

Attachments for Procedure CA/20

CL/CA 20/ 01 – PERFORMANCE SECURITY ACCEPTANCE CHECKLIST

Contract Name:

Contract No :

S/No.	Activity	Status	Remarks
1.	Contractor's bid security remain valid	<input type="checkbox"/> OK <input type="checkbox"/> Not OK <input type="checkbox"/> Not Applicable	
2.	Performance Security is in the format specified in the Contract or in a format acceptable to the Employer	<input type="checkbox"/> OK <input type="checkbox"/> Not OK <input type="checkbox"/> Not Applicable	
3.	Performance Security is for the amount specified in the Contract	<input type="checkbox"/> OK <input type="checkbox"/> Not OK <input type="checkbox"/> Not Applicable	
4.	Performance Security is from a bank/agency acceptable to the Employer	<input type="checkbox"/> OK <input type="checkbox"/> Not OK <input type="checkbox"/> Not Applicable	
5.	If the bank which issued the Performance Security is not a bank operating in Sri Lanka, the Performance Security has been confirmed by a bank operating in Sri Lanka, acceptable to the Employer	<input type="checkbox"/> OK <input type="checkbox"/> Not OK <input type="checkbox"/> Not Applicable	
6.	The bank which issued/confirmed the Performance Security has confirmed that the Performance Security submitted by the Contractor is genuine and enforceable.	<input type="checkbox"/> OK <input type="checkbox"/> Not OK <input type="checkbox"/> Not Applicable	

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Project Director/Project Manager

SL/CA 020/ 01 – LETTER TO BANK FOR VERIFICATION OF AUTHENTICITY OF THE PERFORMANCE SECURITY

Manager

Dear Sir,

Project :

Contract No. :

Subject : Performance Security

dated

We refer to the Performance Security No. _____ dated _____
by your bank on behalf of the Contractor for
project; _____, a copy of which is enclosed.

In terms of the said Performance Security, you have agreed to pay us up to a
_____, on behalf of _____, upon our first
written demand.

We wish to request you to confirm in writing, authenticity of the said Performance Security which
shall remain valid and in force until _____.

We also wish to request you to confirm in writing your undertaking to pay us any sum within the
limit of _____, on behalf of _____
_____, upon our first written demand, without any cavil, arguments or to prove
or show grounds or reasons for our demand or the sum specified therein, disregarding any dispute
we may have with the Contractor with regard to the underlying contract with us.

Thanking you.

Yours faithfully,

**SL/CA 020/ 02– LETTER TO BANK DEMANDING PAYMENT OF GUARANTEED AMOUNT IF
PERFORMANCE SECURITY IS NOT EXTENDED**

Manager

Dear Sir,

Project : _____

Contract No. : _____

Subject : Letter of Demand to Pay Sums Guaranteed under the Performance Security
dated _____

We refer to the Performance Security No. _____ dated _____
_____, provided by your bank on behalf of the Contractor for
project;

In terms of the said Performance Security, you have agreed to pay us up to a
(), on behalf of , upon our first
written demand.

We wish to inform you that the Contractor is yet to extend the said Performance Security, expiry
date of which is on .

We have already advised the Contractor to extend the validity of said Performance Security until
through our letter reference dated
of the letter, (a copy of which is attached), as the Performance Certificate has
not been issued, for reasons attributable to the Contractor.

We wish to request you to confirm in writing whether the said Performance Security has been
extended and the same remain valid and in force until .

If the said Performance Security is not extended, before the expiry of the same on ,
we hereby advise you to consider this as our demand for payment of
() guaranteed under the said Performance Security, as
the Performance Certificate has not been issued, for reasons attributable to the Contractor.

Accordingly, if the said Performance Security is not extended on or before , we hereby
demand you to pay us (), on behalf
of , the Contractor, as guaranteed in the above referred Performance
Security, to our Bank Account, details of which are given below,

Account No :

Account Name :

Bank Name : , Sri Lanka

Bank Code :

Branch Code :

We appreciate your early and prompt action.

Thanking you.

Yours faithfully,

Enclosed: 1. A copy of the Performance Security No.
dated
2. Authentication of authorize signature by a notary public

cc:

1. Secretary
2. Project Director
3. Resident Engineer

**SL/CA 020/ 03 – LETTER TO BANK DEMANDING PAYMENT OF GUARANTEED AMOUNT
IF THE CONTRACT IS BREACHED**

Dear Sir,

Project :

Contract No. :

Subject : Letter of Demand to Pay Sums Guaranteed under the Performance Security
dated

We refer to the Performance Security No. _____ dated _____
_____, provided by your bank on behalf of the Contractor for
project; _____.

You have undertaken within the above referred Performance Security, to pay us any sum within
the limit of _____ (_____), on behalf of _____
_____, upon our first written demand.

We also wish to inform you that the Contractor has breached the Contract by [the respect in which
the Principal is in breach] and the said Performance Security is still remaining valid as the
Performance Certificate is yet to be issued.

Accordingly we hereby demand you to pay us _____
_____, on behalf of _____, the Contractor, as guaranteed in the above
referred Performance Security, to our Bank Account, details of which are given below,

Account No : _____
Account Name : _____
Bank Name : _____, Sri Lanka
Bank Code : _____
Branch Code : _____
Swift Code : _____

We appreciate your prompt action.

Thanking you.

Yours faithfully,

Chairman

Enclosed: 1. A copy of the Performance Security No.

dated

2. Authentication of authorize signature by a notary public

cc:

- 1.
- 2.
- 3.
- 4.

Manager

Authentication of Authorized Signature

I hereby certify that the signature below which was placed before me, is a genuine and authentic signature of _____, _____ of _____ of Sri Lanka, according to records pertaining to the following bank account maintained in this bank.

Account No:

Account Type:

Manager

SF/CA 020/ 01 – PERFORMANCE SECURITY - DEMAND GUARANTEE

Brief description of Contract

Name and address of Beneficiary

We have been informed that _____ (hereinafter called the "Principal") is your contractor under such Contract, which requires him to obtain a performance security.

At the request of the Principal, we _____ hereby irrevocably undertake to pay you, the Beneficiary/Employer, any sum or sums not exceeding in total the amount of (the "guaranteed

amount", say: upon receipt by us of your demand in writing and your written statement stating:

- (a) that the Principal is in breach of his obligation(s) under the Contract, and
- (b) the respect in which the Principal is in breach.

Any demand for payment must contain your Chairman's or Head of the Entity's signature which must be authenticated by your bankers or by a notary public. The authenticated demand and statement must be received by us at this office on or before [the date 70 days after the expected expiry of the Defects Notification Period for the Works] (the "expiry date"), when this guarantee shall expire and shall be returned to us.

We have been informed that the Beneficiary may require the Principal to extend this guarantee if the performance certificate under the Contract has not been issued by the date 28 days prior to such expiry date. We undertake to pay you such guaranteed amount upon receipt by us, within such period of 28 days, of your demand in writing and your written statement that the performance certificate has not been issued, for reasons attributable to the Principal, and that this guarantee has not been extended.

This guarantee shall be governed by the laws of Sri Lanka and shall be subject to the Uniform Rules for Demand Guarantees, published as number 458 by the International Chamber of Commerce, except as stated above.

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Date

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Signature(s)