**Section 8.2047 Security Requirements**

a) Vendors shall furnish security as specified in the solicitation or contract. The cost of providing security will be borne by the vendor unless otherwise stated in the solicitation.

b) Security, unless otherwise specified, may be in the form of cashier's check, certified check, money order, or irrevocable letter of credit or bond. Any bond must be issued by a surety company authorized to do business in the State of Illinois and meeting the requirements set forth in the Standard Documents for Construction.

c) Unless the amount is set by law, CDB will determine the amount, in dollars or percentage of contract price, that will adequately protect the State's interests. That amount will vary depending on the type of procurement and the risks and potential losses associated with delay or failure to complete the project, and for other such reasons.

d) A vendor may be required to furnish up to 100% performance security at any time during contract performance and at its cost, if it appears that delivery or production schedules cannot be met, quality is poor, responsibility is questioned or for similar reasons.

e) Bid Bond

1) The bid bond will be used to ensure the bidder or offeror meets all obligations imposed under the solicitation, including the obligation to keep the price or bid vendor for as long a period as specified in the solicitation to enter into a contract and the obligation to file a performance security. If required, when the contract is awarded, CDB may retain the bid security as damages if the bidder fails to meet its obligations.

2) The bid bond will be returned to the vendor as soon as is practicable after the bid or proposal opening. The three lowest qualified vendors' bond will be returned as soon as possible after the contract is awarded or, if performance bond is required, as soon as the successful vendor has filed acceptable performance bond. Bond will be returned to the unsuccessful vendors upon expiration of the bid/proposal vendor time or execution of the contract, whichever is earlier.