**[On the headed notepaper of the Bank]**

To: Brunei Shell Petroleum Company Sendirian Berhad,

Jalan Utara, Panaga,

Seria, KB2933,

Brunei Darussalam.

Dear Sir,

REFERENCE: CONTRACT: [\*\*include CONTRACT NUMBER and NAME]

1. We [\*\*include the name of the Bank issuing this performance bond please] (the “BANK”) have been informed that [\*\*insert CONTRACTOR details from the CONTRACT] (“CONTRACTOR”) has entered into an agreement (the “CONTRACT”) with [\*\*insert full name COMPANY] (“COMPANY”) [\*\*month], [\*\*XX], 20[\*\*XX], for the procurement of certain services.

2. It is a requirement of such CONTRACT that the CONTRACTOR provides you with a Performance Bond of the amount and on the terms stated herein.

3. Accordingly, the BANK undertakes unconditionally and irrevocably as a primary obligation to you and not as surety only to pay to you on your first written demand without proof or conditions (other than your statement in such demand that the CONTRACTOR has failed to perform the terms and conditions of the CONTRACT or that CONTRACTOR is insolvent) any sum mentioned in your demand not exceeding BND$ [\*\*…]in aggregate.

PROVIDED ALWAYS that the total amount to be demanded or recovered by you shall not exceed BND$ [\*\*…]in aggregate.

4. This Performance Bond is effective as of the effective date of the CONTRACT.

5. This Performance Bond shall not be revocable by notice or by reason of our liquidation and our liability hereunder shall be absolute and shall not be impaired or discharged by any variations, alterations, incorrect payments, extensions of time or indulgences made, given, conceded or agreed (with or without our knowledge or consent) under the relevant provisions of the CONTRACT or by any change to the constitution of yourself or the CONTRACTOR.

6. This bond will be valid from [\*\*fill in date] until [\*\*fill in date]. The expiry of the bond will be without prejudice to any liability under this bond that arose prior to that date.

7. Any payment will be made in immediately available and freely transferable Brunei Dollars without any withholding or deduction for any present or future taxes, levies, imposts, duties, charges, fees, set-off, counterclaims, deductions, or withholdings of any nature.

8. The BANK’s obligations under this bond will not be affected or discharged by: (a) COMPANY’s waiver of CONTRACTOR’s non-compliance with any term or condition under the CONTRACT; (b) by any other bond, security, or guarantee held by COMPANY for all or part of the CONTRACTOR’s obligations under the CONTRACT; (c) by any invalidity or unenforceability of the CONTRACT; (d) by the insolvency, bankruptcy, winding-up, or reorganisation of CONTRACTOR; or (e) any dispute between CONTRACTOR and COMPANY in relation to the CONTRACT.

9. This bond is not personal to COMPANY and may be assigned by COMPANY to any person or entity, so long as COMPANY notifies the BANK in writing of the assignment.

10. This bond is not revocable by notice or otherwise and our liability under this bond cannot be impaired or discharged by any act or omission of CONTRACTOR under the CONTRACT.

11. Any notice under this bond will be deemed to be duly given when delivered (in the case of personal delivery) or 48 hours after being sent by prepaid registered post or recorded delivery (in the case of letter).

12. This bond is executed by us as our deed.

13. This bond will governed by and construed in accordance with the laws of England and Wales.

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| --- | --- | --- |
| *SIGNED* | : |  |
| FOR | : |  |
| DATE | : |  |