable to the employer as compensation for any loss resulting from the contractor's failure to complete its work under the Contract.

## **SECTION II CONTRACT CONDITIONS**

1. The contractor should have the minimum experience of three years in running of the canteen, hotel, restaurant and cafeteria. The contractors with inadequate experience as mentioned are liable for rejection.
2. The contract shall be initially for a period of three years and may be extended for a further period at the discretion of BPC management on the same terms and conditions or with some addition/deletion/ modification.
3. The employer reserves the right to terminate the contract at any time without assigning any reasons by giving a one month notice to the bidder.
4. Applicable taxes will be deducted at source at the time of settlement of Bills.
5. No escalation in rates on any account will be entertained during the contract period. Also, no subsidy will be given over the quoted rate.
6. The Contractor shall be provided with canteen space, water, an intercom free of charge and in lieu of that the contractor shall provide food/tea/coffee, beverages, snacks and other eatables at the rates and quality to be approved by the BPC management. However, the Electricity charges and Telephone charges have to be borne by the contractor.
7. Crockery items and catering dishes to be arranged by the contractor.
8. The Preparation of vegetarian and non vegetarian item shall be carried out separately without any intermixing of food items, plates, spoons and other cutlery.
9. Apart from prescribed standard menu (usually served) mentioned in the tender document, BPC will have the right to prescribe different menu for breakfast, lunch, tea etc with variable cost depending upon the need and occasion.
10. The contractor has to provide tea/coffee/snacks on desk on demand from BPC employees.
11. Canteen Contractor will ensure the supply of morning and evening tea to staff and officers found sitting at their working places at 10:30 hours and 15:30 hours respectively on all working days and will be paid by the company(BPCL)

### **Minimum Numbers**

**Morning and Evening tea on all working days 200 persons**

12. BPC management shall check the quality and quantity of the items supplied and served.

13. Complaints received from the staff on the quality of food will be viewed seriously and penalty will be levied in such cases. The penalty could be the cost of entire food items prepared on the date of complaint.
14. The contractor will get all his workers medically examined at regular interval from approved hospital, to ensure top hygiene both physically and mentally.
15. No child labor to be engaged.
16. The contractor shall appoint adequate staff and a manager as overall in-charge, the bidder shall ensure that the workmen staffs in the catering are suitably trained, well mannered and should be in National dress.
17. During the time of catering services, all the items must be displayed twenty (20) minutes before the serving.
18. The Server has to be neatly dressed with white apron.
19. A roller tray must be used for movement of tea items within the complex. Apart from the Standard menu mentioned in the tender document, the contractor has to prepare a menu for the rest of the items that are not included in the tender document. The rate for that prepared menu should be presented to BPC Management and get approval from the BPC management.
20. Apart from prescribed standard menu (usually served) mentioned in the tender document, the BPC Management and BPC staffs will have the right to prescribe different menu for Breakfast, Lunch, high tea etc with variable cost as per the rates that is being approved by the BPC Management.
21. The Contractor will have to keep the canteen open from 07.00 a.m. to 8.30 p.m. from Monday to Friday. If need to be opened on holidays, BPC shall inform in advance.
22. The contractor shall not be allowed to transfer, assign, pledge or sub-contract its rights and liabilities under this contract to any other agency without prior written consent of BPC management.
23. In case of any food poisoning/Contamination the bidder will be held fully responsible and he will bear all the expenses caused due to food poisoning/Contamination.
24. The sale of all illegal products and Liquor is prohibited in the office campus. Failure to abide by this clause shall be liable for penalty as per the laws of the Kingdom of Bhutan by the law enforcing agencies.
25. The Contractor and his staff should adhere by the Security norms of the Company (**Bhutan Power Corporation**)
26. The bidder shall not sublet or assign the license or use the space provided for running the canteen for purposes other than running a canteen and shall not allow anybody or reside in

the licensed premises and shall not use the same or part of it for stocking or keeping articles other than those needed for use in the canteen nor shall be made or permit to be made any structural additions and alterations to the same without written sanction of the Management.

27. BPC management shall not be responsible for any damages, losses, theft, claims, financial or other injury to any canteen workers deployed by the bidder in the course of their performing the functions/ duties, or for payment towards any compensation.

