

**REQUEST FOR ISSUANCE OF A PERFORMANCE GUARANTEE FACILITY OF BDT ##### at 100% FDR MARGIN ON ACCOUNT OF  
"M/S Builders"**

**Ref No.: BBL/HO/Emerging Corporate/**

**Dated:**

As per our client's request letter dated 10 October 2018, we seek your approval for issuing a Performance Guarantee facility as per following details:

**Proposal For:**

Issuance of a Performance Guarantee amount of BDT ##### in favor of Bangladesh Rural Electrification Board for execution of Civil Works for the construction of Zonal Office & Residential Building at Fullgazi Zonal Office Complex in Feni PBS against contract no: BREB/URIDS(DMCS)/URIDS(E)-CW-##-###/#####-2### upon acceptance of bid Sub-package No. URIDS(E)-CW-01-08 for Procurement of Civil Work under ADB Loan No. #####-BAN.

***[Expiry Date: 15 Months from Issuing Date, Margin: 100% in the form of FDR, Commission: 0.25% p.q.]***

**A/C: M/S Builders**

**1. Customer Details:**

|                                     |                             |                |
|-------------------------------------|-----------------------------|----------------|
| Name                                | M/S Builders                |                |
| Form of Organization                | Proprietorship Company      |                |
| Date of Incorporation/establishment | 14.08.2013                  |                |
| Group                               | N/A                         |                |
| Name of Key Person                  | Md. Abdul Halim, Proprietor | Net-worth:     |
| Name of Guarantor                   | N/A                         | Net-worth: N/A |
| Nature of Business                  |                             |                |
| Business Address                    |                             |                |
| Registered Address                  |                             |                |
| Account No.                         |                             |                |
| A/C Since                           |                             |                |
| Account Balance                     |                             |                |

**2. Details of Facility:**

|                                   |  |
|-----------------------------------|--|
| Facility Type                     | <b>Performance Guarantee</b>                                       |
| Guarantee No                      | N/A  |
| Amount/Limit of Facility (in BDT) |  |
| Purpose of Facility               |  |
| Margin                            | 100% by FDR  |
| Tenor/Expiry                      | 15 months from issuing date  |
| Beneficiary                       |  |
| Mode of Retirement                | Through submission of original PG duly released by the beneficiary |

**3. Security & CIB:**

|                   |   |
|-------------------|---|
| Security Proposed | <ul style="list-style-type: none"> <li>100% FDR. Lien of FDR BDT ##### million (Ac no- ##### / Md. Abdul Halim) till reversal of the Bank Guarantee</li> <li>Other usual charge documents (DP Note, Letter of arrangement, General Loan Agreement, Letter of Disbursement, Counter Guarantee etc.)</li> </ul> |
| Security Existing | N/A   |
| CIB Status & Date | <b>CIB Sub: ##### Date of Inquiry: 15-10-2018 Status: UC</b>  |
| CRG Status        | <b>CRG: Superior [Backed by cash collateral]</b>  |

**4. Account Performance:**

| Bank Name             | Time                            | Dr. Sum in BDT | Cr. Sum in BDT |
|-----------------------|---------------------------------|----------------|----------------|
| BBL<br>(Personal A/c) | 21 November 2017 to 15 Oct 2018 |                |                |

**5. Break-down of outstanding BGs: N/A**

**6. BG Performance: N/A**

**7. Existing & Proposed Facilities:**

BDT

| Nature of Facility      | Existing |     |        | Proposed |                                     |   |
|-------------------------|----------|-----|--------|----------|-------------------------------------|---|
|                         | Limit    | O/S | Expiry | Limit    | Expiry                              | Pricing                                     |
| Bank Guarantee          | -        | -   | -      |          | 15 months from the date of issuance | Margin 100%<br>Commission 0.25% per quarter |
| <b>Total Funded</b>     | -        | -   | -      | -        |                                     |   |
| <b>Total Non-funded</b> | -        | -   | -      |          |                                     |   |

**8. Source of Repayment:**

From own sources or by encashment of lien Fixed Deposit. The liability will be reversed after return of the original Bank Guarantee duly released by Beneficiary.

**9. Bank's Income from the Client:**

| Total Bank's Income |        |
|---------------------|--------|
| Component           | Amount |
| Commission          |        |
| <b>Total</b>        |        |

**10. Basis for Recommendation:**

- BG will be issued against FDR margin (100% secured).
- The Company has significant market reputation.

