

### Application for SBLC/Letter of Guarantee/Indemnity

<b>B/G No. :</b>	<b>Date :</b>
<b>Name &amp; Address of the Applicant:</b>	<b>Name &amp; Address of the Beneficiary</b>
Contact Person :	
Tel and Fax No:	
<b>Instructions to issue Bank Guarantee / SBLC</b>	
Purpose of the Guarantee / SBLC :	
<input type="checkbox"/> SBLC <input type="checkbox"/> Renewal of BG no: <input type="checkbox"/> Performance Bond <input type="checkbox"/> Advance Payment Bond <input type="checkbox"/> Bid Bond <input type="checkbox"/> Others _____ (Please specify)	
Currency _____ Amount _____ Amount in words _____	
Issue Date :	Expiry Date:
Effective Date :	Claim Period :
If format of BG / SBLC is not provided, the Bank's standard format will be applied.	
<input type="checkbox"/> Format of BG / SBLC is attached:	
<input type="checkbox"/> Please specify supporting Document(s) (if any)	
<input type="checkbox"/> Issue by Tele-transmission Name & Address of Bank/ Branch _____ _____ _____	<input type="checkbox"/> Issue by Courier to Beneficiary
Name of the Contact Person	Contact No : _____
<b>Payment Instructions</b>	

We instruct MCB to issue the Bank Guarantee / SBLC under the Terms and Conditions set forth on reverse page and to debit our account below for the Amount together with all your charges.

Signature of Applicant \_\_\_\_\_

Name \_\_\_\_\_

Account No. \_\_\_\_\_

## Terms and Conditions for the Bank Guarantee Application

In consideration of our request to you, Myanmar Citizens Bank Limited ('the Bank') to issue the Bank Guarantee ('BG'), for our account and in accordance with our application, we irrevocably and unconditionally agree to fully abide by the following Terms and Conditions:-

1. We hereby agree that the Bank is authorised and shall be entitled to make any payments and comply with any demands which may be made upon the Bank under the BG on or at any time thereafter:
  - (i) without any reference to or authorisation from us;
  - (ii) without requiring proof that the amounts so demanded are or were due and without the beneficiary of the BG having to assign any reasons for the claims (subject to the terms and conditions of the BG);
  - (iii) without inquiring into the validity, genuineness or accuracy or legality of any document, certificate or statement received by or made to the Bank in respect of the claim or demand made under the BG; we shall at all times keep the Bank fully indemnified and hold the Bank harmless against all liability whatsoever in relation to the Bank in making such payment(s).
2. We shall indemnify the Bank on full indemnity basis from and against all claims, actions, proceedings, liabilities, damages, losses (including foreign exchange losses), costs and expenses (including but not limited to any legal fees and costs that the Bank may incur in connection with the BG, or in enforcing or attempting to enforce our indemnity contained herein), which the Bank may suffer, incur or sustain by reason or on account of the Bank having issued the BG at our request.
3. Where the BG is transferable or assignable (whether expressly or impliedly), the Applicant acknowledges that the Beneficiary may assign or transfer the BG or any benefit thereof to a third party without the prior consent of or notice to the Bank. The Applicant agrees that the Bank shall be entitled to pay demands from any party who purports to be the assignee / transferee of the BG without any obligation to verify or enquire whether such party is the legitimate assignee / transferee.
4. The Bank is fully authorized by us:
  - (i) to earmark a sum sufficient to cover the Bank's total liability under the BG from our account(s) with the Bank or debit the said sum or part thereof at any time; and/or
  - (ii) to set aside any other moneys held by the Bank for our account and benefit; and/or
  - (iii) to set-off (with the giving of prior notice of such time as may be specified in writing to us) against the placement held by the Bank under clause 8 below; and to apply it or any portion thereof towards the reimbursement and indemnification of any sum of money the Bank may have been called upon to pay by reason of and in accordance with the terms and conditions of the BG as aforesaid. We acknowledge and agree that the Bank may exercise such rights concurrently or otherwise with other rights and remedies that the Bank may have against us.
5. We further authorize the Bank to further debit our current account(s) at any time and as and when requested by the Bank, we shall deposit with the Bank immediately the sum of cash and/or other forms of goods or assets acceptable to the Bank as collateral and sufficient in value to cover the Bank's liabilities (whether actual or contingent, primary or collateral and several or joint) due to insufficient funds debited in advance under the preceding clause to meet our obligations to the Bank in respect of the BG from the date on which our current account(s) have been debited in advance under the preceding clause until the date on which we are required to reimburse the Bank for payments made by the Bank or its agent under the BG.
6. We acknowledge that the indemnity and agreement to the Bank contained herein are irrevocable and shall remain in full force and effect:
  - (i) until the BG has been returned to the Bank for cancellation; or
  - (ii) until the beneficiary of the BG has given a written confirmation discharging us and the Bank from all liabilities under the BG.
7. We further acknowledge that until the occurrence of any one of the events set out in clause 6 above:
  - (i) the Bank shall continue to hold all monies and/or cash margin and/or whatever goods/assets we have placed with the Bank as collateral for the BG; and
  - (ii) our indemnity contained herein shall continue to be valid and remain in full force and effect.
8. For BG application which is fully backed by cash margin, we agree to deposit with the Bank prior to the issuance of the BG or at any time the Bank may determine at its discretion, the sum of minimum 100% of cash margin equivalent to the full amount of the BG to be issued by the Bank or any sum the Bank may determine at its discretion.
9. Where this terms of the Guarantee in the specimen text are insufficient, incomplete or otherwise unacceptable to the Bank for any reason whatsoever, the Bank may with the Applicant's consent (such consent may be either oral or written) modify, alter or otherwise amend the terms of the Letter of Guarantee and any guarantee resulting from such modification, alteration or amendment shall bind the Applicant upon the Terms and Conditions herein as if the modified, altered or amended guarantee was issued upon the Applicant's express written application.
10. This terms and conditions shall continue to be valid and binding notwithstanding any change in the Applicant's constitution, if a corporation, by amalgamation, consolidation, reconstruction or otherwise, and if a firm, by retirement, expulsion, death, admission, accession or change of any partners or otherwise.
11. On the occurrence of any of the following events of default the Bank shall cease to be under any further commitment to the Applicant and all outstanding hereunder shall become due and payment immediately and the Applicant shall provide cash cover for all contingent liabilities and for all bonds, guarantees, indemnities, documentary or other credits or any instruments whatsoever from time to time entered into by the Bank for the Applicant's account or at the Applicant's request:
  - a) If the Applicant breaches any term of this Agreement including failure to pay any amount due under this Agreement on the due date or on demand, if so payable;
  - b) If the Applicant is unable to pay the Bank's debts when they become due or commit an act of bankruptcy or insolvency;
  - c) If the Applicant ceases or threatens to cease carrying on the Applicant's business or transfer or dispose or intend to so transfer or dispose of a substantial part of the Applicant's assets or change or intend to change the nature or scope of the Applicant's business as now conducted;
  - d) If any resolution is passed, or a petition is presented against the Applicant for bankruptcy, liquidation, winding up or dissolution or for the appointment of a judicial manager, or a liquidator, receiver, trustee or similar official is appointed of all or a substantial part of the Applicant's assets or if execution or any form of action is levied or taken against any of the Applicant's assets;
  - e) If the Applicant defaults under any other agreement involving the borrowing of money or the granting of advances or credit which gives the holder of the obligation concerned the right to accelerate repayment or withdraw the advance or credit;
  - f) If, in the Bank's opinion, there is any change or threatened change in circumstances which would materially and adversely affect the Applicant's business or financial condition or the Applicant's ability to perform its obligations under this Agreement or any other agreement with the Bank, including any change or threatened change in the Applicant's shareholders or directors, if a corporation;
  - g) If a notice for compulsory acquisition of the mortgaged property (if any) or any part thereof is issued or made under or by virtue of an Ordinance or any other statutory provision;
  - h) If any of the foregoing events or analogous events or proceedings occurs in relation to any third party who now or hereafter has guaranteed or provided security or given an indemnity for the facilities.
12. We shall read and understand the contents of the BG to be issued by the Bank and in the event we do not understand the legal implication of the contents of the BG, we shall seek an independent legal advice on the same and we hereby agree and acknowledge that we shall not hold the Bank responsible for any loss that we may sustain or incur as a result of the Bank issuing the BG.
13. We hereby agree that all rights, obligations and liabilities arising from the BG as aforesaid shall be construed and determined in accordance with the laws of the Republic of the Union of Myanmar and the courts in Myanmar shall have exclusive jurisdiction to hear any dispute arising from or under the BG.