Use this Section to specify bid security when the estimated contract price is between $100,000 and $250,000, inclusive. The purpose of bid security is to ensure that a Bidder whose bid is accepted will enter into a formal contract, as failure to do so will result in forfeiture of the bid security.

Bid security is normally specified in conjunction with contract performance security and security for payment of claims. Do not specify one without the other.

This Master Specification Section contains:

.1 This Cover Sheet

.2 Specification Section Text:

1. Type and Amount of Bid Security
2. Electronic Bid Bond
3. Bidder Default

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| **2022-10-31**  | **Section 00 43 13** **Bid Security** |

**Changes made in this Section Update (2022-10-31)**

1. Removed references to Certified Cheque and Bank Draft.
2. Remove spec notes for guidance on electronic bid submissions.
3. Article 2. Updated to reflect Electronic Bid Bond requirements
4. Article 3. Default by Bidder renamed to Bidder Default; clause 3.1 updated wording.
5. Added WBS No. to Project ID in section header.
6. TYPE AND AMOUNT OF BID SECURITY
	1. Provide bid security in the form of an electronic bid bond in an amount not less than 10% of the bid price.
	2. Bids not accompanied by an acceptable electronic bid bond as bid security will be considered non-compliant and will be rejected.
7. ELECTRONIC BID BOND
8. The bid bond shall be submitted in its original digital format and made out to “His Majesty the King in right of Alberta, as represented by the Minister of Infrastructure” and shall be **executed, sealed and dated** by both Bidder and a surety company authorized to transact business of suretyship in the Province of Alberta.
9. The bid bond must be submitted to the Bid Submission email address identified on the cover page of the Bid Documents.
10. The bid bond shall be enforceable for the earlier of the bid acceptance period as specified in the Instructions to Bidders or until the bond’s principal enters into the formal Contract and gives the specified Performance Security and Security for Payment of Claims as required.
11. The bid bond submitted must be in its original digital format and meet the following criteria:
12. The bid bond must be immediately verifiable by the Province using the bid bond’s electronic content verification process with respect to the totality and wholeness of the bond form, including but not limited to the content of the bid bond, all signatures and seals affixed thereto, or any other aspects that may prevent the enforceability and/or realization of the bid bond by the Province, with the surety company or an approved verification service provider of the surety company,
13. The bid bond shall be submitted as its own PDF document, separate from the other tender submission documents, in its original electronic format. Scanned or altered PDF copies of the original bid bond will be deemed invalid and may cause the bid to be rejected.
14. The bid bond must be able to be verified by the Province immediately following Bid Closing or at any time during the life of the bond at the discretion of the Province with no requirement for any additional copies of the electronic bid bond, passwords and/or fees.
15. The results of the bid bond verification must provide a clear, immediate and printable indication of pass or fail regarding 2.4.1 above.
16. A bid bond failing the verification process may cause the bid to be rejected as non-compliant if, in the Province's judgment, such improper completion or execution of the bid bond potentially renders the bid bond unenforceable.
17. An electronic bid bond passing the verification process will be treated as original and authentic.
18. The Province will not pay any interest on bid security.
19. BIDDER DEFAULT
20. If a Bidder whose bid is accepted by the Province in writing, without conditions, and within the acceptance period specified in the Bid Documents, refuses or fails within 15 days after the date of issuance of the written acceptance of the bid:
	1. to sign a formal Contract with the Province for the performance of the Work, and
	2. to provide surety bonds as specified in Section 00 61 13 and Section 00 61 90,

the Bidder shall be liable to the Province for the difference in money between the amount of its bid and the greater amount for which a contract for the Work is entered into with some other Bidder, up to the maximum amount of the bid security provided.

 **END OF SECTION**