

Form 18

(See Clause 1.75.2)

Form for Guarantee for Withdrawal of Retention Money

.....
EMPLOYER,
New Delhi

WHEREAS:

[Name and address of contractor] (hereinafter called "the Contractor") has executed an agreement (hereinafter called the "Agreement") with the [name and address of the EMPLOYER], (hereinafter called "the EMPLOYER") for the " RFQ cum RFP for Supply, Installation including Civil, MEP, ICT works, Testing & Commissioning (SITC) and Comprehensive Annual Maintenance (CAM) of Full Body X-Ray Truck Scanner (Gantry Based) at IICC Dwarka, subject to and in accordance with the provisions of the Agreement.

- a. in accordance with the Clause 1.75.2 of the Agreement, whenever the amount of the retention money (hereinafter called "Retention Money") held by the EMPLOYER exceeds 1% (one per cent) of the Contract Price, the Contractor may, at its option, withdraw the Retention Money after furnishing to the EMPLOYER a bank guarantee for an amount equal to the proposed withdrawal.
- b. We,.....through our branch at.....(the "Bank") have agreed to furnish this bank guarantee (hereinafter called the "Guarantee") for the amount of Rs.....(.....in words) (the "**Guarantee Amount**").

NOW, THEREFORE, the Bank hereby, unconditionally and irrevocably, guarantees and affirms as follows:

1. The Bank hereby unconditionally and irrevocably undertakes to pay to the EMPLOYER, upon its mere first written demand, and without any demur, reservation, recourse, contest or protest, and without any reference to the Contractor, such sum or sums up to an aggregate sum of the Guarantee Amount as the EMPLOYER shall claim, without the EMPLOYER being required to prove or to show grounds or reasons for its demand and/or for the sum specified therein.
2. A letter from the EMPLOYER, under the hand of an officer not below the rank of [.....of EMPLOYER], that the Contractor has committed default in the due and faithful performance of all or any of its obligations under and in accordance with the Agreement shall be conclusive, final and binding on the Bank. The Bank further agrees that the EMPLOYER shall be the sole judge as to whether the Contractor is in default in due and faithful performance of its obligations during and under the Agreement and its decision that the Contractor is in default shall be final, and binding on the Bank, notwithstanding any difference between the EMPLOYER and the Contractor, or any dispute between them pending before any court, tribunal, arbitrators or any other authority or body, or by the discharge of the Contractor for any reason whatsoever.
3. In order to give effect to this Guarantee, the EMPLOYER shall be entitled to act as if the Bank were the principal debtor and any change in the constitution of the Contractor and/or the Bank, whether by their absorption with any other body or corporation or otherwise, shall not in any way or manner affect the liability or obligation of the Bank under this Guarantee.
4. It shall not be necessary, and the Bank hereby waives any necessity, for the EMPLOYER to proceed against the Contractor before presenting to the Bank its demand under this Guarantee.
5. The EMPLOYER shall have the liberty, without affecting in any manner the liability of the

Bank under this Guarantee, to vary at any time, the terms and conditions of the Retention Money and any of the rights and powers exercisable by the EMPLOYER against the Contractor, and either to enforce or forbear from enforcing any of the terms and conditions contained in the Agreement and/or the securities available to the EMPLOYER, and the Bank shall not be released from its liability and obligation under these presents by any exercise by the EMPLOYER of the liberty with reference to the matters aforesaid or by reason of time being given to the Contractor or any other forbearance, indulgence, act or omission on the part of the EMPLOYER or of any other matter or thing whatsoever which under any law relating to sureties and guarantors would but for this provision have the effect of releasing the Bank from its liability and obligation under this Guarantee and the Bank hereby waives all of its rights under any such law.

6. This Guarantee is in addition to and not in substitution of any other guarantee or security now or which may hereafter be held by the EMPLOYER in respect of or relating to the Retention Money.
7. Notwithstanding anything contained hereinbefore, the liability of the Bank under this Guarantee is restricted to the Guarantee amount and this Guarantee will remain in force for the period specified in paragraph 8 below and unless a demand or claim in writing is made by the EMPLOYER on the Bank under this Guarantee all rights of the EMPLOYER under this Guarantee shall be forfeited and the Bank shall be relieved from its liabilities hereunder.
8. The guarantee shall cease to be in force and effect 90 (ninety) days after the end of the Defects Liability Period.
9. The Bank undertakes not to revoke this Guarantee during its currency, except with the previous express consent of the EMPLOYER in writing, and declares and warrants that it has the power to issue this Guarantee and the undersigned has full powers to do so on behalf of the Bank.
10. Any notice by way of request, demand or otherwise hereunder may be sent by post addressed to the Bank at its above referred branch, which shall be deemed to have been duly authorized to receive such notice and to effect payment thereof forthwith, and if sent by post it shall be deemed to have been given at the time when it ought to have been delivered in due course of post and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate signed by an officer of the EMPLOYER that the envelope was so posted shall be conclusive.
11. This Guarantee shall come into force with immediate effect and shall remain in force and effect up to the end **** month in the year ***** or until it is released earlier by the EMPLOYER pursuant to the provisions of the Agreement.

Signed and sealed this day of20..... at

SIGNED, SEALED AND DELIVERED

For and on behalf of the Bank by:

(Signature)

(Name)

(Designation)

(Code Number)

(Address)