

Annex B

FORM OF BID BOND

Brief description of Contract Design and Construction of the Third set of Locks, Panama Canal
("the Contract")

Name and address of Beneficiary Autoridad del Canal de Panamá

We have been informed that [names of each Member in Tenderer Consortium] (hereinafter called the 'Principal') is submitting an offer for the Contract in response to your invitation contained in the RFP 76161, and that the conditions of your invitation (the 'conditions of invitation', which are set out in a document entitled Instructions to Tenderers in Volume 1, Part 1 of the Request For Proposal for Design and Construction of the Third Set of Locks, 76161) require his offer to be supported by a tender security.

At the request of the Principal, we _____ [insert name of issuing surety] hereby unconditionally and irrevocably undertake to pay you (waiving all rights of objection and defense save in the case of fraudulent demand), the Beneficiary, any sum or sums not exceeding in total the amount of 50 (fifty) Million US Dollars, upon receipt by us of your demand in writing ("Demand") and containing in such Demand your written statement stating that:

- (a) you awarded the Contract to the Principal and he has failed to comply with Sub-Clause 1.6 (*Contract Agreement*) of the Conditions of the Contract, or
- (b) you awarded the Contract to the Principal and he has failed to provide any or all of the following instruments or agreement:
 - (i) a validly issued and enforceable Performance Bond, fulfilling the terms of and otherwise in accordance with Sub-Clause 4.2A (*Performance Bond*) of the Conditions of Contract ; and/or
 - (ii) a validly issued and enforceable Payment Bond, fulfilling the terms of and otherwise in accordance with Sub-Clause 4.2C (*Payment Bond*) of the Conditions of Contract; and/or
 - (iii) a validly issued and enforceable Parent Company Guarantee, fulfilling the terms of and otherwise in accordance with Sub-Clause 1.7A.4 (*Joint and Several Liability*) of the Conditions of Contract.

Any Demand must contain a signature of your authorized representative, which must be authenticated by your bankers or by a notary public. The authenticated Demand must be received by us at this office on or before _____, 2009 [insert date which is 60 days after the expiry of the Tender Validity Period], when this Bond shall expire and shall be returned to us.

This Bond shall be governed by and construed in accordance with the laws of the State of New York, United States of America.

Any dispute arising out of, under or in connection with the Bond or out of the subject matter of this Bond shall be finally settled by international arbitration. Unless otherwise agreed by both Parties:

- (a) the dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce (the "Rules");

- (b) in addition to the Rules, the arbitration shall be conducted according to the International Bar Association Rules on the Taking of Evidence in International Commercial Arbitration;
- (c) the dispute shall be settled by three arbitrators who shall all be licensed lawyers appointed in accordance with these Rules,
- (d) the arbitration shall be conducted in the English language,
- (e) the venue of the arbitration shall be Miami, Florida - United States of America, and
- (f) the arbitration agreement and the arbitration shall be governed by the United States Federal Arbitration Act, 9 U.S.C. §§ 1 et seq.

Date

Signature(s)