

Application for Bank Guarantee against Cash Margin

Type Of Application

NEW AMENDMENT RENEWAL

Existing Bank Guarantee No.:

Date:

Applicant's Details

Company Name:

Contact Person:

Address:

Contact Number:

Beneficiary's Details

Name:

Address:

Information on Bank Guarantee

Amount (in figures):

Amount (in words):

Effective Date:

Expiry Date:

Claims Period (if any): SAME AS EXPIRY DATE _____ DAYS/WEEKS/MONTHS AFTER EXPIRY DATE

Type of Bank Guarantee: PERFORMANCE FINANCIAL TENDER OTHERS (Please specify): _____

Purpose of Bank Guarantee:

Other Instructions:

Collection of Bank Guarantee: SELF-COLLECTION DELIVERY TO BENEFICIARY

CIMB Bank Account No.:

For debiting of all amount due under or in connection with this application.

Declaration and Authorisation

I/We irrevocably and unconditionally authorise the Bank to debit my/our account no. as above for the Guaranteed Sum stipulated in the Bank Guarantee (as subsequently defined) as cash cover/cash margin ("Cash Margin") thereto.

In the event of any claim under the proposed Bank Guarantee, I/we hereby authorise the Bank to liquidate the Cash Margin to set off this claim without any reference to me/us.

I/We hereby authorise the Bank to debit my/our account no. as above for any charges incurred under this application.

I/We declare that the information provided above are true and accurate.

I/We hereby authorise the Bank to verify any of the information from whatever sources it deems appropriate and to impart or disclose in confidence any information regarding my/our financial standing to any other parties for any reasons the Bank thinks fit.

Notwithstanding the generality of the foregoing, I/we confirm that the Bank is authorised to verify and/or make any checks and/or obtain any information and/or confirmation, with or from any credit reference agency and/or any financial institution on me/us and/or any person, individual and/or entity as the Bank may deem fit, for any purposes which the Bank deems fit.

INDEMNITY

I/We hereby agree and undertake to indemnify and keep indemnified, the Bank, its successors in title and assigns, from any loss, costs, expenses, damages, claims, liabilities, actions and/or proceedings of any kind whatsoever, including but not limited to any legal costs (on a full indemnity basis) that the Bank may incur in connection with the Bank Guarantee, or in enforcing or attempting to enforce the Bank's rights under this Indemnity and/or expenses incurred by the Bank for whatsoever reason in consequence of and/or arising from the issuance of the Bank Guarantee by the Bank and/or from any payment made by the Bank under the Bank Guarantee at its sole discretion and/or from other costs, expenses, payments and/or liabilities of whatever nature or description which may be taken, incurred or suffered by the Bank in connection with or in any manner arising out of the Bank Guarantee issued by the Bank.

I/We hereby agree that our liability aforesaid shall be a continuing liability and shall remain in full force and effect until the Bank confirms to me/us in writing that the Bank has been released from all liability under or in connection with the Bank Guarantee notwithstanding any change whatsoever in our constitution (if a company or partnership) and shall be binding on me/us and my/our personal representatives (if an individual) and shall inure to the benefit of and be enforceable by the Bank's successors and assigns.

I/We hereby agree that my/our request for the issuance of the Bank Guarantee shall be irrevocable unless the written consent of the Bank is first obtained.

I/We hereby agree that I/we shall not at any time on or before the Expiry Date more particularly described in the Bank Guarantee, instruct or cause the Bank in any way whatsoever to revoke the Bank Guarantee or any part thereof; and that the Bank shall have the absolute right, entitlement and authority in its sole discretion:

(a) on demand from the Beneficiary stated in the Bank Guarantee, forthwith to pay any sum or sums up to the Guaranteed Sum in the Bank Guarantee, without any reference to or authority from me/us, and without any regard or inquiry to any disputes or contestations which may be raised by me/us and/or any other party as to the validity, genuineness or accuracy of any document, certificate or statement received by or made to the Bank with respect to the Bank Guarantee and without having to refer or interpret any document, agreement, understanding or note between us and the Beneficiary or such other proof that the amounts so demanded are or were due, notwithstanding anything contained in the Bank Guarantee; and I/we shall not at any time question or challenge the validity, legality or otherwise of any such payment by the Bank or deny any liability under this Indemnity on the grounds that such payment or any part thereof made by the Bank was not due or payable under or in connection with the Bank Guarantee on any demand made under or in connection with the Bank Guarantee or that the Bank could have resisted any claim thereof or on any other ground whatsoever and any payment made by the Bank on any demand made under or in connection with the Bank Guarantee shall be accepted by me/us as conclusive evidence that the Bank was liable to make such payment; and

(b) to debit and/or set-off from any of my/our accounts (including fixed deposit accounts notwithstanding that any deposit has not matured or any conditions applicable to the deposit have not been satisfied) with the Bank and/or set off any monies belonging to me/us in the Bank's custody or possession with or without any prior demand, to effect repayment of any of my/our liabilities under this Indemnity, and/or to recover any or all of the monies which I/we owe to the Bank under this Indemnity whether such liabilities be actual or contingent and the Bank shall have the right to make such debit whether any of my/our accounts with the Bank be in credit or not.

