



APPLICATION FOR STANDBY LETTER OF CREDIT / GUARANTEE

FOR BANK USE ONLY

Processed by:	Verified by:	Approved by:	Date:	Ref No.
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GENTLEMEN:

Please issue for our account the following:

- 1) FORM OF STANDBY LETTER OF CREDIT / GUARANTEE DOMESTIC FOREIGN
- 2) DATE OF ISSUE _____
- 3) DATE AND PLACE OF EXPIRY _____
- 4) APPLICANT'S NAME _____
- 5) APPLICANT'S ADDRESS _____

- 6) BENEFICIARY'S NAME _____
- 7) BENEFICIARY'S ADDRESS _____

- 8) CURRENCY AND AMOUNT _____
- 9) ADVISING BANK _____
- 10) PLEASE SELECT TYPE OF STANDBY LETTER OF CREDIT / GUARANTEE :
 - BID BOND ADVANCE PAYMENT GUARANTEE
 - PERFORMANCE BOND FINANCIAL STANDBY LETTER OF CREDIT
 - OTHERS: (PLEASE SPECIFY) _____
- 11) ATTACHMENTS:
 - FORMAT/TEXT OF SBLC/GUARANTEE ORIGINALLY SIGNED BY THE APPLICANT'S AUTHORIZED SIGNATORY(IES) AS ATTACHED.
NOTE: ANY FORMAT OTHER THAN THE PRESCRIBED FORMAT SHALL BE SUBJECT TO BANK APPROVAL.
 - COPY OF THE CONTRACT AND/OR OTHER DOCUMENTS WHICH SERVE AS BASIS FOR THE ISSUANCE OF THE SBLC/GUARANTEE.
- 12) CHARGES: ALL BANKING CHARGES, OTHER THAN RCBC'S CHARGES, ARE FOR THE ACCOUNT OF:
 - APPLICANT BENEFICIARY
- 13) IN SETTLEMENT OF ALL CHARGES RELATIVE TO THE ISSUANCE OF THIS STANDBY LETTER OF CREDIT / GUARANTEE:
 - PLEASE DEBIT OUR: PESO ACCOUNT NO. _____ FOR PHP _____
 - FCDU ACCOUNT NO. _____ FOR USD _____
 - WE ARE ENCLOSING CHECK NO. _____ FOR PHP _____

In consideration of Rizal Commercial Banking Corporation (the "Bank", "RCBC" or "you") issuing the Standby Letter of Credit or Guarantee ("Credit") in accordance with the foregoing, the undersigned APPLICANT ("we", "our", "us", hereby jointly and severally agrees to each and all of the following stipulated provisions and conditions:

We undertake to pay any and all amounts due under and/or perform the obligation/s covered by the "Credit" strictly in accordance with the terms and conditions set forth in the contract between us and the Beneficiary, or which we executed in favor of the Beneficiary.

It shall not be obligatory upon you to ascertain the legality, validity, or correctness of any payment demanded by the Beneficiary in accordance with the terms of "Credit" and you may effect any payment without prior notice to us (any such notice being hereby waived by us). You shall not be bound by any notice from us to withhold any payment to the Beneficiary for any reason whatsoever.

We shall immediately reimburse and repay you, without need of demand and upon notice sent by you to us/any of us at our address/es indicated herein, for any and all payment or advances which you shall or may, at any time, make pursuant to the "Credit" or any agreement executed in relation thereto, as well as any all damages, losses, penalties, taxes (including but not limited to documentary stamp tax, gross receipts tax, value-added tax, withholding/final tax), charges, costs, and expenses of whatever kind or nature which you shall or may at any time incur, sustain and/or suffer or for which you have or may become liable to the Beneficiary on account of the "Credit", with interest on any such amounts at the rate of _____ percent per annum, commencing on the date any such payment or advance was made or any damage, loss, penalty, tax, (including but not limited to documentary stamp tax, gross receipt tax, value-added tax, withholding/final tax), charge, cost and/or expenses were incurred, sustained and/or suffered, until the same shall have been fully repaid to you. Interest not paid when due shall be added to and shall become part of the principal and amounts payable, and shall bear the same rate of interest as the principal.

