

To: **Nations Trust Bank PLC**  
P.O. Box 835, No. 242 Union Place, Colombo02, Sri Lanka.

Dear Sirs,  
Please be good enough to issue me/us, a Guarantee/ Bond as per the following details.

TYPE OF GUARANTEE/BOND: ( ..... )

IF PERFORMANCE BOND STATE THE FULL CONTRACTED VALUE &% : ( ..... )

TYPE OF BUSINESS: **INDIVIDUAL**  **JOINT INDIVIDUALS**  **PROPRIETORSHIP**  **PARTNERSHIP**   
**LIMITED LIABILITY CO**

BENEFICIARY : .....

ADDRESS : .....

AMOUNT : .....

PURPOSE OF GUARANTEE : .....

CONTRACT NO. (IF ANY) : .....

SPECIAL INSTRUCTIONS : .....

VALIDITY PERIOD : .....

PLEASE DEBIT ALL CHARGES INCLUDING BUT NOT LIMITED TO A COMMISSION AT THE RATE SPECIFIED IN THE BANK'S WEBSITE WHICH MAY BE AMENDED FROM TIME TO TIME AND /OR THE MARGIN TO MY/OUR ACCOUNT NO.....

IN THE EVENT FUNDS ARE CLAIMED BY THE BENEFICIARY UNDER THE GUARANTEE, I/WE AGREE THAT IT IS A CONDITION UNDER THE TERMS OF ISSUING THE GUARANTEE THAT THE NECESSARY FUNDS WILL BE PROVIDED BY ME/US IMMEDIATELY IN THE APPLICABLE CURRENCY BEING THE CURRENCY OF THE GUARANTEE, TO PAY THE CLAIM. I/WE FURTHER AGREE THAT INTEREST WILL BE CHARGED ON ANY AMOUNT PAID BY THE BANK ON MY/OUR BEHALF FROM THE DATE OF SUCH PAYMENT TO THE DATE OF SETTLEMENT BY ME/US AT THE BANK'S INTEREST RATE FOR TEMPORARY EXCESSES WHICH SHALL BE DECIDED BY THE BANK AT ITS DISCRETION FROM TIME TO TIME.

I/WE FURTHER AGREE THAT I/WE SHALL EXECUTE OR CAUSE TO BE EXECUTED ANY FURTHER DOCUMENT / S AS THE BANK MAY REQUIRE FROM TIME TO TIME.

IF ANY PREMATURE CANCELLATION OF THE GUARANTEE/BOND IS REQUIRED, I/WE WILL OBTAIN A LETTER OF CANCELLATION FROM THE BENEFICIARY. IF THE BENEFICIARY DOES NOT PROVIDE A LETTER OF CANCELLATION, I/WE CONFIRM THAT THIS GUARANTEE/ BOND WILL REMAIN VALID UNTIL THE EXPIRY DATE, UNLESS OTHERWISE DETERMINED BY NATIONS TRUST BANK PLC AT ITS SOLE DISCRETION.

Thanking you.  
Yours faithfully,

ORIGINAL GUARANTEE COLLECTED BY:

.....  
AUTHORISED SIGNATURE(S)

DATE:.....

.....  
SIGNATURE..... DATE.....

APPLICANT(S) FULL NAME AND ADDRESS

NAME	: .....
ADDRESS	: .....
T'PHONE NO(S)	: .....

(For THIRD PARTY guarantees the terms and conditions on the reverse side should be signed by the applicant)

## TERMS AND CONDITIONS

I/We hereby request and authorize you Nations Trust Bank PLC (the "Bank") to issue to .....  
On behalf of ..... A Guarantee or Bond or a Guarantee or Bond in  
terms of the duplicate guarantee or Bond dated.....bearing No.....and in  
consideration of the Bank doing so, I/We jointly and / or severally hereby undertake and agree:-