I/We hereby agree that any form of security given by me/us to the Bank shall become security to cover any or all of my/our liabilities under this Indemnity and/or the monies owing to the Bank under this Indemnity and that if at any time the Bank requires collateral, I/we shall on demand pay to the Bank forthwith, by way of cash collateral (or such other collateral acceptable to the Bank) an amount equivalent to the Bank's maximum actual and/or contingent liability under or in connection with the Bank Guarantee and the Bank shall be entitled to place the cash collateral into a suspense account and this sum shall be held by the Bank and applied towards the discharge of all my/our obligations to the Bank in connection with the Bank Guarantee and/or under this Indemnity and the Bank shall repay me/us without interest as and to the extent that my/our obligations to the Bank under this Indemnity are reduced or otherwise discharged or terminated to the Bank's satisfaction.

I/We hereby agree to pay on demand by the Bank any monies owing by me/us to the Bank in respect of the Bank Guarantee.



Authorised Signatory and Company Stamp

Name:

Designation:



Authorised Signatory and Company Stamp

Name:

Designation:

Terms and Conditions

1. INTERPRETATION

1.1 The term "Bank Guarantee" shall, where applicable, include all guarantees, bonds and undertakings issued by the Bank and counter indemnities, counter guarantees and undertakings given by the Bank and all fresh guarantees, bonds, counter indemnities, counter guarantees and undertakings issued or given from time to time and any renewal of all such guarantees, bonds, counter indemnities, counter guarantees and undertakings whenever issued or given and all increases and extensions in the amount of liability and all extensions of the period of guarantees, bonds, counter indemnities, counter guarantees and undertakings and all amendments to the terms and conditions of any such guarantees, bonds, counter indemnities, counter guarantees and undertakings.

2. APPLICATION AND ISSUANCE

2.1 Application for issuance of Bank Guarantee is subject to the Bank's approval and these Terms and Conditions ("Terms") of Issuance of Bank Guarantee.

3. FORMAT OF BANK GUARANTEE

3.1 All Bank Guarantee formats must meet the Bank's internal issuance requirements and the applicant ("Applicant") is responsible for determining the suitability of the format of the Bank Guarantee to be issued for its underlying requirements.

3.2 Issuance of Bank Guarantee is subject to the laws of Singapore, the rules of the Association of Banks in Singapore, regulations and directives from the Monetary Authority of Singapore and any other regulatory bodies, if any.

4. INDEMNIFICATION, REIMBURSEMENT AND FUNDING FOR OBLIGATIONS INCURRED

4.1 Where the Bank issues a Bank Guarantee, it does so against Applicant's unconditional and irrevocable agreement to indemnify against and/or reimburse for and/or put the Bank in funds to meet all actions, claims, demands, liabilities, losses, damages, costs, charges and expenses which the Bank may sustain, suffer or incur in connection with the Bank Guarantee. Where any goods and services tax or other taxes levies or charges whatsoever are now or hereafter required imposed or enforced by law (including the Goods and Services Tax Act (Cap. 117A) of Singapore or required to be paid on or in respect of any monies (including fees payable by the Applicant to the Bank on demand in addition to all other monies) payable to the Bank, the Bank is entitled to debit any of the Applicant's accounts with the Bank for payment of the Bank's commission, expenses, costs (legal or otherwise) together with such taxes upon or after the issuance of the Bank Guarantee.

5. CASH MARGIN

5.1 The Cash Margin shall be provided by Applicant to the Bank.

5.2 No interest shall be payable on the Cash Margin amount.

5.3 The Bank can apply the Cash Margin or any part thereof for the Applicant's obligations under these Terms without the need to give prior notice to the Applicant.

5.4 The Bank shall refund the Cash Margin or any part thereof not applied pursuant to these Terms once the period of liability for the Bank under the Bank Guarantee has lapsed, provided that there is no liability remaining or being threatened against the Bank in spite of the lapsing of such period as determined by the Bank in good faith.

