LETTER OF INTENT

Date:

From:

To:

REFERENCE NO:

I, AS AUTHORIZED SIGNATORY FOR THIS LETTER OF INTENT, HEREBY CONFIRM WITH FULL LEGAL AND CORPORATE RESPONSIBILITY AND UNDER THE PENALTY OF PERJURY OF LAW, THAT WE ARE READY, WILLING AND ABLE TO LEASE THE BELOW LISTED BANK GUARANTEE AS FOLLOWS:

|  |  |  |
| --- | --- | --- |
| INSTRUMENT: | BG / SBLC | |
| ISSUING BANK: | HSBC BANK, LONDON/ BARCLAYS BANK, LONDON/ DEUTSCHE BANK AG FRANKFURT. | |
| TERM: | ONE (1) YEAR AND ONE (1) DAY, PLUS ROLLS & EXTENSIONS | |
| INTEREST RATE: | ZERO PERCENT (X.00%) | |
| CURRENCY: | EURO/USD | |
| DELIVERY: | BY SWIFT MT760 (BANK - BANK) | |
| INSTRUMENT FACE AMOUNT EACH: | (EUR/USD           ,000,000.00). | |
| CONTRACT AMOUNT: | (EUR/USD           ,000,000.00). | |
| 4.0% | OF FACE VALUE DUE WITHIN STIPULATED TIME IN THE AGREEMENT BY CONDITIONAL PAYMENT. |
| 0.5+X% | Referral Fees (X% is Lessee’s Broker Commission) |
| (5.5+X)% | TOTAL FEES DUE AND PAYABLE. |
| REQUESTED BENEFICIARY NAME: |  | |
| DELIVERY BANK: |  | |

I HAVE REVIEWED THE PROCEDURE AND AGREED WITH ITS TERMS AND CONDITIONS AS PREVIOUSLY SUBMITTED TO ME.  AS DISCUSSED, I AM SUBMITTING THIS LETTER OF INTENT UNDER THE PROVISION THAT THE BANK INSTRUMENT BE ISSUED WITH THE MODIFIED TEXT VERBIAGE OF MY BANK APPROVAL WHICH I WILL PRESENT FOR APPROVAL AND CONFIRMATION WITH THE PROVIDER.

I,  **,** WITH FULL AUTHORITY, HEREBY SWEAR UNDER PENALTY OF PERJURY THAT THE INFORMATION GIVEN ABOVE AND BELOW IS BOTH TRUE AND ACCURATE.

Authorized Signature: Company Stamp/Seal

**TRANSACTION PROCEDURE:**

1. Lessor and Lessee execute, sign and initial this Deed of Agreement, which thereby automatically becomes a full commercial recourse contract to be lodged by both parties for initiation of Swift Transmission.
2. Within three (3) banking days after both parties sign the Agreement, Lessor will issue a Notarized signed and sealed Corporate Refund Recourse Undertaking duly endorsed by the issuing bank to the Lessee guarantying to refund to the Lessee all cost incurred by Lessee as the transmission/administrative charges for the transmission of Pre-Advice via Swift MT799 or BG/SBLC via Swift MT760 or both after due execution of the contract and in case of failure on the Lessor’s side the Notarized signed and sealed Corporate Refund Recourse Undertaking guarantees that the Lessor refunds completely the transmission/administrative fees in addition to a the penalty for failure of performance being 1% of the total face value of BG/SBLC.
3. Within three (3) working days after the Lessee receives contract documents including the invoice and refund undertaking from the Lessor, the Lessee will make payment by direct wire transfer into the Lessor’s provided bank cordinates for the receiving of the bank transmission/administrative charges the bank transmission/administrative fees for the Pre-Advice via Swift MT799 or BG/SBLC via Swift MT760 or both as the case maybe in the amount of Euro/USD XX,000.00.
4. Within two (2) banking days after confirmation of receipt of payment of the bank transmission/administrative fees charges for the BG/SBLC via Swift MT760 or Pre-Advice via Swift MT799 or both in Lessor’s bank account, the Lessor will deliver the Pre-Advice or BG/SBLC via Bank to Bank confirmation of Swift MT799 or MT760 to the Lessee’s banker including the hard copy of the BG/SBLC via bank bonded courier in Seven (7) banking days.
5. Lessee sends out leasing fees by Swift MT103 to the Lessor deducting the initially paid bank transmission/administrative fees and the brokers their commission fees (0.5 +X)% of total Face Value by wire transfer within twenty one (21) days upon delivery, confirmation and verification of BG/SBLC by MT760 in the Lessee’s nominated account and BG/SBLC hard copy in the Lessee’s nominated bank.
6. Should the Lessee not deduct the bank transmission/administrative charges from leasing fees paid, the Lessor shall refund bank charges to Lessee by direct wire transfer within three (3) banking days upon payment of the leasing fees.
7. Any unauthorized calls by any party or its representative lawyers to probes or communication in an improper way to bank(s) in this transaction shall be prohibited and contract terminated.

Should the Lessee default to pay the leasing fees to the Lessor and the brokers commission fees as agreed after 21 banking days of confirmation of BG/SBLC MT760 in lessee's bank account, Lessor will instruct the issuing bank to put a claim on the BG/SBLC thereby forcing the Lessee's bankers to return the BG/SBLC MT760 to the issuing Bank.

**SCHEDULE OF BANK TRANSMISSION/ADMINISTRATIVE FEES FOR PREADVICE MT799 AND/OR BG/SBLC (MT760/MT799)**

|  |  |
| --- | --- |
| **BG/SBLC Face Value**  **(USD/EURO)** | **Bank Transmission/Administrative Fees**  **(USD/EURO)** |
| 1M – 20M | 25,000.00 |
| 21M – 50M | 35,000.00 |
| 51M – 100M | 55,000.00 |
| 101M – 250M | 75,000.00 |
| 251M – 500M | 100,000.00 |
| 501M – 1B | 120,000.00 |
| 1B and above (In Tranches of 500M each) | (100,000 for each tranche of 500M) |

ALL MONIES ENGAGED IN THIS TRANSACTION ARE DERIVED FROM NON-CRIMINAL ORIGIN, AND ARE GOOD AND CLEAR. THE ORIGIN OF FUNDS IS IN COMPLIANCE WITH ANTI-MONEY-LAUNDERING POLICIES AS SET FORTH BY THE FINANCIAL ACTION TASK FORCE (FATF) 6/01.

Company / Organization Name: Company Stamp or Seal

Authorized Signatory: Name & Signature