

ANNEXURE H

PRO FORMA BANK GUARANTEE FOR BID SECURITY

Seal, name and address of the Bank and address of the Branch.

To: The Road Accident Fund

Date: ...

Our Bid Security Reference Number: ...

Bid Security Guarantee issued on behalf of **[name of Bidder]**

1. In this Bid Security Guarantee the following words and expressions shall have the following meanings:
 - 1.1 'Bank' - means ...,
 - 1.2 'Bank's address' - means ...,
 - 1.3 'Bidder' – means **[name, registration number and registered physical address of Bidder]**,
 - 1.4 'Expiry Date' - means day 30 (thirty), calculated from the date on which the bid validity period specified in the bid documents for the Tender expires,
 - 1.5 'Guaranteed Sum' - means the sum of R 500 000.00 (Five Hundred Thousand Rand),
 - 1.6 'Tender' - means **[name and number of the RAF RFP/RFB]**, and
 - 1.7 'the RAF' - means the Road Accident Fund, a statutory entity established in terms of section 2(1) of the Road Accident Fund Act, 1996 with its principal place of business at 420 Witch-hazel, Eco Glades 2, Centurion, Pretoria.
2. At the instance of the Bidder, we, _____ and _____, the undersigned in our respective capacities as _____ and _____ of the Bank, and authorized thereto, confirm that the Bank holds the Guaranteed Sum at the disposal of the RAF, as security in respect of the Bidder's bid submitted in response to the Tender, in the event that the Bidder:
 - 2.1 withdraws from the Tender;
 - 2.2 amends, impairs or derogates from the bid submitted by the Bidder; and
 - 2.3 if the Bidder fails to execute the formal contract within the period specified in the Tender;and hereby undertakes to pay to the RAF, on first written demand received from the RAF on or before the Expiry Date, the Guaranteed Sum.
3. A demand for payment under this guarantee shall be made in writing at the Bank's address referred to in paragraph 1.2 above and shall be signed on behalf of the RAF and state the reason for demanding payment.
4. The Bank hereby expressly agrees that it shall not require any proof in addition to the first written demand by the RAF, made in any format, raised at the Bank address, in order to make payment to the RAF of the Guaranteed Sum
5. The Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by the Bidder and/or any other person. The Bank shall not require the

Fund to justify the invocation of this bid security, nor shall the Bank have any recourse against the Fund in respect of any payment made hereunder.

6. The liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:
 - 6.1 is and shall be absolute and unconditional in all circumstances, and
 - 6.2 is not, and shall not be construed to be accessory or collateral on any basis whatsoever.
7. The Bank's obligation/s in terms of this guarantee:
 - 7.1 shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum,
 - 7.2 shall become effective from the closing date for submission of bids in respect of the Tender, and
 - 7.3 shall not be discharged and compliance with any demand for payment received by the Bank shall not be delayed by the fact that a dispute may exist between the RAF and the Bidder.
8. The RAF shall be entitled to arrange its affairs with the Bidder in any manner which it sees fit, without advising us and without affecting our liability under this bid security guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the Bidder or any variation under or to the Tender.
9. This guarantee:
 - 9.1 shall expire on the Expiry Date until which time it is irrevocable, any claim hereunder must be in writing and have reached the Bank before the closing time of the Bank on that day,
 - 9.2 is personal to the RAF and is neither negotiable nor transferable,
 - 9.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or the Expiry Date hereof,
 - 9.4 shall be regarded as a liquid document for the purpose of obtaining a court order, and
 - 9.5 shall be governed by and construed in accordance with the laws of the Republic of South Africa and shall be subject to the jurisdiction of the courts of the Republic of South Africa.
10. The Bank chooses *domicilium citandi et executandi* for all purposes in connection with this guarantee at the Bank's address.

Signed at _____ for and on behalf of _____, this ____ day of _____

AS WITNESSES:

1. _____

2. _____