

COUNTER GUARANTEE ISSUANCE (COUNTER G.TEEISS -1).....

IMPORTANT NOTICE:

This checklist is to be applied in conjunction with sanction policies, local regulations and policies and procedures ofBANK A.Ş..

Where possible, all pertinent services and performances called for in the credit should require separate certification for each one.

These certificates should be called for in the list of documents required, and the counterguarantee and g.tee terms should be clear as to the content and issuer of the certificate(s) in line with Art.7 of URDG 758.

- Ensure that the name and address of the beneficiary are stated (Note: Contact details, such as tel/fax no.s, attention party are also important for the quick advice of the gtee),
- Ensure that the party responsible for the guarantor bank's chargesbe clearly stated i.e. applicant or the beneficiary.
- Ensure that the guarantee identifies the description of the goods/services/subject matter clearly and unequivocally,
- If the counter guarantee guarantee includes a interest payment clause ensure that business – credit & risk approval is in place,
- **Ensure that the counter guarantee does not state that we undertake to pay in spite of court order's/injunctions or the words of similar effect,**
- Ensure that the counter c.gtee includes "irrevocably undertake pay..." and "without the need to issue a protest or to obtain a court judgment or the consent of the applicant" clauses (Note:

SORUMLULUK ALINMAMASI

Sadece bilgi amaçlıdır, yanlış yorum ve kullanımdan dolayı sorumluluk alınmaz, Hasan Apaydın

www.abdurrahmanozalp.com

The second clause requirement applies when the g.tee is subject to Turkish law and/or URDG 758”

- If advance payment guarantee/retention bond, then ensure that the counter guarantee and guarantee state that it shall each take effect when the advance payment/retention money is received by the applicant at its acc.no held with us identifying the counter guarantee to which it relates and the guarantee shall take effect on receipt of our authenticated SWIFT message addressed to the guarantr to this end.
- If advance payment guarantee/retention bond **and the applicant requests that the gurantee amount be reduced on completion of any party of the work by them or that it wishes to be protected against unfair demands** then ensure that a documentary reduction clause in the guarantee and counter guarantee read respectively as follows:

“The amount of this guarantee shall automatically be reduced by the amount indicated in the copy of the invoice on receipt by us of authenticated SWIFT message stating that the copy of the invoice and transport document has been received by the counter guarantor from the applicant without any notice to you which we shall accept as conclusive evidence that such shipment has been effected” or the like term.

“The amount of this counter guarantee shall automatically be reduced by the amount indicated in the copy of the invoice and advised to you by authenticated SWIFT on receipt by us of copy of the invoice and transport from the applicant which we shall accept as conclusive evidence that such shipment has been effected” or the like term.

Of course, if the guarantee does not cover shipment of goods, in place of invoice or transport document another document could be required to be presented. The above suggestions could also be applicable when it is a performance guarantee.

SORUMLULUK ALINMAMASI

Sadece bilgi amaçlıdır, yanlış yorum ve kullanımdan dolayı sorumluluk alınmaz, Hasan Apaydın

www.abdurrahmanozalp.com

- If it is a payment guarantee **and the applicant requests that it wishes to be protected against unfair demands** then ensure that:

- copy of invoice and copy of transport document are required to be presented along with the demand for payment and,
- the counter guarantee and guarantee indicates the following or words of similar effect respectively:

“The amount of this guarantee shall automatically be reduced by the amount paid by the applicant immediately at the time when such payment is made from the applicant’s account held with the counter guarantor or when the copy of payment SWIFT message is presented to the counter guarantor where the applicant has made payment from its account with another party and so advised to us by the counter guarantor by authenticated SWIFT message both identifying the guarantee to which it relates”.

“The amount of this counter guarantee shall automatically be reduced by the amount paid by the applicant immediately at the time when such payment is made from the applicant’s account held with us or when the copy of payment SWIFT message is presented to us where the applicant has made payment from its account with another party and so advised to you by us by authenticated SWIFT message both identifying this guarantee to which it relates”.

(Note: The applicant should be advised at the time of issuance of the guarantee that when the payment is being effected, it must include in its instruction the date, number of the guarantee and the name of the counter guarantor i.e.our bank”)

- If an expiry date exists ensure that it includes a nullity statement i.e. “...become null and void if your complying

SORUMLULUK ALINMAMASI

Sadece bilgi amaçlıdır, yanlış yorum ve kullanımdan dolayı sorumluluk alınmaz, Hasan Apaydın

www.abdurrahmanozalp.com

demand has not been received by us by that date regardless of such date being banking day or not....” or the like term,

COUNTER GUARANTEE AMENDMENT ISSUANCE CHECKLIST (COUNTER G.TEEISS-2).....

- Ensure that any new insertions are stated clearly and unequivocally.
- If the amendment decreases the guarantee amount or curtails the expiry date, then do not reduce the or curtail the guarantee amount or expiry date in the system until guarantor’s acceptance,

SORUMLULUK ALINMAMASI

Sadece bilgi amaçlıdır, yanlış yorum ve kullanımdan dolayı sorumluluk alınmaz, Hasan Apaydın

www.abdurrahmanozalp.com