

ON LETTER HEAD OF COMPANY

REQUEST LETTER FOR ISSUING FOREIGN BANK GUARANTEE

To
The Branch Manager,
Karur Vysya Bank,
_____ Branch.

(To be completed by the applicant in block letters)

I/We hereby request you to issue on my/our behalf and for my/our account a Foreign Bank Guarantee as per the following conditions:

I.Details of Applicant:

Name of the Applicant	
Account Number	
Address	
Phone No.	

II.Details of Beneficiary:

Name of the Beneficiary	
Address	
Phone No.	
Delivery Details	
Contact Person	
Contact Numaber	
Email id	

III.Details of Foreign Bank Guarantee:

Bank Guarantee Currency	Bank Guarantee Amount	Tenor	Expiry Date	Claim Date/Period

IV.Purpose of Bank Guarantee:

☐ Performance	☐ Shipping Guarantee	☐ Warranty
☐ Advance Payment	☐ Surety Bond	☐ Security Bond
☐ Bid Bond	☐ Construction Work	☐ Counter Guarantee
☐ Others (Please specify)		

V.Foreign Bank Charges: Applicant / Beneficiary

Authorised Signatory

DECLARATION

I/we hereby declare that the purpose and transaction details as mentioned above are true to the best of my knowledge does not involve, and is not designed for the purpose of any contravention or evasion of the provisions of the FEMA, 1999 or any rule, regulation, notification, direction or order made there under. I/We agree that I/We shall be responsible and liable for any incorrect detail provided by me/us.

I/We also hereby agree and undertake to give such information / documents as will reasonably satisfy you about this transaction in terms of the above declaration.

I/we agree that in the event the transaction being rejected by the beneficiary bank because of incorrect information submitted by me, any charges levied by the beneficiary bank or exchange losses incurred in this connection can be charged to my bank account.

I/we also understand that if I/we refuse to comply with any such requirement or make only unsatisfactory compliance therewith, the bank shall refuse in writing to undertake the transaction and shall, if it has reason to believe that any contravention/evasion in contemplated by me/us, report that matter to the RBI.

I/We declare that the transaction does not have linkage with any Specially Designated Nationals and Blocked Persons (SDN)/countries listed under OFAC in any manner. If the transaction involves linkage with any Specially Designated Nationals and Blocked Persons (SDN)/countries listed under OFAC in any manner, I/We undertake not to hold The Karur Vysya Bank Ltd responsible for any of its action or inaction in respect of the OFAC-linked transactions.

I/We further declare that the undersigned has the authority to give this application, declaration and undertaking on behalf if the firm/company.

I / We authorize you to debit my/our above mentioned account for your commission/charges and margin money (if any) .

Date:

Authorised Signatory

GUIDELINES/CHECKLIST FOR THE APPLICANT FOR ENSURING SPEEDY
& ERROR FREE REMITTANCE

1. Request letter to be signed by Authorised Signatory/ies of the company.
2. Ensure that all columns are filled in the request letter.
3. Documentary proof from Overseas beneficiary such as Proforma Invoice, Copy of Contract etc.,
4. The soft copy of guarantee text in MS-Word format.
5. Complete address of beneficiary is to be provided.

Please ensure the following in the Foreign Bank Guarantee format submitted by you:

1. FBG has Karur Vysya Banks registered office address
2. FBG has the Banks standard following clause at the end of the FBG text:

Quote

NOTWITHSTANDING ANYTHING CONTAINED HEREIN ABOVE :-

I) OUR LIABILITY UNDER THIS BANK GUARANTEE SHALL NOT EXCEED
_____ (Currency and amount) (in word ONLY)

II) THIS COUNTER GUARANTEE SHALL BE VALID UPTO _____ AND

III) WE ARE LIABLE TO PAY THE GUARANTEED AMOUNT OR ANY PART
THEREOF UNDER THIS COUNTER GUARANTEE ONLY AND ONLY IF
YOU SERVE UPON US A CLAIM OR DEMAND BY AUTHENTICATED
SWIFT AT OUR SWIFCODE:KVBLINBBFPC, ON OR BEFORE

THIS STANDBY LETTER OF CREDIT IS NON TRANSFERABLE AND NON
ASSIGNABLE.

Unquote

3. FBG should not contain any Onerous clauses.
4. FBG should not be on auto renewal basis.
5. FBG should not include clauses like:
 - “Invocation acceptable on telex or fax or on letter when posted by beneficiary”
 - “Guarantee will be valid till it is discharged by the beneficiary”
 - “We will renew the guarantee on our own till beneficiary discharge’s us from liabilities”