



Electronic Bonds (E-Bonds)



What is an E-Bond?

An E-bond / Digital Bond is an encrypted file which provides the City with a secured and verifiable document which is protected by security features making it as valid as any paper document.

What an E-Bond is not ...

An original surety bond that has been scanned and attached to an electronic bid submission as a pdf document. This type of document is referred to as an electronic bond and can easily be opened in a photo editing type of software that can then be altered or changed.

A Valid E-Bond or Digital Bond must meet three criteria:



Integrity of Content

The assurances that the document received is the true document executed and the content has not been changed or altered.



Secure Access

Restricting the access to the document to those authorized to view and/or download it.



Verifiability / Enforceability

Assurances that the document was duly executed by the parties identified and that it is enforceable in law.

This is a Digital Bond

Bid Bond (R2012-03) Page 1 of 1

Bond No: 2016-01 Amount \$ 125,000.00

KNOW ALL PERSONS BY THESE PRESENTS, that Major Construction Company as Principal, hereinafter called the Principal, and Surety Bonds Company of Canada as Surety, hereinafter called the Surety, are, subject to the conditions hereinafter contained, held and firmly bound unto DEFENCE CONSTRUCTION (1951) LIMITED as Obligor, hereinafter called the Crown, in the amount of ONE HUNDRED THIRTY FIVE THOUSAND dollars (\$125,000.00) lawful money of Canada, for the payment of which sum, well and truly to be made, the Principal and the Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

SIGNED AND SEALED this 2nd day of Feb, 2016 at _____

WHEREAS, the Principal has submitted a written tender to the Crown, dated the 2nd day of Feb, 2016, for Hospital for Children and Adults.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION are such that if:

- the Principal, should his tender be accepted within the period specified by the Crown, or, if no period be specified, within thirty (30) days after closing date of the tender, does execute within a period specified by the Crown, or, if no period be specified, within fourteen (14) days after the prescribed forms are presented to him for signature, execute such further contractual documents, if any, as may be required by the terms of the tender as accepted, and does furnish a Performance Bond and a Labour and Material Payment Bond, each in the amount of 50% of the Contract price and satisfactory to the Crown, or other security acceptable to the Crown, or
- the Principal does pay to the Crown the difference between the amount of the Principal's tender and the amount of the Contract entered into by the Crown for the work, supplies and services which were specified in the said tender, if the latter amount be in excess of the former,

then this obligation shall be void, otherwise it shall remain in full force and effect.

PROVIDED, HOWEVER, that the Surety and the Principal shall not be liable to the Crown for an amount greater than the amount specified in this Bond.

PROVIDED FURTHER, that the Surety shall not be subject to any suit or action unless such suit or action is instituted and process therefore served upon the Surety at its Head Office in Canada, within twelve (12) months from the date of this Bond.

IN TESTIMONY WHEREOF, the Principal has hereto set its hand and affixed its seal, and the Surety has caused these presents to be executed as a corporate seal duly attested by the signature of its authorized signing authority, the day and year first above written.

SIGNED, SEALED AND DELIVERED in the presence of _____ seal if applicable.

Signed electronically by Dean Smith on 2016-01-13 17:07:30 GMT
Principal

Witness Signed electronically by Mary Waitingale on 2016-01-13 16:27:30 GMT
Surety

To verify authenticity, click on SignatureMaster™ website "Verify Document" link, enter Document Key: 0A7207730-C778C-AE-7333B4F-4F6514E-C53D-AED

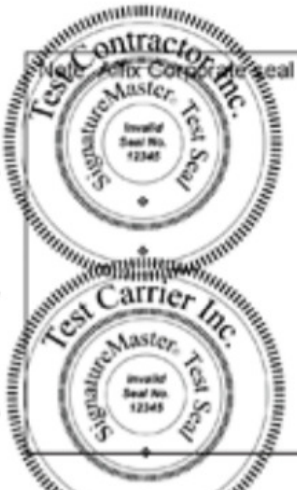
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DIGITAL SIGNATURES & SEALES

How does a Vendor access an E-Bond?



There are a number of commercially available software programs capable of creating reliable and enforceable electronic bonds that meet the criteria of the Surety Association of Canada.



Vendors would speak with their Insurance Broker. It is likely that the Broker is already utilizing one of these software programs to issue E-Bonds and will be able to help the Vendor with the registration and set-up process.



Depending on the Vendors Surety provider, E-Bonds may also be readily available directly through the insurance company's own software program.