

Letter of Guarantee

To:
Ithmaar Bank B.S.C.(c)
PO Box 2820, Seef Tower
Seef District
Kingdom of Bahrain

Date:/...../.....

Under our full and irrevocable responsibility, please issue in accordance with the format acceptable to the Beneficiary the following guarantee:

Guarantee No. :
Type of Guarantee :
Purpose of Guarantee :
Amount of Guarantee :
Beneficiary :
Period / Expiry :
Related to Contract No. :
Amount of Contract :

In consideration of your issuing the above Guarantee, we hereby irrevocably agree as follows.

1. To pay you, on your first demand, either by tested telex or by letter, without any contestation for any reason, the amount of the Guarantee plus charges or any other charges, including lawyer's fees that you may have to pay now or at any future date, because of the commitment taken by you.
2. That your commitment and any dispute related thereto shall be subject to laws and regulations of the *Kingdom of Bahrain/ Kingdom of Saudi Arabia/.....
3. Should you be served with a request to extend its validity (whether such request contains an "extend or pay" or "pay demand" or "hold for value statement"), we undertake within 3 banking days of our receipt of your notice of such extension request, to provide you with our agreement to extend the validity of our counter guarantee from its present (extended) expiry date, for a period similar to the extension requested under your guarantee.
4. Should we not agree to the extension of our undertaking as requested by you, we undertake to pay you forthwith the sum then available under our guarantee. The proceeds of such payment shall be held by you to secure your liability or to meet any demand for payment that may be served on you.
5. This counter-guarantee expires for presentation of your claim at our counters upon cancellation of the guarantee issued by your bank and upon your receipt of the original guarantee from the beneficiary or receipt of a confirmation from the beneficiary to release your bank from all its obligations towards this guarantee.
6. We confirm our counter guarantee is not subject to any exchange control regulation that may prevent us from honouring our commitment to you or, should such exchange control regulations exist, we confirm having obtained the necessary approvals for the issuance hereof in the event that exchange control regulations are imposed. In the future, we agree to obtain all necessary approvals to ensure that this counter-guarantee remains valid.

Thank You,

Signature :
Customer Name :
Customer Address :
Account No. :