We acknowledge that our obligation to reimburse and repay you is absolute, unqualified and unconditional under any circumstance and irrespective of any set-off, counterclaim or defense which we may have or raise against you.

Upon the happening as to any of us or to our endorsers, sureties, or guarantors of any of the following Events of Defaults, you may at your sole option, exercise any and all remedies available to you under the circumstances including without limitation the cancellation of your commitment to issue the Credit if the same has not been issued yet or proceeding against any or all of us judicially or extra judicially to enforce payment, and/or foreclose collaterals, whether or not you have discharged your liability to the Beneficiary:

1. We shall fail to pay when due any amount payable hereunder;
2. We shall default in the due performance or observance of any covenant contained herein or in any security document, or if the security document is executed or any property subject of the collateral is owned by a person other than ourselves, such person shall default in the due performance or observance of any covenant contained in such security document;
3. Any statement, representation, or warranty made by us herein or in any other document delivered or made pursuant hereto shall prove to be incorrect or untrue in any material respect;
4. We or any of our subsidiaries or affiliates shall fail to pay or default in the payment of any monetary obligation, or fail to comply with or violate any other obligation, under any agreement, contract or document with you or any third person or persons to which we or any of our subsidiaries or affiliates is a party or privy, whether executed prior to or after the date hereof, under which credit has/may have been extended to us or our subsidiary or affiliate by you or such third person or persons or under which we our subsidiary or affiliate has agreed to act as guarantor, surety or accommodation party, which under the terms of such agreement, contract, document, guaranty or suretyship; including an agreement similar or analogous thereto, shall constitute a default thereunder;
5. We or any of our subsidiaries or affiliates shall become insolvent or be unable or admit inability to pay our/their debts as they fall due, or file any petition or take any procedure or steps in relation to insolvency, moratorium, rehabilitation, or other analogous petition or procedure based on laws for the relief of debtors, or there shall be commenced against us or any of our subsidiaries or affiliates any proceeding under such laws, or any judgment or order is entered by a court of competent jurisdiction for the appointment of a receiver, trustee or the like to take charge of all or substantially all of our/our subsidiary's/affiliate's assets;
6. Attachment or garnishment of any of our property, or of the collateral for our obligations thereunder;
7. Dissolution, suspension of payments, suspension of our usual business or reorganization of our company;
8. Any act or deed or judicial or administrative proceeding in the nature of an expropriation, confiscation, nationalization, intervention, acquisition, seizure, or condemnation of or with respect to us, our business and operations, management, or ownership, or our capital stock, property, or assets, is undertaken;
9. Death of any of the Applicants, or any of our surety, endorser, guarantor, or any of the owners of the collateral;
10. Any of the concessions, permits, rights, franchises or privileges required for the conduct of our business and operations or for our enjoyment of certain tax exemptions and/or other privileges shall be revoked, cancelled, or otherwise terminated, or the free and continued use and exercise thereof shall be curtailed or prevented;
11. A material change in our business, assets or financial circumstances or condition (including, without limitation, the making of any investment unrelated to our business, excessive losses due to the unnecessary investments, the undertaking of any major expansion program or permitting earnings before interest and taxes to fall below a level which would be necessary to service the interest expense on present and future loan obligation) which, in your reasonable opinion, would adversely affect our ability to perform our obligations thereunder;
12. In your reasonable opinion, we shall have abandoned the project for which Credit was obtained;
13. Upon the occurrence or existence of any of the following events:
 - a. If after the obligations herein have been contracted, we shall become insolvent, unless we give a guaranty or security acceptable to you;
 - b. We fail to furnish you with the guaranties or collaterals we have promised herein;

- c. When by our own acts we have impaired our guaranties and sureties after their establishment, and when through a fortuitous event they disappear, unless we give new ones equally satisfactory to you;
- d. When we violate any undertaking, in consideration of which you agreed to the period;
- e. When we attempt to abscond.