**General Manger**

**(Section III)**

**BID FORM AND PRICE SCHEDULE**

**BID FORM**

General Manager,  
Human Resources Department,  
Bhutan Power Corporation Ltd.,  
**Thimphu**

Sir,

Having visited the site and examined the Bidding documents for the above Contract, including the specifications, Quantities of the foods etc. of the above named work, we offer to serve foods and run the canteen in conformity with the conditions of the Contract, specifications, and the bill of Quantities of this tender documents or such other sum as may be ascertained in accordance with the said conditions of contract.

We agree to abide by this tender for the period of three years from the date fixed for receiving the same and it shall remain binding upon us and may accepted at any time before the expiry of the period.

Unless and until a formal agreement is prepared and executed this tender together with your written acceptance thereof shall constitute a binding contract between us

If our Bid is accepted, we will provide the performance security in the sum of ..... (Amount), for the due performance of the contract. We agree to abide by this Bid for the period of ..... days from the date fixed for bid closing pursuant to Clause 13 of the Instructions to the Bidders, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept the lowest-priced or any Bid you may receive.

Dated this ..... day of .....2010

.....  
(Signature)

.....  
(In the capacity of)  
Duly authorized to sign Bid for and on behalf of .....  
.....

.....  
(Signature of Witness)  
Witness .....  
Address .....

**Lot 1: Price Schedule**

Sl. No.	Item menu	Rate
<b>1</b>	<b>Breakfast (Vegetarian)</b>	
1.1	- Cheese Momo with soup & azeay	
1.2	- T-momo with Emadatse	
1.3	- fry rice with azeay	
1.4	- Puri	
1.5	- Alu dham	
1.6	- Chowmen	
1.7	- Channa	
<b>2</b>	<b>Breakfast (Non Vegetarian)</b>	
2.1	- (Beef/Pork) Momo with soup and azeay	
2.2	- (Beef/Pork) fry rice with azeay	
2.3	- Chicken Chowmen	
2.4	- Beef/Pork chowmen	
<b>3</b>	<b>lunch(Vegetarian)</b>	
3.1	- Red rice	
3.2	- White Rice	
3.3	- Mushroom Dhatse	
3.4	- Kawa Dhatse	
3.5	- Ema Dhatse	
3.6	- mutter paneer	
3.7	- Mixed vegetable	
<b>4</b>	<b>Lunch (Non Vegetarian)</b>	
4.1	- Shakam Paa	
4.2	- Beef Curry	
4.3	- Sikam Paa	
4.4	- Beef/pork chilli	
4.5	- Mutton Curry	
4.6	- Chicken Chilli	
4.7	- Chicken Curry	
4.8	- Fish Curry	
4.9	- Green Salad	
4.10	- Desert(Fruit Cocktail)	
4.11	- Naan	
4.12	- Dal or Jaju	
<b>5</b>	<b>Tea(black /normal)</b>	

<b>6</b>	<b>Coffee(black or narmal) or suja</b>	
<b>7</b>	<b>suja</b>	

**SECTION V**  
**SAMPLE FORMS**

Table of Sample Forms

1. Bid Security Form
2. Contract Form
3. Performance Security Form

## Bid Security Form

WHEREAS MESSRS \_\_\_\_\_ (Hereinafter called "the Bidder") has submitted its bid dated \_\_\_\_\_ for running canteen and catering services against Lot # \_\_\_\_\_ (Insert Brief Description of the Goods) (Hereinafter called "the Bid").

KNOW ALL MEN by these present that WE \_\_\_\_\_ of \_\_\_\_\_ having our registered office at \_\_\_\_\_ (hereinafter called "the Bank") are bound unto the (The General Manager, Human Resources Department, Bhutan Power Corporation Limited, Thimphu: Bhutan) (hereinafter called the Purchaser) in the sum of Ngultrum \_\_\_\_\_ only, for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successor and assigns, by these presents. Sealed with the Common Seal of the Bank this \_\_\_\_\_ day of \_\_\_\_\_ 2010

THE CONDITIONS of this obligation are:

1. If the Bidder withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
2. If the Bidder, having been notified of the acceptance of its Bid by the Purchaser during the period of bid validity:
  - (a) fails or refuses to execute the Contract Form, when requested; or
  - (a) fails or refuses to furnish the Performance Security, in accordance with the instructions to Bidder;

We undertake to pay to the Purchaser up to the above amount, according to, and upon receipt of, its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two above-stated conditions, specifying the occurred condition or conditions.

