

To:

From 1



**PEOPLE'S BANK**  
Foreign Currency Banking UNIT  
75, Sir chittampalam A. Gardiner Mw  
Colombo 02.

Date: .....

Dear Sirs,

In consideration of your agreeing to negotiate our Documentary Bill of Exchange for .....  
dated .....  
drawn on ..... under Letter of Credit No .....  
issued by ..... for account of .....

we hereby authroise you through your Collecting Office, branch, Correspondent or agent to issue your guarantee or other indemnity on our responsibility in order to secure acceptance and / or payment of the bill notwithstanding any discrepancy or discrepancies between the bill and/or the relative shipping documents and the terms of the Credit including the following:-

In consideration of your negotiating the abovementioned bill and documents and communicating the foregoing authority to issue guarantees and/or indemnities we, drawers and/or endorsers hereby unconditionally agree to reimburse you upon demand the local currency equivalent of the amount of the said bill or Rupee amount of the said bill and also the amount or aggregate amounts of all claims, expenses, including costs, legal or otherwise, paid by you or your collecting office, branch, correspondent or agent or which your collecting office, branch, correspondent or agent may be called upon or compelled to pay in connection with the guarantees and / or indemnities given by you or it or in relation to the said bill or the relative shipping documents at your prevailing rate of exchange at time of demand for reimbursement, together with interest at a rate to be determined by you, plus the amount of all costs, charges, expenses of whatsoever nature incurred by you, your collecting office, branch, correspondent or agent in connection with the said bill or the said claim or claims. We, the drawers and/ or endorsers expressly agree that the amount of the claim and/or claims paid by you, your collecting office, branch, correspondent, or agent in connection with this bill will be accepted by us without equivocation, dispute, or delay as correct and just; and we hereby waive all right to contest the amount or nature of your claims against us in respect of amounts paid by you under such guarantees or indemnities.

Authorised Signature

