

Bank Guarantee /Stand by Letter of Credit Application Form

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Branch _____

For any queries or clarifications on the Application Form, please call Trade Operations Department on Tel. No: +256417230105 or call center :0800211025
I / We hereby request and authorize you to issue a Guarantee / Bond with the following details:

PARTY DETAILS

Applicant Name, Address & Contact Details	Beneficiary Name, Address & Contact Details
	Beneficiary Bank Details/SWIFT Address (optional but mandatory for offshore/ cross-border beneficiaries)

TYPE OF BOND/GUARANTEE

<input type="checkbox"/> Bid Bond	<input type="checkbox"/> Performance Bond	<input type="checkbox"/> Advance Payment Guarantee
<input type="checkbox"/> Customs	<input type="checkbox"/> Payment/Financial Guarantee	<input type="checkbox"/> Immigration Bond
<input type="checkbox"/> SBLC (Please attach format of the SBLC)	<input type="checkbox"/> Other (Please Specify):	

GUARANTEE DETAILS

Amount in Figures	Currency:	Amount:
Amount in Words		
Procurement Reference Number		
Purpose of the Guarantee		

For Bid Bonds/Bid Security Only

Bid Submission date: (dd/mm/yyyy) _____

Validity Period

Expiry Date: (DD/MM/YYYY) _____ Auto-extension/No expiry date

Guarantee Format

Bank Standard Format Others (please attach format)

If no format is attached, the Bank will issue the guarantee(s) using the standard bank format(s)

Bank Charges

Debit bank charges from our account number _____ Currency _____

Others (please specify) _____

SECURITY DETAILS

Please tick as applicable

Pre-approved Bank Facility

Cash Covered

Unsecured Bid Bond

CASH COVER DETAILS (only applicable for cash covered Guarantees):

If Cash Covered, please insert the below details: Amount of cash cover (amount in figures and words)

(Currency & Amount in Figures) _____

(Currency & Amount in Words) _____

CASH COVER ACCOUNT DETAILS:

Currency _____ Account Number _____

We authorize the Bank to debit the above account number with the above cash cover amount and utilize the same for settlement in case of a claim.

AGENT COLLECTING THE GUARANTEE FROM THE BANK (tick appropriately):

Applicant

Beneficiary

Name: _____

ID/Passport Number: _____ Telephone Number: _____

COMFORT LETTER OR LINE OF CREDIT DETAILS:

Amount in Figures	Currency:	Amount:
Amount in Words		

ADDITIONAL CONDITIONS:

Note: The guarantee(s) will be issued using the standard bank format(s) unless otherwise advised.

----- Authorized Signatory Name: ----- Date: -----	----- Authorized Signatory Name: ----- Date: -----
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TERMS AND CONDITIONS

The account opening General terms and conditions are supplemental to these Terms and Conditions. In the event of conflict between the account opening General terms and conditions and these Terms and Conditions, these Terms and Conditions will prevail and take precedence.

1. The Applicant authorizes the Bank to debit its account with the applicable Bank commissions, charges, marginal deposits and expenses together with those of the Bank's correspondents where applicable as and when they become due.
2. In consideration of the Bank issuing the guarantee, the Applicant hereby undertakes to indemnify (on a full and unqualified indemnity basis) and hold harmless the Bank from and against all claims, demands, liabilities, taxes, costs, losses, charges, actions, damages, suits and expenses (including without limitation all legal costs) which the Bank may incur or suffer arising out of or in connection with any breach or non-performance or observance by the Applicant of the Applicant's obligations and duties hereunder and / or arising out of the said guarantee as extended and / or amended from time to time at the Applicant's request.
3. The Applicant, for the consideration referred to in clause 1 above, hereby undertakes to pay to the Bank, forthwith on demand by the Bank any sums referred to in clause 1 together with interest thereon (as well after and before any judgment or liquidation) from the date of demand to the date of repayment in full.
4. The Applicant hereby irrevocably authorizes the Bank to make any payments and comply with any demands which may be claimed from or made to the Bank under the guarantee without any reference to or further authority from the Applicant and agree that it shall not be incumbent upon the Bank to enquire whether or not any such payments or demands claimed from or made to the Bank under the guarantee are in fact due or whether or not any dispute exists between the Applicant and the Beneficiary(ies) of the guarantee and further agree that any payments which you shall make in accordance or purporting to be in accordance with the guarantee shall be binding on the Applicant and shall be accepted by the Applicant as conclusive evidence that the Bank were liable to make such payment or comply with such demand.
5. In the event of any asserted claim by the Beneficiary to the Bank, the Bank shall serve the Applicant with a written notice of the same, and thereafter the Applicant shall at his or her own expense defend, protect and hold harmless the Bank against the said claim or any loss or liability thereunder.
6. In the further event that the Applicant shall fail to so defend and / or indemnify and hold harmless the Bank harmless from the said claims, then in such instances the Bank shall have the full right to defend, pay or settle the said claim on the Applicant's behalf without further notice to the Applicant and with full rights to recourse against the Applicant for all dues, amounts, costs, expenses and payments made or agreed to be paid to discharge the said claim upon default, the Applicant further agrees to pay all reasonable attorney's fees necessary to enforce this indemnity.
7. The Applicant irrevocably authorizes the Bank in its absolute discretion to apply any credit balance that the Applicant may have from time to time with the Bank in any account in payment of any claims, losses, costs, interest and expenses under this indemnity or to set off without prior reference to the Applicant any amounts so paid by the Bank.
8. The Applicant hereby agrees and undertakes not at any time to countermand or stop payment of any cheque drawn by the Applicant on the Bank and made payable to the Beneficiary.
9. Where a Cash Collateral is provided by the Applicant to the Bank as security for issuance of the guarantee:
 - a. The Applicant understands that where any cash margin (herein referred to as Cash Collateral) is held by the Bank as security for above bank facility by the Bank this will be released upon expiry or cancellation of the facility and confirmation of full settlement of the Applicant's obligations to the Bank.
 - b. The Applicant further understands that no interest shall accrue on the Cash Collateral and that the same will be held in the sole name of and shall be the property of the Bank until utilization of the facility by the Bank at which time we shall be entitled on demand made on that date to payment of the said amount.
 - c. The Bank will be entitled to retain the receipt for the Cash Collateral and to record a lien thereon. The Applicant agrees that the Cash Collateral which may from time to time stand to the Applicant's credit on any account with the Bank shall be held as a security for the payment of any sum or sums of money now or hereafter from time to time become due or owing to the Bank by the Applicant or by the Applicant jointly with any other person or persons whether as principal or surety on any banking account or loan account or upon any discount or other account or for any other matter or thing including the usual banking charges and may be retained and at any time without notice to the Applicant be applied by the Bank in or towards payment or satisfaction of any such indebtedness or liability whether presently payable or not.
 - d. The Bank will be entitled without further notice to the Applicant at any time and from time to time to apply the whole or any part of the Cash Collateral thereon in repayment of the whole or any part of the Applicant's then indebtedness to the Bank of the said advances and/or financial accommodation for principal, interest, costs and charges (legal or otherwise and of any nature whatever) and may so apply the whole or any part of such amount until the Applicant's obligations are fully settled.
 - e. Every such application of the Cash Collateral shall to the extent of the amount so applied discharge the indebtedness to the Bank in respect of the Cash Collateral in all respects as if the amount so applied had been paid to us personally and accepted by the Bank as payment in whole or in part (as the case may be) of the amount due or accruing to us in respect of the said Cash Collateral.
 - f. Until such time as all present or contingent indebtedness of the Applicant to the Bank of whatsoever nature or kinds is discharged in full, the Applicant shall not be entitled to call for payment of or to be paid the whole of or any part of the Cash Collateral and the Bank shall be under no indebtedness to the Applicant in respect thereof.
 - g. The Cash Collateral referred to herein may be, if realized, appropriated against any indebtedness of the Applicant to the Bank, at the Bank's

sole discretion notwithstanding that such indebtedness may be expressed in a currency other than the currency received by the Bank in realization thereof. In the event that the Bank demands payment of any indebtedness of the Applicant, the Bank reserves the right, at its sole discretion, to switch any foreign currency indebtedness by the Applicant into Uganda Shillings at the rate ruling at the day of such switch. In exercising the rights to switch foreign currency indebtedness of the Applicant into Uganda Shillings, the Bank will not be liable for any losses incurred by the Applicant resulting from exchange rate fluctuations.

