

**APPLICATION FOR BANK GUARANTEE / BOND AGAINST  
 CASH MARGIN ("GUARANTEESMART")**

**SECTION 1: Applicant's Information**

Applicant's Name* & Address:   *for sole proprietor, please state both business name and full name of proprietor *for partnership, please state both firm name and full names of partners	Contact Person:   Contact Number(s):
---	---

**SECTION 2: Beneficiary's Details (All details must be provided. Any alteration must be duly endorsed)**

Name\* :  
 Address:  
  
  
 \*Please provide in full (together with company or business registration number, if known)

**SECTION 3: Guarantee Details**

<b>Type of Guarantee:</b> <input type="checkbox"/> Bid/Tender Bond* <input type="checkbox"/> Performance Bond*  <input type="checkbox"/> Others* _____  * <input type="checkbox"/> Applicant encloses a copy of the underlying contract/format/text which it acknowledges may be amended by the Bank to meet Bank's internal issuance criteria	Purpose:   Special Instruction:
---	--

Amount : Ringgit Malaysia ..... (MYR.....)  
 Effective Date\* : .....      Expiry Date: .....  
 (if other than from issue date, any post- and ante- dating of guarantee allowed only if Bank agrees)  
 Liability End Date: .....  
 Claim Period: Same as expiry date/ .....days/weeks/months after expiry date

<b>For Renewal and Extension only:</b>  Guarantee No.:	<b>Charges:</b> <input type="checkbox"/> Please debit all charges/stamp duty/commission incurred to my/our account no .....
--	--

<b>Cash Margin</b> I/We irrevocably and unconditionally authorize the Bank to debit my/our account no. .... for the Amount of the Guarantee as cash cover / cash margin thereto.	<b>Collection Instruction</b> <input type="checkbox"/> Please hold Guarantee for collection by our personnel ..... I/C No. ....  <input type="checkbox"/> Please forward Guarantee to ..... (name and address) for the attention of ..... under advice to us.
---	--

**Collection of Bank Guarantee**

.....  
 Collector's Signature:  
 I/C NO:  
 Date:

**FOR BANK USE ONLY**

Debit No.	New A/C?	A/C Type:	Maker	Validation checked and authorized by:
Cust No.	Ctrl Limit Type:			
Comm:	Cable:	Stamp Duty:		
Group:	Type:	Sec Code/Risk:		

**GUARANTEESMART**  
**Terms and Conditions of Issuance of Guarantee**

**Application and Issuance**

1. Application for issuance of the Guarantee are subject to the Bank's approval and these Terms and Conditions of Issuance of Guarantee ("these Terms") and to the format of the guarantee being acceptable to the Bank.

**For purpose of this application, the Applicant hereby gives its irrevocable consent to the Bank to verify the data of the Applicant with any source as the Bank may choose and to rely on any information obtained thereto."**

**Format and content of Guarantee**

2. Where Applicant requests the Bank to provide the format of the Guarantee to be issued, Applicant acknowledges that the format provided is without any specific customization to Applicant's underlying requirements.
3. All Guarantee formats are evaluated to meet the Bank's internal issuance criteria only and Applicant is fully responsible for determining the suitability of the format to be issued for its underlying requirements and acknowledges that the Bank does not at any time act in an advisory or fiduciary capacity for Applicant, even if any specific underlying requirements had been made known to the Bank.
4. A Guarantee reference number will be given for each Guarantee issued. Issuance of the Guarantee is subject to the laws of Malaysia, the Malaysian Exchange Control Regulations, the Association of Banks in Malaysia's rules, directives from Bank Negara Malaysia or any other regulatory bodies issued from time to time.

**Applicant to indemnify, reimburse or fund Bank for obligations incurred**

5. Where the Bank agrees to issue the Guarantee, it does so against Applicant's unconditional and irrevocable agreement to forthwith indemnify against and/or reimburse for and/or put the Bank in funds to meet all actions, claims, demands, liabilities, losses, damages, costs, charges and expenses of whatsoever nature which may result or which the Bank may sustain, suffer or incur in connection with or arising in any way whatsoever out of the Guarantee.
6. ALL sums payable to the Bank under these terms by Applicant shall be without any deduction or withholding for or on account of any present or future taxes, levies, imposts, duties or other charges, fees, withholdings, restrictions or conditions, and without set-off or counterclaim or any deduction whatsoever.
7. If the Bank or Applicant under their respective obligations is compelled by law to make any such deduction or withholdings, Applicant will promptly pay to the Bank such additional amount as will result in the net amount received by the Bank being equal to the full amount which would have been receivable had there been no deduction or withholding.

