

APPLICATION TO ISSUE BID BOND**TO : INTERNATIONAL BANK OF YEMEN**

.....BRANCH

DATE

DEAR SIR (S)

PLEASE ISSUE BID BOND IN ACCORDANCE WITH THE FOLLOWING INFORMATION :-

1 - BID BOND AMOUNT :

2 - BENEFICIARY

3 - PURPOSE: TENDER FOR

4 - EXPIRY DATE

WE UNDERSTAND AND ACCEPT WITHOUT ANY RESERVATION THAT THE BENEFICIARY SHALL HAVE THE RIGHT TO CLAIM THE AMOUNT OF THE BID BOND MENTIONED ABOVE OR ANY PART OF IT PURSUANT TO DEMAND STATING THEREIN THAT WE HAVE WITHDRAWN OUR OFFER IN THE BID MENTIONED ABOVE BEFORE THE EXPIRY DATE WITHOUT THE BENEFICIARY'S CONSENT OR WE HAVE FAILED TO SIGN THE PERFORMANCE (FINAL) CONTRACT WITH THE BENEFICIARY OR FAILED TO PRESENT PERFORMANCE BOND AFTER WE WON THE TENDER.

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 THE BID BOND, THE DIFFERENCE OF THE EXCHANGE RATE AT THE TIME WHEN THE BID BOND IS PAID TO THE BENEFICIARY, CHARGES, AND OTHER EXPENSES ON THE ISSUANCE OF THE BID BOND AND ITS PERFORMANCE THEREOF .. WE UNDERTAKE TO PAY YOU IMMEDIATELY ON DEMAND, ALL THE DUE AMOUNTS OR THAT SHALL BE DUE ACCORDING TO THIS BID BOND.

IT IS CLEARLY UNDERSTOOD THAT OUR LIABILITY TO YOU SHALL CONTINUE UNTIL WE RETURN TO YOU THE ORIGINAL BOND 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 BID BOND 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: