**THE REPUBLIC OF UGANDA**

**IN THE MATTER OF RETENTION GUARANTEE BY <<Bank>>**

**RETENTION GUARANTEE**

Date: **<<Date>>**

Bank Ref No. **<<Reference number>>**

Contract No. **<<Contact>>**

TO: **<<Contractor>>**

In accordance with the request for Retention Guarantee provision included in the Contract referenced above, in relation to **<<Name of contractor>>** (hereinafter called ‘the Contractor’) shall deposit with the **Employer** a security consisting of a Retention Guarantee, to guarantee its proper and faithful performance of the obligations imposed by the said clauses of the Contract, in the amount of **<<Amount in figures>> <<Amount in words>>**

We the undersigned, **<<Bank/Guarantor>>** legally domiciled in **<<Address>>** (hereinafter called “the Guarantor”), as instructed by the “Contractor” agree unconditionally and irrevocably to guarantee as Primary Obligor and not as Surety merely, the payment to the Procuring and Disposing Entity on his first demand without whatsoever right of objection on our part and without its first claim to the Contractor, in the amount not exceeding **<<Amount in figures>> <<Amount in words>>**

We further agree that no change or addition to other modification of the terms of the Contract or of the Works to be performed there under or of any of the Contract documents which may be made between the Employer and the Contractor, shall in any way release us from liability under this Guarantee, and we hereby waive any such change, addition, or modification.

This Security shall remain valid and in full effect under the Contract until the **<<Date of Completion>>**

**This Guarantee shall be active only upon the funds being credited on the Contractor’s account number <<Account number>>held with the Guarantor.**

This Guarantee is issued subject to ICC Uniform Rules for Demand Guarantees, ICC Publication No.758.

The Guarantor’s liability is limited to the payment of money only and the Guarantee is neither Negotiable nor Transferable.

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**<<Name of Bank Representative>> <<Name of Bank Representative>> <<Designation of Bank Representative>> <<Designation of Bank Representative >>**

Duly authorized to sign the Bank Guarantee for and on behalf of: Housing Finance Bank Limited.

Dated this **<<date>>**