

- 3.0 Subject to the Guarantor's maximum liability in terms of the Guaranteed Sum, the Guarantor hereby undertakes to pay the Contractor the demanded sum upon the receipt of the documents identified in 3.1 and 3.2:
- 3.1 A copy of a first written demand issued by the Contractor to the Employer stating that the Contractor demands the issue of a payment certificate and failing such issue within seven (7) calendar days, the Contractor intends to call upon the Guarantor to make payment in terms of 3.2 of the demanded sum as set out in the demand
- 3.2 A first written demand issued by the Contractor to the Guarantor at the Guarantor's *domicilium citandi et executandi* with a copy to the Employer stating that a period of seven (7) calendar days has elapsed since the first written demand in terms of 3.1 and that a payment certificate has still not been issued therefore the Contractor calls up this Payment Guarantee and demands payment of the demanded sum from the Guarantor
- 4.0 It is recorded that the aggregate amount of payments required to be made by the Guarantor in terms of 2.0 and 3.0 shall not exceed the Guaranteed Sum
- 5.0 Where the Guarantor is a registered insurer in terms of the Short-Term Insurance Act No 53 of 1998 and has made payment in terms of 3.0, the Contractor shall upon the date of issue of the final payment certificate submit an expense account to the Guarantor showing how all monies received in terms of the Payment Guarantee have been expended and shall refund to the Guarantor any resulting surplus. All monies refunded to the Guarantor in terms of this Payment Guarantee shall bear interest at Standard Bank of South Africa Limited's prime overdraft rate compounded monthly and calculated from the date payment was made by the Guarantor to the Contractor until the date of refund
- 6.0 Payment by the Guarantor in terms of 2.0 or 3.0 shall be made within seven (7) calendar days upon receipt of the first written demand to the Guarantor
- 7.0 The Contractor shall have the absolute right to arrange his affairs with the Employer in any manner which he deems fit and the Guarantor shall not have the right to claim his release on account of any conduct alleged to be prejudicial to the Guarantor
- 8.0 The Guarantor chooses *domicilium citandi et executandi* for all purposes in connection herewith at the address as stated above
- 9.0 This Payment Guarantee is neither negotiable nor transferable and shall expire upon settlement of the final certified sum in terms of the Agreement or on payment in full of the Guaranteed Sum or on the Guarantee expiry date, whichever is the earlier, where after no claims will be considered by the Guarantor. The original of this Payment Guarantee shall be returned to the Guarantor after it has expired
- 10.0 This Payment Guarantee, with the required demand notices in terms of 2.0 or 3.0, shall be regarded as a liquid document for the purpose of obtaining a court order
- 11.0 The Guarantor hereby consents in terms of Section 45 of the Magistrate's Courts Act No 32 of 1944, as amended, to the jurisdiction of the magistrates court of any district having jurisdiction in terms of Section 28 of the said Act, notwithstanding that the amount of the claim may exceed the jurisdiction of the magistrate's court

Signed at	_____	Date	_____
Guarantor's Signatory	_____	Guarantor's Signatory	_____
Witness	_____	Witness	_____

Guarantor's seal or stamp