14. If you find that the proceeds of the Credit have been employed or used, for purposes other than those agreed upon in the underlying contract.
15. If any statements of assets and liabilities, property, income and expenditures, and such other information as may be prescribed by law or by rules and regulations of the Bangko Sentral ng Pilipinas furnished to us, to enable us to properly evaluate your credit application in connection with this Credit, including the corresponding financial statements submitted to the Bureau of Internal Revenue, prove to be false or incorrect in any material detail.
16. Any adverse circumstance occurs which, in your reasonable opinion, materially, or adversely affects our ability to perform any of our obligations thereunder.

You are hereby authorized, at your opinion and without notice to us, to immediately set-off or apply to the payment of any of our obligations, any and all moneys which may be in your hands or in the hands of any of your subsidiaries or affiliates, on deposit or otherwise, belonging to any of us. We irrevocably appoint you, effective upon the occurrence of any of the Events of Default but without any obligation on your part should you choose not to perform this mandate, as attorney-in-fact for each of us, to sell and dispose of any property belonging to any of us, which may be in your possession, by public or private sale, and to apply the proceeds thereof to the payment of any/all of our obligations; each of us, however, shall solidarily remain liable for any deficiency.

In case any of the foregoing Events of Default occurs, we jointly and severally agree to pay you, without need of demand, by way of liquidated damages, an additional amount equivalent to twelve percent (12%) per annum of the total sum due, but in no case less than P20,000.00 until fully paid, and if this matter is referred to a lawyer/law firm or collection agency for collection, the further sum of not less than P20,000.00, exclusive of costs and other judicial or extrajudicial expenses. Venue of any suit arising from this Agreement/Credit is stipulated to be at the place of your office address stated above or at your principal place of business or in any other lawful jurisdiction, at your sole option.

In case of judicial execution of our obligation under this Agreement or the Credit, we and all endorsers, sureties and guarantors waive our rights under Rule 39, Section 12, of the Rules of Court.

We and all endorsers, sureties, and guarantors jointly and severally waive presentation, demand, protest and notice of any kind, and hereby consent to any and all extensions of time, renewals, waivers or modifications that may be granted by you with respect to the payment or other provisions of this Agreement. No delay or omission on your part in exercising any rights hereunder shall operate as a waiver of such right or any other rights under this Agreement.

This Agreement and all rights, obligations and liabilities arising hereunder shall be binding to us, and no act of yours or your authorized agent shall be deemed a waiver, unless you or your authorized agent shall have signed such waiver in writing. No such waiver, unless expressly stated therein, shall be effective as to any transaction which occurs subsequent to the date of such waiver, nor as to any continuance of a breach after such waiver.

The obligations herein shall bind heirs, executors, administrators, successors and assigns of the Applicant, and all rights, benefits and privileges hereby conferred on you shall be and are hereby extended to and conferred upon and may be enforced by your successors and assigns.

The "Credit" requested in this Agreement is subject to the International Chamber of Commerce Publication listed in the application, or such later revision thereof in effect at the time of the issuance of the "Credit".

The term "Applicant" shall mean individual, corporation, partnership or any other juridical entity, and shall denote the singular and the plural, as the context may require.

Any notice or demand sent to your address as indicated herein shall be valid and effective notice and demand to you for all legal purposes, irrespective of whether such notice or demand has been actually received or has been returned unclaimed by you, or if receipt was refused by you or by your representative or employee, or that no person is found at the address given, or that the address cannot be located, and shall not excuse or relieve you from the effect of such notice.

We agree that all costs, fees, taxes and other charges payable in connection with the execution, delivery, registration and enforcement of Agreement shall be for our own exclusive account.

Very truly yours,

 APPLICANT

BY:

 Authorized Signature over Printed Name

 Authorized Signature over Printed Name