**11. CRM observation(s):**

- Date of Incorporation/establishment of the firm is 14.08.2013.
- M/S Builders has been awarded for Sub-package No. URIDS(E)-CW-##-## for procurement of civil work under ADB Loan No. #####-BAN.
- Proposed facility is covered by 100% collateral in the form of FDR.

**12. Debt structure:**

|                           |   |  |
|---------------------------|---|--|
| <b>Type of Facility</b>   | : | Performance Guarantee  |
| <b>Amount/ limit</b>      | : |  |
| <b>Purpose</b>            | : |  |
| <b>Beneficiary</b>        | : | Bangladesh Rural Electrification Board   |
| <b>Margin</b>             | : | <ul style="list-style-type: none"> <li>• 100% FDR. Lien of FDR BDT #####</li> <li>(Ac no- ##### / Md. Abdul Halim) till reversal of the Bank Guarantee</li> <li>• Other usual charge documents (DP Note, Letter of arrangement, General Loan Agreement, Letter of Disbursement, Counter Guarantee etc.)</li> </ul> |
| <b>Commission</b>         | : | 0.25% p.q.   |
| <b>Expiry</b>             | : | 15 months from issuing date  |
| <b>Special conditions</b> | : | N/A  |
|                           |   |  |

**Condition:**

- Expiry of the proposed guarantee will be 15 months from issuing Date & after expiry guarantee to be cancelled and release the FDR accordingly subject to the FD is not cross collateralized with any other facility.
- Security including fixed deposit(s) will remain lined with the Bank till the guarantee validity, i.e., up to 15 months from issuing Date & even if returns the guarantee upon or before expiry.
- Prior to propose facility, Concerned RM/BM will ensure and verify all necessary document.

**Other Conditions:**

- All claims under the guarantee must reach us on or before the expiry date along with the original Bank Guarantee after which date all our liabilities there under shall cease to exist.
- This guarantee shall become automatically null and void on expiry date irrespective of whether the original Bank Guarantee is returned to us. All the formalities/ charge documents including the letter of counter guarantee to be completed/ obtained.
- All government taxes, levies, excise duties etc. on the facilities will be paid by the borrower. In addition, all legal expenses and other fees, costs and expenses incurred in connection with the facilities and securities as referred to herein before the account of the borrower and shall be paid by M/S Builders on demand.
- The borrower accepts and agrees that the Bank shall in the event of any breach by the borrower be at liberty to engage one or more agents for the purpose of recovering any sums outstanding under this facility.
- Before issuance of guarantee, guarantee clauses shall be carefully examined for any adverse clause against the interest of the bank.
- This credit facility is granted under and subject to the condition and limitations set out and specified by Bangladesh Bank and other competent authorities from time to time.

- G) The Bank should also be informed of any changes in management of business and the address of the firm, failing which or if unacceptable to the Bank reserves the right to withdraw the facility or any subsequent arrangements made at any point of time.
- H) The Bank reserves the right to revise the credit facility at any time and at the sole discretion of the Bank. Upon acceptance by you this facility shall come into force with the terms, conditions and rates outlined above.
- I) All claims under this guarantee must reach us on or before the expiry date along with due original bank guarantee after which date all our liabilities there under shall cease to exit.
- J) In case of invocation of Bank Guarantee, client's account shall be debited to effect payment of the claim. Upon receipt of notice of the claim, the client will immediately arrange sufficient fund in their account to settle the claim.

**Placed for approval:**

Considering the above position we place the proposal for issuance of a Performance Guarantee on amount of BDT ##### in favor of M/S Builders.

**[Expiry: 15 months from issuing Date, Margin: 100% in the form of FDR, Commission: 0.25% p.q.]**  
**A/C: M/S Builders**

**Recommended By:**

**Reviewed By:**

**Md. Tanvir Abid**  
MT & Principal Officer,  
New Eskaton Branch  
**PIN: 25960**

**Emdadul Haque**  
Branch Manager, Region 1,  
Distribution Network, New Eskaton Branch  
**PIN: 25358**

**Credit Recommendation/ Condition (if any) and Approval**

**Recommended By:**

**Approved By:**

**Nasif Imtiaz**  
Credit Analyst OG II  
Underwriting, Emerging Corporate  
**PIN 25204**

**Adnaan Jamilee**  
**Senior Manager**  
Underwriting, Emerging Corporate  
**PIN 24209**