

Application for Letter of Guarantee

بنك السلام
Al Salam Bank



No.	Approved	Telex/Airmailed
<div>Margin:</div> <div>Commission:</div> <div>Cable Charges:</div> <div>Postage Charges:</div>		

Date:

To: Al Salam Bank B.S.C. (the "Bank")
P.O. Box 18282,
Manama,
Kingdom of Bahrain

From:

P.O. Box
Manama,
Kingdom of Bahrain

Dear Sirs,

We herewith request you to open for our Account by telex/air-mail, a letter of Guarantee as per details given herein below:

Type of Guarantee:	<input type="text"/>
Guarantee Amount:	<input type="text"/>
Cash Margin Amount:	<input type="text"/>
Cash Margin Coverage Ratio	
Validity:	<input type="text"/>
Beneficiary:	<input type="text"/>
Purpose:	<input type="text"/>
Any Intermediary Bank:	<input type="text"/>

As per the format enclosed with this Application for Letter of Guarantee (the "Application"). In case no such format is enclosed herewith, we hereby authorize you to use your standard text for the type of the guarantee requested by us.

In consideration of your agreeing to issue at our request and on our behalf from time to time a guarantee, standby LC or guarantees, standby LCs, (hereinafter called collectively "Guarantees" and individually a "Guarantee"), we hereby unconditionally and irrevocably (and if more than one, jointly and severally):

- Agree to pay and authorize the Bank to deduct, at any time and whether in relation to termination or renewal, any and all charges (not in the form of interest), fees, commissions and any other relating expenses from any of my Account(s);
- Acknowledge and agree that, upon signing this Application, the Bank shall debit the Cash Margin Amount from the Account and hold the Cash Margin Amount against the Guarantee Amount;
- Acknowledge that, subject to the Bank's internal policies and procedures, the Bank may issue a Guarantee in favor of the Beneficiary;
- Acknowledge and agree that, upon depositing the Cash Margin Amount and the issuance of the Guarantee, we shall have no right to claim such amounts unless the original Guarantee is returned and terminated;
- Agree that if the Guarantee is renewed, the Bank shall be entitled to debit the applicable fees published by the Bank from time to time, and any incidental actual charges by a third party, if any, from the Account or any of my other accounts;
- Agree that, upon the issuance of the Guarantee, the Bank may act on or reject any instruction made by us in relation to the Guarantee, provided at all times that such instruction will not affect and/or impose any liabilities on the Bank in any way;
- Acknowledge and agree that the Guarantee may be terminated by us by providing a seven day prior written notice to the Bank along with the original Guarantee. In such an event, we acknowledge that all fees paid to the Bank shall be non-refundable. In the

Signature & Stamp

event the Bank terminates the Guarantee for whatsoever reason, we acknowledge that the Bank shall refund any fees paid by us regarding the Guarantee.

- h) Agree to indemnify and keep you and each of your successors and assigns indemnified at all times and from time to time on demand from and against all actual losses, damages, actions, suits, proceedings, claims, expenses, costs, demands and payments, whatsoever which you or your successors and assigns may incur, suffer or sustain on account of or in connection with you having issued any Guarantee or otherwise including but not limited to conflict of laws in respect of international guarantees;
- i) Agree that you are irrevocably authorized to pay immediately the amount or amounts demanded from you under or in connection with any Guarantee on the first written demand made by the respective Beneficiary thereof without requiring proof (other than receipt by you from such Beneficiary of such written demand) or our agreement that amount or amounts so demanded are or were, due notwithstanding that we may dispute the validity of any such demand, we will accept any demand on you as conclusive evidence that you were liable to pay and shall accept any payment which you make or which you purport to make under or in connection with any Guarantee, as binding upon us. We authorise you to debit from the Account all amounts payable by me/us to you under or in connection with the Guarantee or Guarantees. We also hereby agree to the assignment of any funds that you hold or may receive in our name towards settlement of any liability arising under the Guarantee; and
- j) Accept that if we commit any breach of the terms of this Application or if any of our indebtedness to any third party is not paid at maturity or on demand as the case may be or if we fail to pay any amount payable by us under any other guarantee or indemnity made by us or if we cease or threaten to cease carrying on business or become insolvent or proceedings are commenced for our dissolution or winding up then we shall on your first demand at any time thereafter (and without prejudice to our obligations under this Application, immediately pay to, and deposit with you, and keep deposited, so long as you have any liability under any Guarantee such sum or sums of money (not exceeding the amount of your aggregate outstanding liability under the Guarantees), as you may require to be held by you as security against any and all claims arising under or in connection with the Guarantees until you are satisfied that your liability under the Guarantee has been discharged. You shall have the right to set off such sum or sums so deposited in or towards settlement of our obligations hereunder without prior notice to us.
- k) Agree and declare that :
- 1) You are authorized, pursuant to this Application, to agree to any amendment (other than an increase in the guaranteed amount) to, or any extension of any Guarantee requested by the Beneficiary thereof without our consent, approval or authorization thereto; and
 - 2) If you increase the guaranteed amount of any Guarantee with our prior written consent, or if you otherwise amend any guarantee in accordance with paragraph (1) above or in accordance with our written instructions, then the terms of this Application shall apply to such Guarantee as so amended or extended.

Unless otherwise expressly stated, we agree that the Bank may, at its discretion, subject such Guarantee or standby letter of credit and/ or counter-guarantee or counter-standby letter of credit to ICC Uniform Rules for Demand Guarantees (URDG), ICC Publication No 458 or the ICC International Standby Practices (ISP98), ICC Publication no 590 respectively or any subsequent revision thereof, as the case may be.

Our liability hereunder will be continuous and will remain in full force and effect notwithstanding that the amount of any Guarantee may from time to time be reduced or extinguished and until you are finally discharged, to your satisfaction, of all liabilities under the Guarantees.

This Application shall be governed by and construed in accordance with the Laws of the Kingdom of Bahrain. The Bank and the Applicant recognise and agree that the principle of the payment of interest is repugnant to the Shariah and accordingly, to the extent that any legal system would impose (whether by contract or statute) any obligation to pay interest, the Bank and the Applicant hereby irrevocably and unconditionally expressly waive and reject any entitlement to recover interest from each other. The Bank and Applicant submit to the non-exclusive jurisdiction of the Bahraini Courts or any other jurisdiction in which we or any of our assets may be found. Notwithstanding the foregoing, we hereby waive our right to protest, object or contest jurisdiction or governing law of the guarantee.

We, the undersigned, have read, understood and accepted all the terms and conditions of this Application and undertake to adhere to all the obligations they impose onto us. We declare that all the details provided in this Application are correct, complete and not misleading and undertake to immediately notify the Bank in writing whenever any information changes or becomes misleading or incorrect.

Signature & Stamp A/C No (the "Account"):

Contact Number Date

FOR BANK USE ONLY

Signed this
Signature Verified

Date

Name