

MAINTENANCE BOND
prepared in one original copy
Number of the bond:

Insurer (Surety)	name:
	address:
Contracting Party (Principal)	name:
	address:
Beneficiary:	name:
	address:

Our Principal informed us that the following contract has been concluded:

Contracting Parties:

Date, number and title of the contract:

Brief description of the works:

Our Principal informed us that as a security of its warranty obligations undertaken in the said contract, the Principal has requested to issue a maintenance bond with a sum of HUF.....,-
By issuing this maintenance bond, the Surety shall provide irrevocable coverage for the Principal under the terms and conditions detailed below.

1. Cover begins:

2. Cover ends:

3. Sum of the bond: HUF, that is __ Hungarian Forints
The sum of the bond shall mean the upper limit of indemnity to be paid by the Surety for this bond and shall decrease by any amount of the service(s) performed on the basis of this bond.

4. Services of the Surety: Pursuant to this bond, the Surety assumes an irrevocable obligation to effect payment as absolute surety in lieu of Principal to the bank account stated in the written demand up to the maximum amount specified in the present bond in favour of the Beneficiary, in the event Beneficiary suffers – as a result of failure by Principal in performing its warranty obligation at all or according to the contract – such damage under any title as the Principal can be obligated to pay under the Contract. Any demand for payment with regard to the bond (hereinafter: demand for payment) have to be submitted as a written, original copy referring to the above bond number to the address specified in point 6.

5. The following documents have to be submitted together with the demand for payment:

a. a written, duly signed statement by Beneficiary of the fact of non-performance or performance not according to the contract and the amount of the demand based on the non-performance and an expert opinion evidencing the fact and content of breach of contract, and the amount of the demand

b. documents, which shall prove credibly the duly signatory rights of the persons signing the demand for payment and the authenticity of their signatures (by such an extract from the company registry/certificate of incorporation and specimen signature as are not older than 30 days or by such an appropriate certification of its account holding bank as is suitable for identifying the representative of Beneficiary).

6. Address where the demand for payment has to be sent: EuroBond Kft. (Agent of Zurich Versicherung AG (Deutschland) 1137 Budapest, Szent István krt. 22.

7. Pursuant to the bond the commitment of Surety will commence and expire at the respective dates specified on the bond. Accordingly, any demand for payment pursuant to the bond shall have been received by the Surety by the date specified in point 2. Thus the commitment of the Surety will cease at the date specified in point 2 regardless whether the bond has been returned to the Surety or not. Before expiry it shall cease when the original copy of the bond is returned to the Surety, the Surety has fulfilled its payment obligation in full up to the amount of the Bond or Surety receives such a statement of waiver as is duly signed as required for the demand for payment and is a certified original copy wherein the Surety is irrevocably relieved from the obligations assumed in the Bond.

8. Claims arising out of this bond shall neither be assigned nor transferred without the prior written consent of the Surety.

9. Any legal dispute arising out of this bond shall be governed by the laws of Hungary.

Dated in Budapest, 20.....
