

LETTER OF GUARANTEE

To: CSE Clear (Pvt) Limited
04-01, West Block, World Trade Center,
Echelon Square, Colombo 01.
Sri Lanka

IRREVOCABLE AND UNCONDITIONAL LETTER OF GUARANTEE – INSERT GUARANTEE NO.

At the request of [Name of the Member], having its registered address at [Registered Address], being a Member of **CSE Clear (Pvt) Limited** ("Clearing House"), we hereby issue this Irrevocable and Unconditional Guarantee in favor of **Contributory Guarantee Fund** in accordance with Section 2.11 of the Clearing House Rules.

Accordingly, we, [Name of the Bank], having our registered address at [Bank Registered Address], hereby irrevocably and unconditionally undertake to pay the '**Contributory Guarantee Fund**' of **CSE CLEAR (Pvt) Limited**, at Colombo, Sri Lanka, any sum or sums not exceeding [Amount in Words] (LKR [Amount in Figures]), being lawful money of Sri Lanka, for the purposes duly specified in the Clearing House Rules.

CSE CLEAR (Pvt) Limited shall have the absolute right to demand payment under this Guarantee (Guarantee No: [Insert Guarantee No]) for any failure on our part to meet the settlement obligations as stipulated under Section 10 of the Clearing House Rules.

We hereby undertake to honor this Guarantee upon the first written demand submitted by the Clearing House, without any need for proof or conditions, immediately upon such demand being made.

This Guarantee (Guarantee No: [Insert Guarantee No]) shall be irrevocable and unconditional and shall remain valid from [DD Month YYYY] to [DD Month YYYY] (both days inclusive). Any claims hereunder must be received by us no later than [DD Month YYYY] (the "Expiry Date").

Claims under this Guarantee shall be honored only upon the first submission of the original Guarantee, and each payment made hereunder shall constitute a *pro tanto* discharge of our liability under this Guarantee.

Our liability under this Guarantee ([Insert Guarantee No]) will expire on [DD, Month in word, YYYY] (Expiry date of the Guarantee) after which date the original Guarantee should be returned to us for cancellation. Therefore, unless a demand for the performance of this Guarantee is lodged by the Clearing House and received by us on or before the expiry date of this Guarantee, the rights of the Clearing House to demand any payment under this Guarantee will be *forfeited* and we shall be relieved and discharged from all liabilities thereunder.

The benefit under this Guarantee shall not be assigned by [Name of the Member] to any other party.

This Guarantee shall be governed by and construed in accordance with the laws of Sri Lanka and shall come into force and be effective from the date of signing.

Name of the Member

Member Code

Authorized signatures & Rubber stamp of Bank
(The proof of authority is enclosed hereto)

Date