- h. The Bank may at any time and without notice whatsoever to the Applicant, combine or consolidate all or any of his/ their existing accounts with the Bank and set-off or transfer any sum standing to the credit of any one or more of those accounts in or towards the satisfaction of any monies, obligations or liabilities of ours to the Bank whether those liabilities be present, future, actual, contingent, primary, collateral, joint or several.
10. Any notice to be given hereunder to the Applicant shall be deemed to be duly served if left at the principal place of business of the Applicant or if sent by post to the Applicant to the address hereinabove referred to provided that in the case of any notice served by post such notice shall be deemed to have been given and served five (5) days after posting provided further that proof is given that the notice was properly addressed and adequately stamped and put into the post. Email delivery to the Applicant's email address shall constitute sufficient notice.
11. No failure or delay by the Bank in exercising any right, power or privilege shall impair the same or operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.
12. Each of the provisions of these Terms and Conditions is severable and distinct from the others and if at any one time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
13. These Terms and Conditions shall be unlimited as to amount or duration.
14. These Terms and Conditions are continuing to any amendments to the guarantee pending its extensions
15. All complaints may be made in person in any Cairo Bank Branch, in writing, email to feedback@cbu.co.ug or by telephone on +256417230105 or call center :0800211025. The Bank take all reasonable measures to resolve all complaints within a reasonable time.
16. These Terms and Conditions shall be governed, construed and interpreted in accordance with the laws of Uganda.
17. Any dispute arising out of or in connection with these Terms and Conditions that is not amicably resolved between the Bank and the Customer shall be referred to the exclusive jurisdiction of the courts of Uganda.

OTHER GENERAL TERMS AND CONDITIONS

The following provisions supplement these Terms and Conditions herein and shall apply to any guarantee that the Bank or its Correspondent Bank issues on the Applicant's Instruction or otherwise on the Applicant's behalf.

1. The Bank may arrange for the guarantee to be issued by any correspondent bank on such terms as the Bank or such Corresponding Bank may decide. The Bank may issue a counter-guarantee or counter-indemnity in favour of such Correspondent Bank.
2. The following provisions apply to any guarantee The Bank or its correspondent bank issues on the Applicant's instruction or otherwise on the Applicant's behalf.
 - a. The Bank or its correspondent bank may issue the guarantee on such terms as the Bank or its correspondent bank may decide to give effect to the instrument.
 - b. If a demand is made under the guarantee, the Bank will notify the Applicant as soon as reasonably practicable but the Bank shall not be required to wait for the Applicant's instructions to honour a claim under the guarantee.
 - c. The Applicant will not in any circumstances claim that such payment was not due or should not have been made if the Bank or its correspondent bank have to make a payment to any person pursuant to the terms of the guarantee.
 - d. If the Bank issues a counter-guarantee or counter-indemnity in favour of any guarantee issued by a correspondent bank and if the governing law of the guarantee is of a different jurisdiction from where we are located, the Bank may (at the Applicant's cost) obtain a legal opinion from a lawyer in the jurisdiction where the guarantee is governed, confirming the validity and enforceability of the guarantee. The Bank may refrain from issuing the guarantee, Counter-guarantee or honouring any demand made upon Us under the counter-guarantee or counter-indemnity in the absence of a satisfactory legal opinion.
 - e. The Applicant agrees to hold the Bank and its officers and correspondents free from any responsibility for mistakes or delay which may result in issuance of the guarantee.

In witness whereof the Applicant has hereunto subscribed his name, address and signature the day and year first herein before written. I / We the undersigned confirm I / We have read and understood the terms of the Privacy Policy and hereby give express, unequivocal, free, specific and informed authority to Cairo Bank (Uganda) Limited and its affiliates to collect, use and process my / our data as per the policy provided at www.cbu.co.ug

DECLARATION

1. I/we declare that to the best of my/our knowledge this transaction (s) or any related activities have not been done on behalf of any sanctioned individual, entity or jurisdiction and are being carried out with no intension(s) of Money Laundering, Terrorism Financing or Proliferation Financing.

Signature Authorized by:

Name: _____
AUTHORISED SIGNATORY

Name: _____
AUTHORISED SIGNATORY

Name: _____
AUTHORISED SIGNATORY