**Transaction Reference Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

(*Beneficiary’s Physical Address*)

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\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**RETENTION GUARANTEE**

**Applicant:** (*Insert Entity Name*) (Registration Number:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Beneficiary:** (Insert *Entity* Name) (Registration Number:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Contract**

**(Underlying**

**Agreement):** (*Insert Contract Details*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Guarantee:** the guarantee issued by the Bank to the Beneficiary in terms of this document

**Guaranteed Amount:** (*Insert an amount in figures and words*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*)*

**Expiry Date**: (*Insert Expiry Date* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_)

**Bank:** The Standard Bank of South Africa Limited, (Registration Number: 1962/000738/06), a public company duly incorporated with limited liability according to the company laws of the Republic of South Africa

**Bank’s Presentation**

**Address:** Trade Services, 1st Floor, 6 Simmonds Street, Johannesburg or any other physical address notified to the Beneficiary in writing by the Bank

1. The Applicant and Beneficiary have entered into the Contract and the Applicant has agreed to provide a guarantee in respect of retention moneys paid to the Applicant.
2. At the request of the Applicant, the Bank hereby undertakes and guarantees to pay the Beneficiary, in accordance with clause 4 below, such amount(s) which in aggregate do not exceed the Guaranteed Amount, following receipt of a Complying Demand.

1. A **Complying Demand** must:
	1. be in writing;
	2. contain a statement (whether included in the demand or a separately signed document) stating that the Applicant has failed to meet its obligations under the Contract;
	3. state the amount claimed; and
	4. purport to be signed by the Beneficiary’s duly authorised signatory(ies).
2. Payment of the Guaranteed Amount, or any part thereof, will only be made following presentation by the Beneficiary at the Bank’s Presentation Address of a Complying Demand and this original Guarantee for:
	1. endorsement in the case of part payment; or
	2. surrender in the case of final payment of the Guaranteed Amount.
3. The Bank will pay on demand under this Guarantee without regard to any claim or dispute of any nature which any party may allege and without verifying:
	1. the validity or authenticity of the Complying Demand; or
	2. the Applicant’s alleged non-compliance; or
	3. the correctness of the amount(s) demanded.
4. The Bank’s obligation herein is restricted to the payment of money only and will not be interpreted as extending the Bank’s liability to anything other than the payment of the Guaranteed Amount.
5. This Guarantee is for the sole benefit of the Beneficiary and is thus not negotiable nor transferable.
6. Save for any amendments to the Bank’s Presentation Address and clause 9.2 below, no variation of this Guarantee will be of any force or effect without the prior written consent of the Beneficiary, the Applicant and the Bank.
7. Notwithstanding anything to the contrary contained herein:
	1. this Guarantee will expire, whether surrendered to the Bank for cancellation or not, at 14h00 (South African time) on the Expiry Date or on payment of the Guaranteed Amount in full, whichever occurs first, at which time the Bank’s liability will cease and no claims will be considered thereafter;
	2. the Bank may, at its sole discretion, withdraw from this Guarantee by giving the Beneficiary and the Applicant 3 (three) months’ written notice to that effect, whereafter this Guarantee will expire.
8. This Guarantee must be surrendered to the Bank at the earlier of the:
	1. payment of the Guaranteed Amount;
	2. expiry thereof; or
	3. expiry of the notice period following the Bank exercising its right to withdraw under this Guarantee.
9. The Applicant shall have sole responsibility to deliver the original of this Guarantee (where available) to the Beneficiary following issuance by the Bank.

1. This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758 and shall be governed by the laws of the Republic of South Africa. The courts of the Republic of South Africa shall have sole jurisdiction.

**SIGNED AT \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ON \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_20\_\_\_\_\_\_**

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**Name:** (*Insert Names of Authorised Signatories*) **Name:**(*Insert Names of Authorised Signatories*)

**Capacity:** (*Insert Relevant Capacity*) **Capacity:** (*Insert Relevant Capacity*)