

Banker's Guarantee For Security Deposit (For Non-Fixed Period Contracts i.e. Contracts that will expire upon satisfactory delivery of the procured Goods/Services)

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

Whereas on the _____ day of _____ an Agreement (hereinafter called "the Contract") was made between _____ (name of Contractor) of _____ (address) (hereinafter called "the Contractor") of the one part and the University of the other part whereby the University agreed to _____ (state nature of Contract) for the sum of Singapore Dollars _____ (S\$ _____).

And Whereas the Contractor is required under the Contract to pay ____ per cent of the total value of the Contract as a Security Deposit for the performance of his obligations under the Contract.

Now in consideration of the University not insisting on the Contractor paying ____ per cent of the total value of the Contract as a security deposit for the said Contract, **we (at the request of the Contractor) hereby agree** as follows:

1. In the event of the Contractor failing to fulfil any of the terms and conditions of the Contract, we shall indemnify the University against all losses, damages, costs, expenses or otherwise sustained by the University thereby up to the sum of Singapore Dollars _____ (S\$ _____) ("the Guaranteed Sum") upon receiving your written notice of claim for payment made pursuant to Clause 4 hereof.
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.
3. Our liability under this guarantee shall continue and this guarantee shall remain in full force and effect from [*insert effective date:* _____] until [*insert initial expiry date:* _____] [*insert if expiry date is subject to automatic extension:* provided always that the expiry date of this 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 (and within the period specified in Clause 4 hereof), either to:
 - (a) make a claim under this 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 guarantee for a further period not exceeding _____ days / months (and this guarantee shall then expire at the end of such further period).

Note : * Not applicable for Insurance Bond issued by insurance companies

4. This guarantee is conditional upon a claim as specified herein being made by you by way of a notice in writing addressed to us and the same being received by us at [*insert address of Bank's notification office*: _____] within 90 days from the expiry of this guarantee. Thereafter this guarantee shall become null and void notwithstanding that this guarantee is not returned to us for cancellation except for any claim(s) submitted to us in writing not later than 90 days from the expiry of this guarantee.
5. We shall be obliged to effect the payment required under such a claim within 30 business days of our receipt thereof. We shall be under no duty to inquire into the reasons, circumstances or authenticity of the grounds for such claim and shall be entitled to rely upon any written notice thereof received by us (within the period specified in Clause 4 hereof) as final and conclusive.
6. The University may make more than one claim on this guarantee so long as the claims are made pursuant to Clause 4 hereof and within the period specified therein and the aggregate amount specified in all such claims does not exceed the Guaranteed Sum.
7. This guarantee is issued subject to the laws of the Republic of Singapore and the jurisdiction of the Singapore courts.

Dated this _____ day of _____

AS WITNESS our hand

Signed by: _____
(Name and designation of officer)

for and on behalf of the

(Name of Bank)

(Signature)

in the presence of:

Name _____

Designation _____

(Signature of Witness)