Advance Payment Bonds 2011

The following bonds have been agreed between the JCT and the British Bankers’ Association:

- for use with SBC 2011
- for use with IC & ICD 2011
- for use with DB 2011
- for use with CM/TC 2011
Advance Payment Bond
(Agreed between the JCT and the British Bankers’ Association)

1 THE parties to this Bond are:

______________________________________________________________________________

whose registered office is at _______________________________________________________

______________________________________________________________________________

‘the Surety’), and

______________________________________________________________________________

of ___________________________________________________________________________

______________________________________________________________________________

‘the Employer’).

2 The Employer and ____________________________________

_____________ (‘the Contractor’)

have agreed to enter into a contract ('the Contract') for building works ('the Works') at __________

______________________________________________________________________________

3 The Employer has agreed to pay the Contractor the sum of [_____________________________]

as an advance payment of sums due to the Contractor under the Contract ('the Advance Payment')

for reimbursement by the Surety on the following terms:

·1 when the Surety receives a demand from the Employer in accordance with clause 3·2 below

the Surety shall repay the Employer the sum demanded up to the amount of the Advance

Payment;

·2 the Employer shall in making any demand provide to the Surety a completed notice of

demand in the form of the Schedule attached hereto which shall be accepted as conclusive

evidence for all purposes under this Bond. The signatures on any such demand must be

authenticated by the Employer’s bankers;

·3 the Surety shall within 5 Business Days after receiving the demand pay to the Employer the

sum so demanded. ‘Business Day’ means the day (other than a Saturday or a Sunday) on

which commercial banks are open for business in London.

4 Payments due under this Bond shall be made notwithstanding any dispute between the Employer

and the Contractor and whether or not the Employer and the Contractor are or might be under any

liability one to the other. Payment by the Surety under this Bond shall be deemed a valid payment

for all purposes of this Bond and shall discharge the Surety from liability to the extent of such

payment.

5 The Surety consents and agrees that the following actions by the Employer may be made and

done without notice to or consent of the Surety and without in any way affecting changing or

releasing the Surety from its obligations under this Bond and the liability of the Surety hereunder

shall not in any way be affected hereby. The actions are:

·1 waiver by the Employer of any of the terms, provisions, conditions, obligations and

agreements of the Contractor or any failure to make demand upon or take action against the

Contractor;

·2 any modification or changes to the Contract; and/or
the granting of any extensions of time to the Contractor without affecting the terms of clause 7·3 below.

6 The Surety's maximum aggregate liability under this Bond which shall commence on payment of the Advance Payment by the Employer to the Contractor shall be the amount of __________________ which sum shall be reduced by the amount of any reimbursement made by the Contractor to the Employer as advised by the Employer in writing to the Surety.

7 The obligations of the Surety under this Bond shall cease upon whichever is the earliest of:

·1 the date on which the Advance Payment is reduced to nil as certified in writing to the Surety by the Employer;
·2 the date on which the Advance Payment or any balance thereof is repaid to the Employer by the Contractor (as certified in writing to the Surety by the Employer) or by the Surety; and
·3 [longstop date to be given],

and any claims hereunder must be received by the Surety in writing on or before such earliest date.

8 This Bond is not transferable or assignable without the prior written consent of the Surety. Such written consent will not be unreasonably withheld.

9 Notwithstanding any other provisions of this Bond nothing in this Bond confers or is intended to confer any right to enforce any of its terms on any person who is not a party to it.

10 This Bond shall be governed and construed in accordance with the laws of England and Wales.

________________________
IN WITNESS whereof this Deed of Guarantee has been duly executed and delivered on the date below:

Signed as a Deed by: _____________________________________________________________

as the Attorney and on behalf of the Surety: ____________________________________

In the presence of:

_______________________________________________________________________

witness’ signature

_______________________________________________________________________

witness’ name

_______________________________________________________________________

witness’ address

Date: _______________________________________

_______________________________________________________________________
Schedule to Advance Payment Bond
(clause 3·2 of the Bond)

Notice of Demand

Date of Notice: ______________________________________________________________

Date of Bond: ______________________________________________________________

Employer: ______________________________________________________________

Surety: ______________________________________________________________

The Bond has come into effect.

We hereby demand payment of the sum of

£__________________________________________________________ (amount in words)

which does not exceed the amount of reimbursement for which the Contractor is in default at the
date of this notice.

Address for payment: ______________________________________________________

___________________________________________________________________________

This Notice is signed by the following persons who are authorised by the Employer to act for and
on his behalf:

Signed by ______________________________________________________________________

Name: ______________________________________________________________

Official Position: ______________________________________________________

Signed by ______________________________________________________________________

Name: ______________________________________________________________

Official Position: ______________________________________________________

The above signatures to be authenticated by the Employer’s bankers
Advance Payment Bond
(Agreed between the JCT and the British Bankers’ Association)

1 THE parties to this Bond are:

______________________________________________________________________________
whose registered office is at ________________________________________________
________________________________________________________________

______________________________________________________________________________

of __________________________________________________________________________

________________________________________________________________

2 The Employer and _________________________________________________ (‘the Contractor’)

have agreed to enter into a contract (‘the Contract’) for building works (‘the Works’) at __________

______________________________________________________________________________

3 The Employer has agreed to pay the Contractor the sum of [______________________________] as an advance payment of sums due to the Contractor under the Contract (‘the Advance Payment’) for reimbursement by the Surety on the following terms:

·1 when the Surety receives a demand from the Employer in accordance with clause 3·2 below the Surety shall repay the Employer the sum demanded up to the amount of the Advance Payment;

·2 the Employer shall in making any demand provide to the Surety a completed notice of demand in the form of the Schedule attached hereto which shall be accepted as conclusive evidence for all purposes under this Bond. The signatures on any such demand must be authenticated by the Employer’s bankers;

·3 the Surety shall within 5 Business Days after receiving the demand pay to the Employer the sum so demanded. ‘Business Day’ means the day (other than a Saturday or a Sunday) on which commercial banks are open for business in London.

4 Payments due under this Bond shall be made notwithstanding any dispute between the Employer and the Contractor and whether or not the Employer and the Contractor are or might be under any liability one to the other. Payment by the Surety under this Bond shall be deemed a valid payment for all purposes of this Bond and shall discharge the Surety from liability to the extent of such payment.

5 The Surety consents and agrees that the following actions by the Employer may be made and done without notice to or consent of the Surety and without in any way affecting changing or releasing the Surety from its obligations under this Bond and the liability of the Surety hereunder shall not in any way be affected hereby. The actions are:

·1 waiver by the Employer of any of the terms, provisions, conditions, obligations and agreements of the Contractor or any failure to make demand upon or take action against the Contractor;

·2 any modification or changes to the Contract; and/or
the granting of any extensions of time to the Contractor without affecting the terms of clause 7.3 below.

6 The Surety's maximum aggregate liability under this Bond which shall commence on payment of the Advance Payment by the Employer to the Contractor shall be the amount of [______________________________] which sum shall be reduced by the amount of any reimbursement made by the Contractor to the Employer as advised by the Employer in writing to the Surety.

7 The obligations of the Surety under this Bond shall cease upon whichever is the earliest of:

-1 the date on which the Advance Payment is reduced to nil as certified in writing to the Surety by the Employer;

-2 the date on which the Advance Payment or any balance thereof is repaid to the Employer by the Contractor (as certified in writing to the Surety by the Employer) or by the Surety; and

-3 [longstop date to be given],

and any claims hereunder must be received by the Surety in writing on or before such earliest date.

8 This Bond is not transferable or assignable without the prior written consent of the Surety. Such written consent will not be unreasonably withheld.

9 Notwithstanding any other provisions of this Bond nothing in this Bond confers or is intended to confer any right to enforce any of its terms on any person who is not a party to it.

10 This Bond shall be governed and construed in accordance with the laws of England and Wales.

______________________________
Signed as a Deed by: __________________________________________________________

as the Attorney and on behalf of the Surety: __________________________________

_______________________________________
witness’ signature

_______________________________________
witness’ name

_______________________________________
witness’ address

Date:  _______________________________________

IN WITNESS whereof this Deed of Guarantee has been duly executed and delivered on the date below:

_______________________________________

© The Joint Contracts Tribunal Limited 2011
Schedule to Advance Payment Bond
(clause 3.2 of the Bond)

Notice of Demand

Date of Notice: __________________________________________________________________

Date of Bond: ___________________________________________________________________

Employer: ______________________________________________________________________

Surety: ________________________________________________________________________

The Bond has come into effect.

We hereby demand payment of the sum of

£ ______________________________________________________________ (amount in words)

which does not exceed the amount of reimbursement for which the Contractor is in default at the
date of this notice.