**Cash Margin**

8. Applicant shall provide the Cash Margin to the Bank for Applicant's obligations under these Terms, and for other monies and liabilities (whether actual or contingent) owing by Applicant to the Bank from time to time.
9. Applicant acknowledges that **no interest** shall accrue or be payable on the Cash Margin amount.
10. The Bank shall be at liberty to apply the Cash Margin or any part thereof for Applicant's obligations under these Terms without need for the Bank to give prior notice to Applicant and, for avoidance of doubt,
  - a. nothing in these Terms shall oblige the Bank to first make payment from its own funds before it shall be entitled to apply the Cash Margin amount as aforesaid.
  - b. the Cash Margin shall not represent a full or complete discharge of Applicant's obligations under these Terms and shall not preclude the right of the Bank to seek full payment or reimbursement of any monies payable to it by Applicant under these Terms should there be any such further amounts payable.
11. The Bank shall refund the Cash Margin, or any part thereof not applied pursuant to these Terms once the period which the Bank may be liable under the Guarantee has lapsed, PROVIDED THAT the obligation to repay is subject to there being no liability remaining or being threatened against the Bank in spite of the lapsing of such period (including but not limited to any postponement of the right of the Beneficiary of the Guarantee to make demand or receive payment arising from any injunction or other prohibition granted by any court or other authority) as determined by the Bank in good faith.
12. Prior to the right of refund of the Cash Margin arising as aforesaid, Applicant shall:-
  - a. have no right to demand early repayment/refund of the Cash Margin amount (and the Bank has no obligation to make early repayment/refund of the same);
  - b. not do or omit to do any act or thing which may in any way delay or prejudice the Bank's right to retain or apply the Cash Margin as aforesaid provided; and
  - c. have no right to mortgage, assign, transfer, charge or otherwise purport to grant or cause to arise any third party rights over or against the whole or any part of the Cash Margin, except in the Bank's favour. The Bank is authorized to notify Applicant's creditors of the terms and Applicant's undertakings herein at any time.

**Set off and interest**

13. Applicant irrevocably authorizes the Bank without need for prior notice to set off from any amount due from the Bank to Applicant and/or to debit any of Applicant's accounts with any monies payable herein as an additional right or remedy to application of the Cash Margin.
14. In the event of a debit balance or a debit balance in excess of any agreed overdraft limit resulting from any such debit, Bank may charge interest on such moneys to the date of repayment (notwithstanding any demand or judgment obtained by the Bank or any other matter whatsoever) at the rate based on the Bank's current tariff charges, which is subject to changes from time to time without notice, or at such higher rate as may from time to time be payable on such account upon such days and upon such terms as the Bank may from time to time determine, and such interest shall be compounded in the event of it not being punctually paid in accordance with the Bank's usual practice.
15. In the event the monies in any of Applicant's accounts to be debited are denominated in currencies other than Ringgit, the Bank shall convert any amounts to be debited at its prevailing rate of exchange on the date of debit in accordance with its usual practice.

**Covenant to provide further security**

16. Applicant shall provide further or additional security for its obligations under these Terms if for any reason the Bank in good faith believes its right to retain or apply the Cash Margin shall be prejudiced or affected or if the amount of liability of Applicant to the Bank under these Terms shall for any reason increase or escalate to an amount exceeding the Cash Margin amount.

### **Commission**

17. Applicant shall pay commission at the rate or amount specified in this Application as calculated on the Bank's maximum contingent liability for the Guarantee in advance on or before the date of issue of such Guarantee and, if the Guarantee provides for extendable periods, at intervals of one year or part thereof following such extension date (it being understood that in computing the amount of any sum falling due and payable under this paragraph in respect of any period, it shall be assumed that the amount on which commission will accrue on any day in that period will throughout that period be what it was on the first day thereof but that, if such proves not to be the case, that will be taken into account in computing the amount of any sum subsequently falling due and payable under this paragraph). For avoidance of doubt, any early termination or cancellation of the Guarantee for any reason shall not entitle Applicant to any refund of commission paid unless the Bank in its absolute discretion shall agree thereto.

### **Demands on Guarantee and payment**

18. Applicant irrevocably authorizes and empowers the Bank to pay immediately any amounts demanded for which the Bank in its sole judgment determines it is liable to pay under or by reason of the Guarantee without any reference to or further authority from Applicant and without any duty to enquire whether any claims or demands on the Bank have been properly made, notwithstanding that the validity of such claim or demand or the amount thereof shall be in dispute. Any payment made by the Bank by reason of such demands or claims shall be conclusive evidence of Applicant's indebtedness to the Bank under these Terms. Applicant agrees to accept any claim or demand on the Bank as conclusive evidence that the Bank was liable to pay and any payment made pursuant to such demand which purports to be in accordance with the Guarantee as binding upon Applicant.
19. Any step taken by the Bank in good faith under or in connection with the Guarantee shall be binding on Applicant and shall not place the Bank under any liability to Applicant.
20. The Bank may at any time without prior reference to Applicant determine the Guarantee or reduce the Bank's liability thereunder where the terms of the Guarantee allow for such determination or reduction by the Bank.

### **Transmission and return of Bank Guarantee**

21. Where Collection Instructions request the Bank to forward the Guarantee to the Beneficiary or to a party other than Applicant, this shall be at Applicant's cost which the Bank may debit against any of Applicant's accounts with the Bank and that the Bank assumes no liability or responsibility to Applicant for the consequences arising out of any delay, destruction and/or loss in transit of the Guarantee or any document(s) requested by Applicant to be so transmitted.
22. Where a Guarantee is returned by a party other than the Beneficiary with the instruction that it is to be discharged, terminated or cancelled before the dates specified therein, the Bank may take steps to verify such instruction with the Beneficiary but any failure by the Bank to do so shall not affect the obligations of Applicant to indemnify the Bank in spite of any purported discharge and/or repayment of the Cash Margin given by the Bank to Applicant if the Beneficiary shall subsequently claim that the Guarantee was not returned for early discharge, termination or cancellation with the authority of the Beneficiary.

### **Settlement or discharge between Bank and Applicant**

23. Any settlement or discharge between the Bank and Applicant shall be conditional upon no application of the Cash Margin or any payment to the Bank by Applicant or any other person being invalidated for any reason whatsoever or being avoided, refused or set aside by virtue of any laws relating to companies, bankruptcy, insolvency or liquidation from time to time in force or by virtue of any obligation to give effect to any preference or priority and the Bank shall be entitled to enforce these Terms against Applicant subsequently as if such settlement or discharge had not occurred.

### **Successors bound**

24. These Terms will remain valid and binding on Applicant's successors in title and enure for the benefit of the Bank's successors in title and assigns to the extent of any of Applicant's obligations remaining outstanding now and in the future.

### **Rights cumulative**

25. The rights remedies powers and privileges of the Bank provided herein are cumulative and are not exclusive of any rights remedies powers and privileges provided by law including but not limited to any banker's right of lien on or retention as security of any of Applicant's cheques, drafts, bills, notes or negotiable or non-negotiable instruments and any stocks, shares, or marketable or other securities and property of all kinds of Applicant from time to time held by the Bank, whether for safe custody or otherwise.

### **Disclosure**

26. Applicant irrevocably agree that information on the Guarantee, Cash Margin and related information thereto, ('Information'), may be:

- i) disclosed to any person the Bank considers necessary for purposes related to the provision of the account or facilities, or the operating procedures of the Bank (which shall include any accounting, client relationship or risk management functions), including to any member of the HSBC Group, any service provider or other third party;
- ii) disclosed or shared with any bureaus or agencies established or to be established by Bank Negara Malaysia (including the Central Credit Reference Information System – "CCRIS") or by other regulatory authorities including the Association of Banks in Malaysia and any authority, central depository or depository agent in relation to the securities industry;
- iii) disclosed to any potential assignee, guarantors and/or security providers (prospective or otherwise) and any person the Bank believes in good faith to be tendering payment for monies on Applicant's behalf.

Such Information may, where relevant, be used, stored, transferred, compiled, matched, obtained and/or exchanged by or with the aforementioned parties ('Users'). Information shall be kept strictly confidential by the Users, save where disclosure is required under any laws or regulations to which a User is subject.

Information given by the Bank to any of the abovementioned persons is provided in good faith and while every care is taken in compiling, collating or producing the Information, the Bank and its officers shall not be liable for any claim, loss, damage or liability howsoever arising (including direct or indirect, special, consequential or punitive damages or loss of profits) to Applicant or to any other persons for the accuracy, completeness or authenticity of its contents or for the consequences of any reliance which may be placed on the Information whether caused by any technical, hardware or software failure of any kind, interruption, error, omission, delay, viruses, act of God, act of war or terrorism, strikes, industrial action or otherwise.

### **Notices**

27. Any notices by the Bank to Applicant may be given to Applicant or his personal representatives personally OR by ordinary or registered post (not being AR registered post) sent to Applicant's address herein stated or to its last known address and such

notice shall be deemed to have been duly given three days after it is posted notwithstanding that it is returned by the postal authorities undelivered.

**Multiple persons constituting Applicant**

- 28. Where these Terms are signed by more than one person, or by or on behalf of a firm the expression the "Applicant" shall be construed as referring to each such person or partner individually and to any one or more of such persons or partners collectively, and the undertakings, obligations and liabilities of Applicant herein shall be joint and several and shall be construed accordingly.
- 29. Where Applicant is a firm, all obligations and liabilities under these Terms shall be binding both on the present partners and on the persons from time to time carrying on business in the name of such firm or under the name in which the business of such firm may from time to time be continued.
- 30. Each of Applicant agrees to be bound by these terms, notwithstanding that any others intended to sign or be bound by this presents may not do so or be effectually bound hereby, and notwithstanding that these Terms may be invalid or unenforceable against any one or more of Applicant, whether or not the deficiency is known to the Bank,
- 31. The Bank may release any one or more of Applicant from these Terms, to compound with or otherwise vary or agree to vary the liability of, or to grant time or other indulgence to, or make other arrangements with, any one or more of Applicant, without prejudicing or affecting the Bank's rights, powers and remedies against any others of Applicant.
- 32. Applicant waives all rights of subrogation and shall not claim any set-off or counterclaim against any other person liable, or to claim or prove in competition with the Bank in the event of the bankruptcy, liquidation, winding up or insolvency of any such person, or to have the benefit of or share in any guarantee, indemnity, or security now or hereafter held by the Bank, until the Bank have been indemnified against all matters.

**Governing law and jurisdiction**

- 33. These Terms shall be subject to and construed in accordance with the laws of Malaysia and Applicant irrevocably submits to the non-exclusive jurisdiction of the Malaysian Courts, but it shall be open to the Bank to enforce these Terms in the courts of any other competent jurisdiction.

**Miscellaneous**

- 34. Applicant's obligations herein shall not be in any way discharged or diminished, nor shall the liability of Applicant be affected by reason of the Bank from time to time, without knowledge or consent of Applicant, varying realising or releasing any of the same, or granting any time, indulgence or concession or compounding with any person, or concurring in accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment, or determining, varying, reducing or extending the terms of the Guarantee or by anything done or omitted which, but for this provision, might operate to exonerate Applicant.
- 35. Applicant agrees that no time for limitation of liability in respect of its obligations herein shall begin to run in its favour unless and until the Bank shall have made demand on it.
- 36. IF any one or more provisions of these Terms, or any part thereof, shall be declared or adjudged to be illegal, invalid or unenforceable under any applicable law, such illegality, invalidity or unenforceability shall not vitiate any other provisions of these Terms, which shall remain in full force, validity and effect.
- 37. The headings and sub-headings in these Terms are inserted for convenience only and are to be ignored when construing the provisions herein. Words importing the singular include the plural and vice versa. Reference to one gender includes all genders.
- 38. The terms and conditions of this application form should be read in conjunction with the terms and conditions of your Facility Letter of Offer and Facilities Agreement, if applicable. The terms and conditions of the Facility Letter of Offer and Facilities Agreement will override the terms and conditions of this application form should any discrepancies arise.

SIGNED BY:

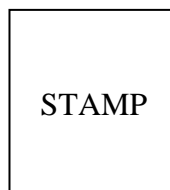
.....  
.....

Authorised Signature  
Name & Title:

Authorised Signature  
Name & Title

For and on behalf of ..... (name of company)

In the presence of



.....  
Witness signature  
Name:  
NRIC/Passport No:  
Address: