

APPLICATION FOR LETTER OF GUARANTEE

The Manager - Trade Finance
Sohar International
PO Box 44, Hai Al Mina - 114
Sultanate of Oman

Date :

(Please fill in details as appropriate and wherever applicable. If required attach additional details.)

LETTER OF GUARANTEE NO.....	(For Bank use only)
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Dear Sirs,

Kindly arrange to issue a Letter of Guarantee: in your standard format in the attached format, as per details given below:

I/We hereby Abide by the Terms & Conditions Printed Overleaf.

Tender Guarantee Preformance Guarantee Advance Payment Guarantee Payment Guarantee

Other (Please specify):

Beneficiary's Name & Address :	
Telephone : Fax :	
In respect of Tender/Contract (Brief Description):	
Tender or Contract No. if any :	
Contract Value	
Currency & Guarantee Amount :	Percentage
Effective Date : Expiry Date : or <input type="checkbox"/> Open ended	
<i>(Please leave blank if validity starts from the date of issue of the guarantee)</i> <i>(Until recovery of full advance payment / or until fulfillment of the undertaking)</i>	
(For Guarantee to be issued Overseas) : <input type="checkbox"/> Please deliver issued Guarantee to Mr./Ms of M/s	
I/D - P.P. No. Tel. No. Fax: <input type="checkbox"/> Please mail to the beneficiary	

Yours faithfully

A/c. No
Applicant Name
P.O. Box P.C.
Tel. Fax :
Incase of Need Contact Mr./ Ms.

Authorised Signatories of the Company / Company Stamp

FOR BANK'S USE ONLY

Approved as transaction within stipulated criteria	SIGNATURE	
signature of head - trade finance	VERIFIED	

[TERMS & CONDITIONS APPLICABLE FOR LETTER OF GUARANTEE]

1. Indemnity

In consideration of the Bank, arranging the issue of the Letter of Guarantee or other obligation requested in this Application (the Bank's Commitment, which expressly includes any other or further liability of the Bank pursuant to any variation or replacement of the same agreed by the Bank) you agree:

- (a) At all times as a continuing security and as a primary obligation to keep the Bank indemnified in respect of: (i) all sums for which the Bank is or may become liable under the Bank's Commitment; and (ii) all losses, costs, damages and expenses which the Bank may sustain or incur in connection with the Bank's Commitment in each case notwithstanding that the Bank's Commitment may not be legally binding on the Bank;
- (b) To supply the Bank with such evidence as the Bank may require of the termination of its liability under the Bank's Commitment.

2 Authority to pay

- 2.1 You irrevocably and unconditionally direct the Bank to make such payments and comply with such demands as may be claimed from or made on the Bank in respect of or purporting to be in respect of the Bank's Commitment as the Bank thinks fit without any reference to you or any necessity to obtain your confirmation or verification and notwithstanding that you may have disputed the Bank's liability to make such payments or comply with such demands or that the Bank's Commitment may not be legally binding on the Bank.
- 2.2 You agree that any such payment or compliance by the Bank shall as between the Bank and you be conclusive evidence that the Bank was liable to make such payment or comply with such demand.

3 Payments

- 3.1 You irrevocably authorise the Bank to debit any account maintained by you with the Bank with the whole or any part of the amount due from you to the Bank under Clause(a) irrespective of whether any such account shall be overdrawn or may become overdrawn by reason of any such debit. If such account is overdrawn interest will be charged at the rate applicable to such account.
- 3.2 If you do not maintain an account with the Bank or the Bank elects not to debit your account, you agree to pay to the Bank on demand the amount due from you to the Bank under clause(a) together with interest at the Bank's current commercial financing rate accruing from the date of payment by the Bank on the sum demanded and compounded monthly.
- 3.3 You agree to pay to the Bank on demand at any time before the Bank has been called on to meet the Bank's Commitment such amount as the Bank thinks fit for the Bank to retain on account of your liability under this Indemnity. The Bank may appropriate the amount in discharge of the whole or any part of your liability under this Indemnity.
- 3.4 You shall not claim any set-off or counterclaim in respect of any payment due from you to the Bank under this Indemnity and each such payment shall be made free and clear of any deduction or withholding (subject to Clause 5) in funds freely and immediately available to the Bank.

4 Bank's charges

- 4.1 You will pay the Bank's charges or commission in respect of the issue and continuation of the Bank's Commitment as agreed between you and the Bank or as notified by the Bank to the Obligor at the time of issue of the Bank's Commitment.

5 Tax

- 5.1 You will make all payments to the Bank without any deduction on account of any tax (in this Clause meaning any tax levy impose duty or other charge or withholding of a similar nature) unless such deduction is required by law.

6 Powers of the Bank

- 6.1 The Bank may from time to time without notice and both before and after demand set-off the whole or any part of your liability to the Bank under this Indemnity against any depositor credit balance (including, without limitation, any amount required by the Bank under Clause 3.3) on any account of you with the Bank (whether or not that deposit or balance is due to you).
- 6.2 Despite any term to the contrary in relation to any deposit or credit balance on any of your accounts with the Bank (including, without limitation, any amount required by the Bank under Clause 3.3) that deposit or balance will not be capable of being assigned, dealt with, mortgaged or charged and will not be repayable to you before all your liability to the Bank under this Indemnity has been discharged but the Bank may without prejudice to this Indemnity permit you to make withdrawals from time to time.
- 6.3 The Bank may exchange or convert to the currency in which the Bank's Commitment is expressed any currency held or received.

7 Notices

- 7.1 Any notice or demand by the Bank may be sent by post or fax or delivered to you at your address last known to the Bank.

8 Governing law

- 8.1 This Indemnity shall be governed by the laws of the Sultanate of Oman and you hereby irrevocably submit to the jurisdiction of the commercial division of the courts of the Sultanate of Oman, or any successor body thereto without prejudice to the right of the Bank .at its option to take proceedings in the courts of any other country of jurisdiction.

9 Interpretation

- 9.1 The expressions "You", "Your" and "Bank" where the context admits include their respective successors in title and assigns.

It is understood that all instructions and correspondence relating to the Bank's Commitment are to be sent at your sole risk and expense and that you will indemnify the Bank against any loss arising out of any error, omission or delay in the dispatch, transmission, transcription or receipt thereof, howsoever and by whomsoever such error, omission or delay shall have been caused. For Guarantees Required to be issued by Foreign Bank, you may provide a claim period (Mailing Period) beyond the expiry date stipulated by me/us.

The Bank is authorised, but not obliged, to act upon any instructions relating to the Bank's Commitment received by the Bank from you by either swift, facsimile or by electronic means.