Address for payment: ____________________________________________________________

______________________________________________________________________________

This Notice is signed by the following persons who are authorised by the Employer to act for and
on his behalf:

Signed by ____________________________________________________________________

Name: ________________________________________________________________

Official Position: _______________________________________________________

Signed by ______________________________________________________________________

Name: ________________________________________________________________

Official Position: _______________________________________________________

The above signatures to be authenticated by the Employer’s bankers
Advance Payment Bond

(Agreed between the JCT and the British Bankers’ Association)

1 THE parties to this Bond are:

______________________________________________________________________________

whose registered office is at ______________________________________________________

______________________________________________________________________________

of ____________________________________________________________________________

______________________________________________________________________________

whom are the Surety, and

______________________________________________________________________________

of ____________________________________________________________________________

______________________________________________________________________________

are the Employer.

2 The Employer and _________________________________________________ (‘the Contractor’)

have agreed to enter into a contract (‘the Contract’) for building works (‘the Works’) at _________

______________________________________________________________________________

3 The Employer has agreed to pay the Contractor the sum of [_____________________________] as an advance payment of sums due to the Contractor under the Contract (‘the Advance Payment’) for reimbursement by the Surety on the following terms:

·1 when the Surety receives a demand from the Employer in accordance with clause 3·2 below the Surety shall repay the Employer the sum demanded up to the amount of the Advance Payment;

·2 the Employer shall in making any demand provide to the Surety a completed notice of demand in the form of the Schedule attached hereto which shall be accepted as conclusive evidence for all purposes under this Bond. The signatures on any such demand must be authenticated by the Employer’s bankers;

·3 the Surety shall within 5 Business Days after receiving the demand pay to the Employer the sum so demanded. ‘Business Day’ means the day (other than a Saturday or a Sunday) on which commercial banks are open for business in London.

4 Payments due under this Bond shall be made notwithstanding any dispute between the Employer and the Contractor and whether or not the Employer and the Contractor are or might be under any liability one to the other. Payment by the Surety under this Bond shall be deemed a valid payment for all purposes of this Bond and shall discharge the Surety from liability to the extent of such payment.

5 The Surety consents and agrees that the following actions by the Employer may be made and done without notice to or consent of the Surety and without in any way affecting changing or releasing the Surety from its obligations under this Bond and the liability of the Surety hereunder shall not in any way be affected hereby. The actions are:

·1 waiver by the Employer of any of the terms, provisions, conditions, obligations and agreements of the Contractor or any failure to make demand upon or take action against the Contractor;

·2 any modification or changes to the Contract; and/or
the granting of any extensions of time to the Contractor without affecting the terms of clause 7.3 below.

6. The Surety’s maximum aggregate liability under this Bond which shall commence on payment of the Advance Payment by the Employer to the Contractor shall be the amount of [_________________________] which sum shall be reduced by the amount of any reimbursement made by the Contractor to the Employer as advised by the Employer in writing to the Surety.

7. The obligations of the Surety under this Bond shall cease upon whichever is the earliest of:

·1 the date on which the Advance Payment is reduced to nil as certified in writing to the Surety by the Employer;

·2 the date on which the Advance Payment or any balance thereof is repaid to the Employer by the Contractor (as certified in writing to the Surety by the Employer) or by the Surety; and

·3 [longstop date to be given],

and any claims hereunder must be received by the Surety in writing on or before such earliest date.

8. This Bond is not transferable or assignable without the prior written consent of the Surety. Such written consent will not be unreasonably withheld.

9. Notwithstanding any other provisions of this Bond nothing in this Bond confers or is intended to confer any right to enforce any of its terms on any person who is not a party to it.

10. This Bond shall be governed and construed in accordance with the laws of England and Wales.

IN WITNESS whereof this Deed of Guarantee has been duly executed and delivered on the date below:

Signed as a Deed by: _________________________________________________________________
as the Attorney and on behalf of the Surety: ____________________________________________

In the presence of:

_______________________________________
witness’ signature

_______________________________________
witness’ name

_______________________________________
witness’ address

_______________________________________

Date: __________________________________________
Schedule to Advance Payment Bond
(clause 3.2 of the Bond)

Notice of Demand

Date of Notice: ________________________________________________________________

Date of Bond: ________________________________________________________________

Employer: _________________________________________________________________

Surety: _________________________________________________________________

The Bond has come into effect.

We hereby demand payment of the sum of

£ ________________________________________________________________ (amount in words)

which does not exceed the amount of reimbursement for which the Contractor is in default at the
date of this notice.

