

Annexure-12

Format for Performance Bank Guarantee (PBG)

Ref: LIC/CO/IT-SD/MicroFocus/ATS/2019-20/01 dated 13/12/2019

To,
The Executive Director (IT/SD),
Information Technology Department,
Life Insurance Corporation of India,
3rd Floor, Jeevan Seva Annexe,
S.V. Road Santacruz (west). Mumbai 400 054.

(Hereinafter referred to as "LIC / you")

Whereas consequent to your Request for Proposal (RFP) No _____ dated _____ you have issued a Purchase Order No. _____ dated _____ to M/s _____, having its corporate office at _____ (hereinafter referred to as "the Contractor") to *develop, implement and support name of software solution/service for the Corporation.*

Whereas as per the payment terms of the said RFP/Purchase Order the Contractor has to submit an unconditional and irrevocable Bank Guarantee from any scheduled commercial bank in favour of you.

And whereas, we, _____ Bank, having our branch office at _____ (hereinafter referred to as "the Guarantor") on the request of the Contractor hereby expressly and unreservedly undertake and Guarantee to pay to you, a sum not exceeding ` _____/- (Rupees _____ Only), being 10% of the value of the Purchase Order, in the event of any breach by the Contractor of the obligations under your said Purchase Order, or reasons attributable to the Contractor on account of the same. This Guarantee shall be limited to an amount not exceeding ` _____/- (Rupees _____ Only). You may raise a demand on us in writing stating the amount claimed under the Guarantee and on receipt of your claim in writing, without any demur, protest or contest and without any reference to the Contractor, we the Guarantor shall make the payment under this Guarantee to CORPORATION within 24 hours of receipt of written claim / demand.

We the Guarantor, further confirm that a mere letter from the CORPORATION that there has been a breach by the Contractor of its obligations or there are sufficient reasons for invoking this an unconditional and irrevocable Guarantee, shall without any other or further proof be final conclusive and binding on the Guarantor.

We shall not be discharged or released from this undertaking and the Guarantee by any arrangement, variation, violation between you and the Contractor, indulgence to Contractor by you with or without our consent or knowledge and this Guarantee shall be in addition to any other Guarantee or security you possess against the Contractor.

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This an unconditional and irrevocable Guarantee shall be a continuing Guarantee and shall not be discharged by any change in the constitution of LIC, Guarantor or the Contractor. It is further guaranteed that the payment under this Guarantee shall be made by us on receipt of your written demand as aforesaid making reference to this Guarantee.

Notwithstanding anything contained hereinabove, our liability under this an unconditional and irrevocable Guarantee is restricted to ` _____/- (Rupees _____Only).

This Guarantee shall remain in full force and effect for a period of __ years from the date of the installation i.e. up to _____. Unless a claim under this Guarantee is made against us within one month from that date i.e. on or before _____, all your rights under this Guarantee shall be forfeited and we shall be relieved and discharged from all liabilities there under.

Thereafter, our Guarantee shall be considered as null and void whether returned to ourselves or not.

Date:

Sealed & Signed by the Bank