5.5 Prior to the refund of the Cash Margin, Applicant shall:

(a) not demand early repayment/refund of the Cash Margin and the Bank has no obligation to make early repayment/refund of the same;

(b) not omit or act in any way which may delay or prejudice the Bank's rights to retain or apply the Cash Margin; and

(c) have no rights to assign, transfer, charge or grant any third party rights over or against the whole or any part of the Cash Margin, except in the Bank's favour. The bank is authorised to notify Applicant's creditors of these Terms and Applicant's undertakings herein at any time.

6. SET OFF AND INTEREST

6.1 Applicant irrevocably authorises the Bank without need for prior notice to set off from any amount due from the Bank to the Applicant and/or to debit Applicant's accounts with any monies payable herein as an additional right or remedy to application of the Cash Margin.

6.2 In the event the monies in any of the Applicant's accounts to be debited are denominated in currencies other than Singapore dollars, the Bank shall convert any amounts to be debited at its prevailing rate of exchange on the date of debit in accordance with its usual practice.

7. ADDITIONAL SECURITY

7.1 Applicant shall provide security for its obligation under these Terms should the Bank in good faith believes its rights to retain or apply the Cash Margin shall be prejudiced or affected or if the Applicant's to the Bank under these Terms shall increase to an amount exceeding the Cash Margin.

8. COMMISSION

8.1 Commission is chargeable on the Guaranteed Sum stipulated in the Bank Guarantee for the full liability period inclusive of the claims period (if any) at the Bank's standard pricing.

9. DEMANDS OF BANK GUARANTEE

9.1 Applicant irrevocably consents to the Bank paying immediately any amounts demanded under the Bank Guarantee in the Bank's sole discretion without reference whatsoever to Applicant. Any payment made by the Bank by reason of such demands or claims shall be conclusive evidence of Applicant's indebtedness to the Bank under these Terms.

9.2 Applicant agrees to accept any claim or demand on the Bank under the Bank Guarantee as conclusive evidence that the Bank was liable to pay and any payment made pursuant to such demand which purports to be in accordance with the Bank Guarantee as binding upon Applicant.

9.3 All steps taken by the Bank in good faith under or in connection with the Bank Guarantee shall be binding on Applicant and shall not place the Bank under any liability to Applicant.

10. MISCELLANEOUS

10.1 Where applicable, the Applicant has the necessary corporate approval and consent to sign, deliver and agree to the terms of this Indemnity and the person signing this Indemnity for and on behalf of the Applicant is duly authorised by the Applicant.

10.2 The Bank may disclose to correspondent banks, any of the Bank's representative offices, documents checking and processing centres, branch offices in any jurisdiction, related corporations (as defined in the Companies Act (Cap. 50) of Singapore), any regulatory or supervisory authority including fiscal authority in any jurisdiction, guarantors, third party pledgors or security providers, solicitors, agents, independent contractors, insurers with whom insurance cover is taken out in connection with this Application. For Bank Guarantee against Cash Margin and the Beneficiary, such information about the Applicant, the Applicant's accounts and such other information as the Bank may think fit and the Applicant irrevocably consents and authorises such disclosure by the Bank and its officers and agents.

10.3 Each of the provisions in this Indemnity shall be several and distinct from one another. If one or more provisions of this Indemnity are held invalid, illegal or unenforceable in any respect on the basis of any particular circumstances or in any jurisdiction, the validity, legality and enforceability of such provision or provisions under other circumstances or in other jurisdictions and of the remaining provisions will not in any way be affected, prejudiced or impaired.

11. GOVERNING LAW AND JURISDICTION

11.1 These Terms shall be subject to and construed in accordance with the laws of Singapore and I/we hereby irrevocably agree to submit to the non-exclusive jurisdiction of the courts of Singapore.

12. APPLICABILITY OF THE CONTRACTS (RIGHT OF THIRD PARTIES) ACT (CHAPTER 53B) OF SINGAPORE

12.1 A person who is not party to this Indemnity shall have no right under the Contracts (Rights of Third Parties) Act (Cap 53B) of Singapore ("Act") to enforce any terms herein, provided that nothing herein operates to prevent or limit the Bank's right to assign, novate or otherwise confer any benefit or interest in favour of any other party, apart from the Act.

FOR BANK USE ONLY	
SIGNATURE VERIFIED BY:	ACKNOWLEDGEMENT OF BG COLLECTION
BG NO.:	NAME:
	NRIC/PASSPORT NO.:
	DATE:

INTERNAL APPROVAL			
GENERAL MANAGER	DEPARTMENT HEAD	TEAM HEAD	RELATIONSHIP MANAGER