

APPLICATION TO ISSUE ADVANCE PAYMENT LETTER OF GUARANTEE

TO : INTERNATIONAL BANK OF YEMEN

.....BRANCH

DATE

DEAR SIR (S)

PLEASE ISSUE ADVANCE PAYMENT LETTER OF GUARANTEE IN ACCORDANCE WITH THE FOLLOWING INFORMATION :-

1 - ADVANCE PAYMENT L/G. AMOUNT:

2 - BENEFICIARY

3 - PURPOSE OF THE ADVANCE PAYMENT L/G.

4 - EXPIRY DATE

WE UNDERSTAND AND ACCEPT WITHOUT ANY RESERVATION THAT THE BENEFICIARY SHALL HAVE THE RIGHT TO CLAIM THE AMOUNT OF THE ADVANCE PAYMENT LETTER OF GUARANTEE MENTIONED ABOVE OR ANY PART OF IT PURSUANT TO DEMAND STATING THEREIN THAT WE FAILED TO FULFIL OUR CONTRACTUAL OBLIGATIONS

WE AUTHORIZE YOU TO PAY THE AMOUNT DEMANDED AND DEBIT OUR ACCOUNT /ACCOUNTS ON THE DATE OF DEMAND WITHOUT REFERRING TO US .. YOU ARE NOT RESPONSIBLE TO PROVE THE ALLEGATIONS OF THE BENEFICIARY THAT HE EXPLAINS THEREWITH, THE REASONS OF HIS CLAIM.

WE ALSO AUTHORIZE YOU TO MAKE THE SET OFF BETWEEN THE CASH MARGIN AMOUNTING

AND THE CLAIMED AMOUNT OF THIS ADVANCE PAYMENT LETTER OF GUARANTEE, THE DIFFERENCE OF THE EXCHANGE RATE AT THE TIME WHEN THE ADVANCE PAYMENT LETTER OF GUARANTEE AMOUNT IS PAID TO THE BENEFICIARY, CHARGES, AND OTHER EXPENSES ON THE ISSUANCE OF THE ADVANCE PAYMENT LETTER OF GUARANTEE AND ITS PERFORMANCE THEREOF.

WE UNDERTAKE TO PAY YOU IMMEDIAATELY ON DEMAND, ALL THE DUE AMOUNTS OR THAT SHALL BE DUE ACCORDING TO THIS ADVANCE PAYMENT LETTER OF GUARANTEE.

IT IS CLEARLY UNDERSTOOD THAT OUR LIABILITY TO YOU SHALL CONTINUE UNTIL WE RETURN TO YOU THE ORIGINAL GUARANTEE AND THE EXTENTIONS (IF ANY) SIGNED BY YOU FOR CANCELLATION.

WE UNDERTAKE IRREVOCABLY TO FURNISH YOU WITH THE CASH COLLATERAL OR ANY OTHER SECURITIES YOU ASK FOR . WE AUTHORIZE YOU TO RENEW THIS ADVANCE PAYMENT LETTER OF GUARANTEE OR BLOCK IT IF REQUIRED BY THE BENEFICIARY WITHOUT REFERRING TO US, UNLESS YOU CONSIDER OTHERWISE.

BEST REGARDS,

Name :

Signature :

Account No. :

Address :

FOR BANK USE ONLY

1 - Margin :

2 - Commission :

3 - Outstandings :

4 - Approved by: