

PAYMENT GUARANTEE

Date:

_____ [name of beneficiary]
_____ [full registered address of beneficiary]
(hereinafter referred to as “the Vendor”)

OUR BANKER'S GUARANTEE NO. ____ FOR ____

Whereas on the __ day of _____ 20__, an Agreement (hereinafter called “the Contract”) was made between _____ [name and address of applicant] (hereinafter called “ the Distributor) and the Vendor- whereby the Distributor agrees to ____ [insert the contractual relationship between Vendor and Distributor, e.g. Vendor grant permission to Distributor to distribute products in a certain country and according to terms of Contract, Distributor is to pay for the goods received and within __days from date of invoice ____] for the Contract Sum of _____ [amount in figures]

And Whereas the Distributor is required under the Contract to furnish a Payment Guarantee for USD____ with validity period of not less than ____months/year to assure the Vendor of its faithful performance of its payment obligations under the Contract. .

We, DBS Bank Ltd, 12 Marina Boulevard #12-00 DBS Asia Central @MBFC Tower 3 Singapore 018982 hereby agree as follows:-

MAXIMUM LIABILITY CLAUSE

1. We, hereby irrevocably undertake to pay you upon receipt of your first written demand ,within 7 Business Days made by your authorised representative, the maximum aggregate sum of _____ [amount in words and figures] (hereinafter referred to as “the Guaranteed Sum”). “**Business Day**” means a day (other than a Saturday, Sunday or public holiday in Singapore) on which banks are generally open for business in Singapore.

OUR LIABILITY IS INDEPENDENT OF UNDERLYING RELATIONSHIP

2. We shall not be discharged or released from this Guarantee by any arrangement between yourself and the Contractor with or without our consent or by any alteration in the obligations undertaken by the Contractor or by any forbearance whether as to payment, time, performance or otherwise.

CHANGE OF CONSTITUTION CLAUSE

3. This Guarantee shall not be prejudiced or affected by any change in our constitution but shall continue in full force to bind the entity formed to carry on our business upon any such change in our constitution.

VALIDITY CLAUSE

- 4. Our liability under this Guarantee shall continue and this Guarantee shall remain in full force and effect from _____ [*effective date*] until _____ [*expiry date*] (hereinafter called “the Expiry Date”)

After the Expiry Date and subject to your right to make a claim within the claim period, this Guarantee shall be null and void and our liabilities hereunder shall cease automatically, notwithstanding that the original of this Guarantee is not returned to us for cancellation.

CLAIM EXPIRY CLAUSE

- 5. Any demand under this Guarantee shall be made by you by way of a notice in writing in paper form addressed to us and received by us at 12 Marina Boulevard #12-00 DBS Asia Central @MBFC Tower 3 Singapore 018982 either by mail or by hand on or before _____ [*day/month/year_ [same date as the Expiry Date]*] * {or _____ [*if claim period is required, being Expiry Date plus claim period __ days*]}

DOCUMENTARY REQUIREMENT

- 6. All demand under this Guarantee, must be presented in paper form accompanied by the following documents:-
 - (i) this Original Guarantee;
 - (ii) your signed statement certifying that the Contractor is in breach of its obligation under the Contract and state in which respect the Contractor is in breach.

Such demand and accompanying statement shall be final and conclusive between us of any and all amounts owing to you by the Seller.

ASSIGNMENT CLAUSE

- 7. This Guarantee may be assigned with our prior written consent which shall not be unreasonably withheld.

GOVERNING RULES CLAUSE

- 8. Save as otherwise provided in this Guarantee, this Guarantee is issued subject to the Uniform Rules for Demand Guarantees (URDG 2010 REVISION, ICC Publication No 758.

GOVERNING LAWS AND JURISDICTION

- 9. This Guarantee shall be governed by and construed in accordance with the laws of the Republic of Singapore and all parties shall submit to the exclusive jurisdiction of the courts of the Republic of Singapore

Dated this ____ day of _____ 20____

Signed: _____

(Authorised signatories of the Bank)

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| <ul style="list-style-type: none"> 1. All italic text is for use in preparing this form only and shall be deleted before issuance of the final guarantee 2. #If beneficiary requires this guarantee issued by DBS to be sent to his bank for authentication and advise, please provide the Advising Bank (beneficiary’s bank) SWIFT code for ease of identification and delivery 3. In accordance with Association of Banks of Singapore By-Laws, all guarantees issued in favour of Singapore beneficiaries must have an expiry date and claim period not exceeding 90 days from the expiry date |
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