Address for payment: _____________________________________________________________

____________________________________________________________________

This Notice is signed by the following persons who are authorised by the Employer to act for and
on his behalf:

Signed by ______________________________________________________________________

Name: ________________________________________________________________

Official Position: _______________________________________________________

Signed by ______________________________________________________________________

Name: ________________________________________________________________

Official Position: _______________________________________________________

The above signatures to be authenticated by the Employer’s bankers
Advance Payment Bond

(Agreed between the JCT and the British Bankers’ Association)

1 THE parties to this Bond are:

______________________________________________________________________________

whose registered office is at _______________________________________________________

______________________________________________________________________________

_______________________________________________________________ (‘the Surety’), and

______________________________________________________________________________

of __________________________________________________________________________

_________________________________________________________________ (‘the Employer’).

2 The Employer and ____________________________________________ (‘the Trade Contractor’)

have agreed to enter into a contract (‘the Trade Contract’) for building works (‘the Works’) at _____

______________________________________________________________________________

3 The Employer has agreed to pay the Trade Contractor the sum of [__________________ ______] as an advance payment of sums due to the Trade Contractor under the Trade Contract (‘the Advance Payment’) for reimbursement by the Surety on the following terms:

·1 when the Surety receives a demand from the Employer in accordance with clause 3·2 below the Surety shall repay the Employer the sum demanded up to the amount of the Advance Payment;

·2 the Employer shall in making any demand provide to the Surety a completed notice of demand in the form of the Schedule attached hereto which shall be accepted as conclusive evidence for all purposes under this Bond. The signatures on any such demand must be authenticated by the Employer’s bankers;

·3 the Surety shall within 5 Business Days after receiving the demand pay to the Employer the sum so demanded. ‘Business Day’ means the day (other than a Saturday or a Sunday) on which commercial banks are open for business in London.

4 Payments due under this Bond shall be made notwithstanding any dispute between the Employer and the Trade Contractor and whether or not the Employer and the Trade Contractor are or might be under any liability one to the other. Payment by the Surety under this Bond shall be deemed a valid payment for all purposes of this Bond and shall discharge the Surety from liability to the extent of such payment.

5 The Surety consents and agrees that the following actions by the Employer may be made and done without notice to or consent of the Surety and without in any way affecting changing or releasing the Surety from its obligations under this Bond and the liability of the Surety hereunder shall not in any way be affected hereby. The actions are:

·1 waiver by the Employer of any of the terms, provisions, conditions, obligations and agreements of the Trade Contractor or any failure to make demand upon or take action against the Trade Contractor;
·2 any modification or changes to the Trade Contract; and/or
·3 the granting of any extensions of time to the Trade Contractor without affecting the terms of clause 7.3 below.

6 The Surety’s maximum aggregate liability under this Bond which shall commence on payment of the Advance Payment by the Employer to the Trade Contractor shall be the amount of [______________________________] which sum shall be reduced by the amount of any reimbursement made by the Trade Contractor to the Employer as advised by the Employer in writing to the Surety.

7 The obligations of the Surety under this Bond shall cease upon whichever is the earliest of:
·1 the date on which the Advance Payment is reduced to nil as certified in writing to the Surety by the Employer;
·2 the date on which the Advance Payment or any balance thereof is repaid to the Employer by the Trade Contractor (as certified in writing to the Surety by the Employer) or by the Surety; and
·3 [longstop date to be given],

and any claims hereunder must be received by the Surety in writing on or before such earliest date.

8 This Bond is not transferable or assignable without the prior written consent of the Surety. Such written consent will not be unreasonably withheld.

9 Notwithstanding any other provisions of this Bond nothing in this Bond confers or is intended to confer any right to enforce any of its terms on any person who is not a party to it.

10 This Bond shall be governed and construed in accordance with the laws of England and Wales.

__________________________
IN WITNESS whereof this Deed of Guarantee has been duly executed and delivered on the date below:

Signed as a Deed by: _____________________________________________________________
as the Attorney and on behalf of the Surety: _______________________________________

In the presence of:

_______________________________________
witness’ signature

_______________________________________
witness’ name

_______________________________________
witness’ address

Date:  _______________________________________
Schedule to Advance Payment Bond

(clause 3.2 of the Bond)

Notice of Demand

Date of Notice: __________________________________________________________

Date of Bond: ___________________________________________________________________

Employer: ______________________________________________________________________

Surety: ____________________________________________________________________

The Bond has come into effect.

We hereby demand payment of the sum of

£ _______________________________________________________________ (amount in words) which does not exceed the amount of reimbursement for which the Trade Contractor is in default at the date of this notice.

Address for payment: _____________________________________________________________

______________________________________________________________________________

This Notice is signed by the following persons who are authorised by the Employer to act for and on his behalf:

Signed by ______________________________________________________________________

Name: ________________________________________________________________

Official Position: ________________________________________________________

Signed by ______________________________________________________________________

Name: ________________________________________________________________

Official Position: ________________________________________________________

The above signatures to be authenticated by the Employer’s bankers