Bank Guarantee – Standby Letter of Credit

Standby Letter of Credit Number:

Issue Date:

Beneficiary: NCI Agency,

Financial Management Resource Centre,

Boulevard Leopold III,

B-1110 Brussels, Belgium

Expiry Date:

1. We, (issuing bank) hereby establish in your favour our irrevocable Standby Letter of Credit (“SLC”) number {number} by order and for the account of {NAME AND ADDRESS OF BIDDER} in the original amount of {€300,000.00 (Three Hundred Thousand Euro)}. We are advised this Guarantee fulfils a requirement under solicitation [IFB/RFQ-XXXX-XXX] dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
2. Funds under this SLC are available to you upon first demand and without question or delay against presentation of a certificate from the NCI Agency Contracting Officer that:
	1. {NAME OF BIDDER} has submitted a Bid and, after Bid Closing Date (including extensions thereto) and prior to the selection of the [Best Valued / Lowest Priced Technically Compliant] Bid, has withdrawn its Bid, or stated that it does not consider its Bid valid or agree to be bound by its Bid, or
	2. {NAME OF BIDDER} has submitted a Bid determined by the NCI Agency to be the [Best Valued / Lowest Priced Technically Compliant] Bid, but {NAME OF BIDDER} has declined to execute the Contract offered by the NCI Agency, such Contract being consistent with the terms of the [IFB/RFQ], or
	3. The NCI Agency has offered {NAME OF BIDDER} the Contract for execution but {NAME OF BIDDER} has been unable to demonstrate compliance with the security requirements of the Contract within a reasonable time, or
	4. The NCI Agency has entered into the Contract with {NAME OF BIDDER} but {NAME OF BIDDER} has been unable or unwilling to provide the Performance Guarantee required under the terms of the Contract within the timeframe required.
3. This SLC is effective the date hereof and shall expire at our office located at {Bank Address} on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. All demands for payment must be made prior to the expiry date.
4. It is a condition of this SLC that the expiry date will be automatically extended without amendment for a period of sixty (60) calendar days from the current or any successive expiry date, unless at least thirty (30) calendar days prior to the then current expiry date the NCI Agency Contracting Officer notifies us that the SLC is not required to be extended or is required to be extended for a shorter duration.
5. We may terminate this SLC at any time upon sixty (60) calendar days’ notice furnished to both {NAME OF BIDDER} and the NCI Agency by registered mail.
6. In the event we (the issuing bank) notify you that we elect not to extend the expiry date in accordance with paragraph 4 above, or, at any time, to terminate this SLC, funds under this credit will be available to you without question or delay against presentation of a certificate signed by the NCI Agency Contracting Officer which states:
	1. "The NCI Agency has been notified by {issuing bank} of its election not to automatically extend the expiry date of Standby Letter of Credit (“SLC”) number {number} dated {date} pursuant to the automatic renewal clause (or to terminate the SLC). As of the date of this certificate, no suitable replacement SLC, or equivalent financial guarantee has been received by the NCI Agency from, or on behalf of {NAME OF BIDDER}, and the NCI Agency, as beneficiary, hereby draws on the SLC number \_\_\_\_\_\_\_\_ in the amount of € {Amount up to the maximum available under the SLC}, such funds to be transferred to the account of the beneficiary number \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (to be identified when certificate is presented)."

Such certificate shall be accompanied by the original of this SLC and a copy of the letter from the issuing bank that it elects not to automatically extend the SLC, or terminating the SLC.

1. The beneficiary may not present the certificate described in paragraph 6 above until twenty (20) calendar days prior to: a) the date of expiration of the SLC should {issuing bank} elect not to automatically extend the expiration date of the SLC, b) the date of termination of the SLC if {issuing bank} notifies the beneficiary that the SLC is to be terminated in accordance with paragraph 6 above.
2. Multiple drawings are allowed.
3. Drafts drawn hereunder must be marked, "Drawn under {issuing bank} Standby Letter of Credit No. {number}" and indicate the date hereof.
4. This SLC sets forth in full the terms of our undertaking, and this undertaking shall not in any way be modified, amended, or amplified by reference to any document, instrument, or agreement referred to herein (except the International Standby Practices (ISP 98) hereinafter defined) or in which this SLC is referred to or to which this SLC relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument, or agreement.
5. We hereby engage with you that drafts drawn under and in compliance with the terms of this SLC will be duly honoured upon presentation of documents to us on or before the expiration date of this SLC.
6. This SLC is subject to The International Standby Practices-ISP98 (1998 Publication) International Chamber of Commerce Publication No.590.