**PERFORMANCE GUARANTEE**

**(Bank Guarantee Required as per OGDCL Format)**

Guarantee No.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Executed on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Amount of Guarantee \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Expiry date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Beneficiary: OGDCL, Islamabad

[Oil & Gas Development Company Limited, Islamabad]

Name of Guarantor (Bank) with address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Scheduled Bank in Pakistan)

Name of Contractor with address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Penal Sum of Guarantee (express in words and figures)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Letter of Acceptance No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that in pursuance of the terms of the Bidding Documents and above said Letter of Acceptance (hereinafter called the Documents) and at the request of the said Contractor we, the Guarantor above named, are held and firmly bound unto the Oil and Gas Development Company Limited (OGDCL), Islamabad (hereinafter called the Employer) in the penal sum of the amount stated above for the payment of which sum well and truly to be made Immediately and forthwith to the said Employer, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that whereas the Contractor has accepted the Employer's above said Letter of Acceptance for the execution and completion of works for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_and hereto attached.

NOW THEREFORE, if the Contractor shall well and truly perform and fulfill all the undertakings, covenants, terms and conditions of the said Documents and Contract/Agreement during the original terms of the said Documents and any extensions thereof that may be granted by the Employer, with or without notice to the Guarantor.

Our total liability under this Guarantee is limited to the sum stated above and it is a condition of any liability attaching to us under this Guarantee that the demand for payment in writing shall be received by us within the validity period of this Guarantee, failing which we shall be discharged of our liability, if any, under this Guarantee.

We (the Guarantor), waiving all objections and defenses under the Contract, do hereby irrevocably, unconditionally and independently guarantee to pay to the Employer immediately and forthwith upon the Employer's First and Simple written demand without cavil or arguments or question, query, objection and contestation and without requiring the Employer to prove or to show grounds or reasons for such demand any sum or sums up to the amount stated above, against the Employer's written demand that the Contractor has refused or failed or annulled or suspended the contract/agreement or caused delay to perform the obligations under the Contract which payment will be effected by the Guarantor to Employer’s designated Bank & Account Number.

PROVIDED ALSO THAT the Employer shall be the sole absolute and final judge for deciding whether the Contractor has duly performed his obligations under the Contract or has defaulted in fulfilling said obligations and the Guarantor shall pay without objection question, query and contestation any sum or sums up to the amount stated above upon first written demand from the Employer immediately and forthwith and without any reference or recourse to the Contractor, Account Party Principal or any other person.

The Guarantor Bank warrants, represents and confirms that this Bank is fully authorized, empowered and has all necessary corporate approvals and authority for issuance of this Bank Guarantee.

We further guarantee that any payment made hereunder shall be made free and clear of, and without deduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any nature whatsoever and by whomever imposed.

The Covenants herein contained constitute unconditional, irrevocable, independent and direct obligations of the Guarantor. No alteration in the terms of the Contract or in the extent or nature of the work to be performed there under and no allowance of time by the Employer or other forbearance or concession or any other act or omission by Employer which but for this provision might exonerate or discharge the Guarantor shall in any way release the Guarantor from liability hereunder.

This guarantee is governed by and shall be construed in accordance with the laws of Islamic Republic of Pakistan.

IN WITNESS WHEREOF, the above-bounden Guarantor has executed this Instrument under its seal on the date indicated above, the name and corporate seal of the Guarantor being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

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| Witness:  1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Corporate Secretary (Seal)    2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **Guarantor (Bank)**    **1. Authorized Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **2. Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**    **3. Title** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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(**Name, Title & Address) Corporate Guarantor (Seal**)