

Banker's Guarantee For Advance Payment

To: National University of Singapore (hereinafter called "the University").

Re: BANK GUARANTEE Number [insert number]

This Bank Guarantee is issued in connection with the [specify name of contract] made between the University and [insert name of contractor] (hereinafter called the "Contractor"), for [describe nature of contract] with a total value of [insert value of contract] (hereinafter called the "Contract").

Pursuant to [Clause 9 of the Conditions of Contract], the Contractor is required to deliver to the University an irrevocable banker's guarantee issued by a bank registered with the Monetary Authority of Singapore as a condition precedent to any Advance Payment (including any progressive payment before delivery) to be made by the University.

At the request of the Contractor, by this Bank Guarantee, we [insert name of Singapore bank] (hereinafter called the "Guarantor") hereby issue this Bank Guarantee as an irrevocable guarantee in favour of the University for the aggregate sum of S\$[insert amount] (hereinafter called the "Guaranteed Amount").

Demands under this Bank Guarantee shall be made in writing, addressed to and received by the Guarantor at [insert address], accompanied by a certification by the University, both in the form and substance as provided for in Annex A herein as the "Form of Demand and Certificate" ("Demand and Certificate").

The Guarantor shall not be concerned nor shall inquire as to the status of the Contract or whether or not there has been any actual breach or default of any of the terms of the Contract by the Contractor. The Guarantor shall accept any Demand and Certificate from the University as being correct, binding, final and conclusive as to the University being lawfully entitled to make the demand thereunder and as to the amount so demanded (not being an amount exceeding the Guaranteed Amount), regardless of any dispute between the University and the Contractor and shall make payment based thereon within [insert number] days of receipt of the relevant Demand and Certificate.

The liability of the Guarantor under this Bank Guarantee shall not exceed the Guaranteed Amount. Multiple demands may be made hereunder, subject to the aggregate limit of the demands not exceeding the Guaranteed Amount.

The Guarantor confirms that this Bank Guarantee shall not be impaired, reduced, discharged or affected by:

- a) any alterations or supplemental to the Contract between the University and the Contractor or any arrangement made between the University and the Contractor or any allowance, waiver or forbearance whether as to time, performance or otherwise. The Guarantor agrees that the Contract may be altered or supplemented in any manner whatsoever without its consent and further agree that this Bank Guarantee shall extend to the liabilities of the Contractor under the Contract as so altered or supplemented;
- b) any invalidity in the Contract, its avoidance or termination; and

- c) the insolvency, liquidation, receivership, administration or change in the constitution of the Contractor.

This Bank Guarantee shall remain in full force and effect until 5.00 p.m. Singapore time on [insert date] ("Expiry Date") provided always that when delivery or performance is not completed as scheduled and upon notice of the same by the Contractor or the University, the expiry date of this Bank Guarantee and our liability thereunder shall be automatically extended for successive periods of [specify duration of each extension: _____ days /months] unless we give you 90 days' written notice prior to the expiry of our liability of our intention not to extend this guarantee in respect of any future extension and provided further that you shall be entitled, upon receiving such notice of our intention, either to:

- (a) make a claim under this Bank Guarantee; or
- (b) *direct us to pay such amount (not exceeding the Guaranteed Sum) as you may specify into a suspense account to be governed and disbursed by us subject to the Association of Banks in Singapore's Guidelines for operation of a Suspense Account; or
- (c) direct us to extend the validity of this Bank Guarantee for a further period not exceeding _____ days / months (and this Bank Guarantee shall then expire at the end of such further period).

*** Not applicable for Insurance Bond issued by Insurance Companies**

The Demand and Certificate under this Bank Guarantee must be received by the Guarantor in Singapore not later than 5.00 p.m. of the Expiry Date. Upon expiry of this Bank Guarantee as above provided, this Bank Guarantee shall become null and void, whether returned to the Guarantor for cancellation or not, and any claim or demand received thereafter shall be ineffective.

Any claims and rights resulting from this Guarantee shall not be assigned without the Guarantor's prior written consent which should not be unreasonably withheld.

This Bank Guarantee shall be governed by the laws of the Republic of Singapore.

Dated this _____ day of _____ of 20XX

Signed by: _____
(Name and Designation of Officer)

for and on behalf of the

(Name of Bank)

(Signature of Officer)

in the presence of:

(Name of Witness)

(Designation of Witness)

(Signature of Witness)

Annex A

Form of Demand and Certificate

To: *[Insert name of bank guarantor]*

Re: Letter of Demand and Certificate

1. We refer to your **Bank Guarantee No** *[insert number]* dated *[insert date]* wherein the terms defined therein have the same meaning in this demand and certificate.
2. We hereby certify that the Contractor has failed to comply with its contractual obligations under the Contract.
3. We hereby demand payment from you of the following sum S\$*[insert amount not exceeding Guaranteed Amount]*.

Dated this _____ day of ____ 20XX

[Signature]

[Name]

[Designation]

National University of Singapore