a guide to construction surety bonds
TABLE OF CONTENTS

INTRODUCTION

1. WHAT IS SURETYSHIP?
   1.1 HISTORY
   1.2 WHAT IS A SURETY BOND
   1.3 TYPES OF CONSTRUCTION SURETY BONDS
   1.4 DEFINITIONS
   1.5 HOW SURETY BONDS DIFFER FROM OTHER FORMS OF SECURITY?

2. HOW SURETYSHIP WORKS
   2.1 THE THREE Cs OF SURETYSHIP
   2.2 INDEMNITY AGREEMENTS
   2.3 HOW TO GET THE BOND?
   2.4 WHAT DOES THE BOND COST?
   2.5 VALUE ADDED TAXES

3. BOND FORMS
   3.1 CCDC 220 BID BOND
   3.2 CCDC 221 PERFORMANCE BOND
   3.3 CCDC 222 LABOUR AND MATERIAL PAYMENT BOND
The Canadian Construction Documents Committee is a joint committee composed of owners and representatives appointed by:

- The Association of Consulting Engineers of Canada
- The Canadian Construction Association
- Construction Specifications Canada
- The Royal Architectural Institute of Canada

Committee policy and procedures are directed and approved by the constituent organizations.

This document has been endorsed by each of the above organizations and the Surety Association of Canada.

Enquiries should be directed to:

The Secretary
Canadian Construction Documents Committee
Suite 400
75 Albert Street
Ottawa, Ontario
K1P 5E7
Tel: (613) 236-9455
Fax: (613) 236-9526
www.ccdc.org

or

The President
Surety Association of Canada
6299 Airport Road
Suite 709
Mississauga, Ontario
L4V 1N3
Tel: (905) 677-1353
Fax: (905) 677-3345

CCDC guides are products of a consensus-building process aimed at balancing the interests of all parties on the construction project. They reflect recommended industry practices. Readers are cautioned that the guides do not deal with any specific fact situation or circumstance. CCDC guides do not constitute legal or other professional advice. The CCDC and its constituent member organizations do not accept any responsibility or liability for loss or damage which may be suffered as a result of their use and interpretation.

CCDC Copyright 2002
Must not be copied in whole or in part without the written permission of the CCDC.