- a) To hold the Bank harmless and indemnified from and against all actions, proceedings, losses, exchange losses damages, interest, costs, claims, charges and/ or expenses and all sums paid by the Bank under or purporting to be under the said Guarantee or Bond and / or any amendments or extensions thereof (hereinafter collectively referred to as the said "Guarantee/Bond" ) and any detriment of whatsoever kind or nature consequent on or attributable to the Bank having so issued the said Guarantee/Bond as aforesaid or otherwise in the premises howsoever;
- b) That any and every request or demand made upon the Bank from time to time for payment of any sum or sums of money under the said Guarantee or Bond, shall be sufficient authority to the Bank for making such payment(s) and the Bank shall not under any circumstances be concerned to inquire whether the amount of any such payment(s) is or are in fact or in law due under the said Guarantee/ Bond or otherwise and the decision of the Bank to make such payment(s) shall be finally binding as between me/us and the Bank and the Bank shall be entitled to be paid by and recover from me/us, the full amount of all and every such payment(s) as aforesaid without the Bank being obliged to prove that the purported request or demand or payment(s) were valid or lawful or were consequent on or attributable to the Bank having issued the said Guarantee/Bond and I/We shall not be entitled to question on any ground whatsoever such payment(s), any rule of law or equity to the contrary notwithstanding; I/we shall on demand provide funds to meet all such payments by the Bank as aforesaid and that all monies payable by me/us to the Bank hereunder shall be payable on demand at Colombo without demur;
- c) That the Bank shall be entitled from time to time to debit my/our account(s) at any branch of the Bank without any notice to me/us, even to the extent of creating any new or increasing any existing overdraft or liability on any of my/our account(s), with the amounts of any payment(s) that the Bank may from time to time make under or purporting to be under or in respect of the said Guarantee/Bond ,regardless of the fact that as a result or consequence thereof any cheques or orders for payment of monies or withdrawals applications drawn or made by or on behalf of me/us maybe returned or dishonored or refused payment by the Bank for want of sufficient funds; the Bank shall not however be obliged to create or increase any overdraft or liability on any of my/our account(s);
- d) That in addition to any general lien or similar right which the Bank as bankers maybe entitled to by law, the Bank may at any time and without notice to me/us or demand for money from me/us, combine or consolidate all or any of my/our account(s) with all my/our liabilities hereunder to the Bank and set off or transfer any sum(s) standing to the credit of any one or more of such account(s) in or towards the satisfaction of any of my/our liabilities to the Bank regardless of the fact that as a result or consequence thereof, cheques or orders for payment of money drawn by me/us upon the Bank whether on or before or after the date of such combination, consolidation, set off or transfer, may be returned or dishonored by the Bank for want of sufficient funds;
- e) That I/We will indemnify the Bank against any and all claims or demands made on the Bank consequent on such action as may be taken by the Bank under clauses c) and d) above;
- f) That the monies due hereunder to the Bank by me/us shall be recoverable from me/us notwithstanding the Prescription Ordinance and I/We shall not plead the Prescription Ordinance or any rule of law as a bar to the Bank suing me/us for the recovery of the said monies.;
- g) That any notice, demand claim and/ or summons hereunder that the Bank may desire to serve on me/us shall be deemed to have been duly given, if given in writing, by post to my / our address last known to the Bank;
- h) That the terms and conditions contained herein shall be governed and construed in accordance with the laws of Sri Lanka;
- i) I/We confirm that a copy of these terms and conditions were given and explained to me/us before the signing hereof and I/We have read and understood the same and agree and consent to be bound thereby.
- j) Where the guarantee or bond issued hereunder is in foreign currency, I/We irrevocably undertake to pay and/or settle and/or reimburse the Bank in such applicable foreign currency immediately upon payment being made by the Bank on such guarantee or bond to the beneficiary.

"Guarantee/Bond" referred to above shall include letters of guarantee, security bonds, performance guarantees of all description and every form of undertaking to pay money at any time whether presently, contingently or by way of indemnity or otherwise howsoever, in default of the supply of goods and /or performance of services or any other act or things whatsoever to or in favor of or for the benefit of any person company, firm, corporation, body of persons incorporate or unincorporated, local authority or the Government of Sri Lanka or of any other state or country or any of the departments or offices or officers of any such Government, in respect of any offer or bid or contract by any person whomsoever or by me/us.

.....  
(Authorized Signatory)

.....  
(Authorized Signatory)

.....  
Date