Date:

**Beneficiary name and address**

P.O. Box

Kingdom of Bahrain

Our Ref.        : Performance Bond No.

Amount         : BHD (Bahraini Dinars only)

Applicant (Contractor)  : , P.O. Box , Kingdom of Bahrain

Project       :

Date of Contract

In consideration of you, **Beneficiary name and address** ("the Employer") having agreed to enter into the above Project ("the Project") with **, P.O. Box , Kingdom of Bahrain** ("the Contractor") we, **Al Salam Bank, P.O. Box 18282, Manama, Kingdom of Bahrain**, hereby irrevocably and unconditionally guarantee to the Employer, subject only to the monetary limitation hereinafter specified, that the Contractor shall well and truly perform and fulfill all the undertakings, covenants, terms and conditions of the Contract for **PROJECT** ("the Works") and of any extensions thereof, and that the Contractor shall well and truly perform and fulfill all the undertakings, covenants, terms and conditions of any and all changes,  modifications, additions or amendments to the Contract that may hereafter be made, and that the Contractor shall also fully indemnify, defend and hold harmless the Employer from all costs, liability and damage which the Employer may suffer by reason of the failure of the Contractor to do so.

In the event that the Employer, in its absolute discretion, gives written notice to us at any time of the failure of the Contractor to perform or fulfill any of the acts or obligations set forth in the preceding paragraph, we hereby unconditionally and irrevocably undertake, without any right of set off or counter claim whether on our behalf or on behalf of the Contractor, to pay to the Employer the sum **of BHD (Bahraini Dinars only)**. Such written notice of the Employer shall be conclusively binding on us for all purposes under this Performance Bond.

We further agree that any change, modification, addition or amendment which may be made to the terms and conditions of the Contract, or to the Works to be performed there under, or to the payments to be made on account thereof, or any extension of the time of performance of the works or any composition, settlement, promise not to sue or other forbearance on the part of either the Employer or the Contractor to the other shall not in any way release us from our continuing liability hereunder and we hereby expressly waive our right to consent to or to receive notice of any such change, modification, addition, amendment, extension, composition, settlement promise or forbearance.

This Performance Bond shall be valid until the  **day of 2019** or until the date of the Performance Certificate as defined in the Contract whichever shall be the later and any request for payment hereunder must be received by us on or before the later of such us dates.

Any claims under this Performance Bond must be accompanied by the original of this Performance Bond and Amendments (if any) along with your written demand for payment on your letter head duly signed by your authorized signatorie(s) and must be received by our office Al Salam Bank Bahrain B.S.C., Trade Finance Ops, Bahrain World Trade Center, East Tower, Flat 1201, Manama, Kingdom of Bahrain.

This Performance Bond shall be governed by and interpreted under the laws of Kingdom of Bahrain. It shall be returned to us on its expiry.

Authorized Signatories