This guarantee will remain 3(three) year validity from the date of bid submission.

(NAME OF BANK)

BY

(Title)

Authorized Representative

\_\_\_\_\_  
(Signature of Witness)

Name of Witness

\_\_\_\_\_

Address of Witness

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Contract Form**

THIS CONTRACT made the \_\_\_\_\_ day of \_\_\_\_\_ 2008, between General Manager, human Resources Department, Thimphu of the Bhutan Power Corporation Limited (hereinafter "the Purchaser") of the one part and \_\_\_\_\_ (Name of service provider) of \_\_\_\_\_ (hereinafter "services") of the other part.

WHEREAS the Purchaser is desirous for engaging of canteen contractor for serving foods/tea/coffee/biscuits/snacks etc. to our officers and staffs in our office below Taj Hotel, Chubachu as per specifications and the scope of works.

And whereas the contractor has agreed to execute upon and subject to the conditions and instructions set further herein (hereinafter referred to as 'The Said Conditions') the work described in the specification and included in the said schedule of the items as per quoted rates

**NOW THIS CONTRACT WITNESSETH AS FOLLOWS:**

1. The Contract shall consist of this Contract Form: and the following documents, and the exhibits, specifications and other documents referred to therein (hereinafter the "Contract documents"), all of which by this reference are incorporated herein and made part hereof:
  - (a) Notification of Award;
  - (b) Price Schedules and Specifications;
  - (c) Special Conditions of Contract; and
  - (d) The Bid Document

This Contract sets forth the entire contract and agreement between the parties pertaining to the running canteen and catering services described herein and supersedes any and other earlier verbal or written agreements pertaining to the same.

This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.

2. In consideration of the payments to be made by the employer to the contractor as hereinafter mentioned, the contractor hereby covenants with the Purchaser to provide the services therein in conformity in all respects with the provisions of the Contract.
3. Any notice under this Contract shall be in the form of letter, telex, cable or facsimile. Notices to either party shall be given at such address or addresses as such party shall specify from time to time by written notice to the other. In the absence of such notice to the contrary, notice to

the

[employer's address and electronic transmission address]

\_\_\_\_\_  
\_\_\_\_\_

A notice shall be effective when delivered or on the notice's effective date, whichever is later.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed in accordance with their respective laws the day and year first above written.

\_\_\_\_\_  
Signature of employer

\_\_\_\_\_  
Signature of contractor

Signed, sealed and delivered by the said \_\_\_\_\_  
(For the employer) in the presence of \_\_\_\_\_

Signed, sealed and delivered by the said \_\_\_\_\_  
(For the contractor) in the presence of \_\_\_\_\_

**Performance Security Form**

To:  
The General Manager,  
Finance and Accounts Department,  
Bhutan Power Corporation,  
**Thimphu: Bhutan.**

WHEREAS \_\_\_\_\_ (Name of the contractor) hereinafter called "the contractor", has undertaken to run the canteen in pursuance of Contract # BPC/HRAD/2009/\_\_\_\_\_ dated \_\_\_\_\_2010, hereinafter called "the Contract";

AND WHEREAS it has been stipulated by you in the Contract the Supplier shall furnish you with a Bank Guarantee by a recognized Bank for the sum specified therein as security for compliance with the contractor's performance obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the contractor a Guarantee; THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the contractor, up to a total of

\_\_\_\_\_  
(Amount of the guarantee in words and figures) and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract, and without cavil or argument, any sum or sums as specified by you, within the limit of \_\_\_\_\_ (amount of guarantee) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until \_\_\_\_\_ day of \_\_\_\_\_2012.

(NAME OF GUARANTOR)

By \_\_\_\_\_  
(Title)  
Authorized Representative

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

