



2. Notwithstanding the provisions of Clause 1 hereof the Bonded Sum and the liability of the Principal and the Surety hereunder shall automatically be reduced by an amount equivalent to 50% of the Bonded Sum on the        day of 199 (being the date of practical completion of the Project anticipated by the Principal at the time of submission of his tender for the Works and hereinafter called "the First Date") and thereafter reduced to nil by an amount equivalent to the remaining 50% of the Bonded Sum on the        day of        199 (being the date six months after the First Date) whereupon the liability of the Principal and the Surety hereunder shall automatically cease and determine notwithstanding that this Bond may not have been returned for cancellation.
3. The Principal and the Surety for themselves and their successors and assigns hereby respectively bind themselves jointly and severally hereunder.
4. The Obligee shall not assign or transfer any benefit under this Bond or any part thereof or any interest therein.
5. This Bond shall be governed by and construed in accordance with English Law and be subject to the exclusive jurisdiction of the English Courts.

IN WITNESS whereof this Bond has been executed as a Deed delivered the day and year first before written.

The Common Seal of < the Principal >  
was hereunto affixed in the presence of:

Director

Secretary

The Common Seal of < the Surety >  
was hereunto affixed in the presence of:

Authorised Signatory

Authorised Signatory