

Section-D: TERMS AND CONDITIONS

B) Other / General Terms and Conditions:

3. Performance Bank Guarantee (PBG):

The selected vendor is required to submit an unconditional and irrevocable Performance Bank Guarantee (PBG) to LIC in form of a Bank Guarantee equal to 5% of the total Contract Value. Format for submitting the Bank Guarantee is attached herewith as Annexure-XIII. No interest shall be payable on the PBG amount.

The required PBG should be submitted to LIC within 21 days from the date of letter issued by LIC for selection as the "selected vendor". The PBG shall be valid for the period of 63 months (including three months of claim period) from the date of submission of PBG to LIC. The PBG may be invoked for entire amount (or the portion as deemed fit by LIC to make good its losses) if the vendor backs- out of his obligations as per the contract, including refusal to execute PO or excessive delay in execution of Purchase order or vendor does not provide onsite-support etc. required as per this RFP.

If vendor fails to submit the required PBG within 21 days period as mentioned above, penalty of Rs.5,000/- per day (subject to maximum penalty of Rs.50,000/-) will be imposed. In case the selected bidder fails to submit performance bank guarantee even after the elapse of 35 days from the date of letter issued for selection as the "selected vendor", LIC at its discretion, may cancel the allotment of the contract to the concerned bidder and allot the contract to the L2 bidder at L1 prices, so on and so forth. All the terms & conditions, stated in this RFP (and subsequent modifications, if any) will then be applicable to the L2/L3 bidders, so on and so forth. In case the tenure of servicing is extended beyond five years, the selected Vendor will be required to extend validity period of the PBG or submit a fresh PBG.

- a) The PBG should be valid for the entire contract period from the date of its submission to LIC and an additional three months from the date of notification.
- b) In case of extension of the contract by LIC, the vendor should submit fresh PBG of the same amount or extend the validity period of the submitted PBG to cover the extended validity period of the tender. This should happen within one month prior to the expiry of the earlier PBG, unless otherwise intimated by LIC.
- c) Format for submitting the Bank Guarantee is attached herewith as **Annexure XIII** and should be executed by a Nationalized/ Scheduled bank acceptable to LIC and having Branches in Mumbai.
- d) The PBG will not carry any interest.
- e) The PBG may be required to be submitted in multiple numbers, if required by LIC.
- f) The PBG may be invoked for entire amount if the vendor backs-out of his obligations as per this tender or if the fresh PBG is not received by LIC one month prior to the expiry of the earlier PBG; apart from other actions that may be decided by LIC.
- g) The PBG will be invoked in full or part (to be decided by LIC) in any of following eventualities during the period of contract:
 - i. The bidder fails to honour expected deliverables or part as per this RFP after issuance of PO
 - ii. Any legal action is taken against the bidder restricting its operations
 - iii. Any action taken by statutory, legal or regulatory authorities for any breach or lapses which are directly attributable to the bidder.
 - iv. LIC incurs any loss due to Vendor's negligence in carrying out the project implementation as per the agreed terms & conditions

- h) In the event of any contract amendment, the Vendor shall, within seven days of agreeing to such amendment, furnish the amended performance guarantee, valid for 60 days beyond the duration of the Contract as amended, including warranty obligations.

5. Transportation and Insurance:

The successful Bidder is required to deliver the products and services at the destination as informed in the Purchase Order for execution. Transportation and Insurance of goods shall be arranged and paid for by the vendor at no extra cost to LIC. The goods supplied shall be fully insured by the vendor for and from transit period till fourteen days from the date of delivery at LIC's offices, at their cost against any loss or damage. Should any loss or damage occur, the vendor shall:

- a) Intimate and pursue claim with the Insurance Company till settlement and
- b) Promptly make arrangements for replacement of any damaged item/s (within fifteen days of detection of damages), irrespective of the settlement of claim by the Insurance Company.
- c) Insurance of all equipment/appliances required for the switches will have to be done by the vendor every year. The vendor has to provide proof of continued insurance of the equipment every year.

34. Termination

34.10 Business continuity beyond contract period

- a) At the end of the contract period the vendor shall support takeover of the solution by LIC or a new vendor selected by LIC for business continuity. The vendor will provide an expert facility to obtain the data/knowledge in a usable format. The vendor shall render all reasonable assistance and help LIC and any new service provider engaged by LIC for smooth switch over and continuity of service.
- b) Upon expiry or termination of the Contract, including any extension thereof, LIC reserve the right to either retain the appliances to ensure data security in accordance with the applicable laws, rules, and regulations prevailing at that time, OR direct the Vendor to remove and take back the switches from some or all locations, at no cost to LIC, within the period specified by LIC. In case LIC decides to retain the appliances, the responsibility and cost of disposal shall be borne by LIC, and the Vendor shall not have any liability, or financial obligation in this regard.