

FORM OF CONFIRMATION NOTICE

Confirmation Notice for the sale and purchase of sixty (60) Cargoes for delivery during the expected period July 2017 to June 2022

In accordance with the results of a competitive tender (PLL/IMP/LNGT01), Seller was selected as the "selected bidder" and, pursuant to the Master (Delivered Ex-ship) LNG Sale and Purchase Agreement (the "MSPA" or "Master Agreement") dated _____, between Pakistan LNG Limited ("Buyer") and _____ ("_____"), Buyer and _____ agree upon the following sale and purchase of LNG on this _____ day of [_____, 2017].

1. Source of LNG

- (a) The Seller shall communicate to Buyer in writing the location of the Loading Port and/or identity of Seller's Facilities and the loading date for each Cargo as soon as practicable after the relevant Delivery Window has been communicated to the Buyer in accordance with paragraph 5 of this Confirmation Notice but in no case later than thirty (30) days prior to the first day of the relevant final Delivery Window.
- (b) For the avoidance of doubt, Seller shall be able to claim protection under Clause 16.1 of the MSPA for Seller's Facilities and/or Loading Port the identity of which is to be notified to Buyer under paragraph 1(a) of this Confirmation Notice as long as and to the extent that such Seller's Facilities and/or Loading Port are not, or are not likely to be, affected by a notice under Clause 16.4 of the MSPA at the time their identity is so notified to Buyer.

2. LNG Carrier

- (a) Seller shall confirm to Buyer in writing the final identity, dimensions and capacity of the LNG Carrier and that it is compatible with the Discharge Port and the Terminal as soon as practicable after the execution of this Confirmation Notice but in no case later than five (5) days prior to departure of that LNG Carrier from the Loading Port.
- (b) Seller shall provide to Buyer all forms and information as required by the Discharge Port and the Terminal, relating to the LNG Carrier and confirm to Buyer that the LNG Carrier is compatible with the Discharge Port and the Terminal as soon as practicable after each Delivery Window has been communicated in accordance with paragraph 5 of this Confirmation Notice but in no case later than twenty-one (21) days prior to the first day of the relevant final Delivery Window, unless the LNG delivery



for the relevant Cargo causes that LNG Carrier to call at the Discharge Port and the Receiving Facilities for the first time in which case the relevant information shall be notified to Buyer in writing no later than thirty (30) days prior to the first day of the relevant final Delivery Window.

3. Discharge Port and Receiving Facilities

- (a) Subject to paragraph 3(c) below, Discharge Port shall be Port Qasim, Karachi, Pakistan.
- (b) Subject to paragraph 3(c) below, the Receiving Facilities shall be the FSRU-based LNG receiving terminal operated by Pakistan Gas Port Consortium Limited.
- (c) The Buyer may by written notice prior to the first day of the relevant final Delivery Window request the Seller to deliver a Cargo to another LNG receiving facility, within Pakistan, and, provided such receiving facility complies with the provisions of Clause 9.2 of MSPA, the Seller shall not withhold its consent to such request. The Seller hereby confirms that the Receiving Facility at Port Qasim operated by Engro Elengy Terminal (Private) Limited complies with the provisions of 9.2 of the MSPA. Any incremental costs and any costs savings on account of the diversion will be to Buyer's account/benefit. For the avoidance of doubt it is acknowledged that there will be no incremental costs in case of delivery to the Engro Elengy Terminal (Private) Limited LNG receiving facility. In addition to the foregoing, the Buyer may at any time and from time to time request diversion to any other discharge port outside Pakistan but such diversion shall be subject to mutual agreement of the Parties.

4.1 Contract Quantities

- (a) Subject to paragraph 4.2 below, Seller shall deliver and Buyer shall take sixty (60) Cargoes during a period of sixty (60) consecutive calendar months. The initial delivery date for the commencement of deliveries of such Cargoes ("Start Date") is expected to be July 2017. The actual Start Date will be notified by the Buyer to the Seller not later than 1st March 2017. The date so notified shall not in any event be later than 1st January 2018. In case the Start Date is after July 2017 the period within which the Performance Guarantee is to be provided will be extended accordingly.
- (b) The quantity of LNG in each Cargo to be sold and purchased under this Confirmation Notice is 140,000 m³ +/- 2%.



- (c) Subject to paragraph 4.2 below, the number of Cargoes to be sold and purchased under this Confirmation Notice is sixty (60).

4.2 Deferred Quantity

- (a) Notwithstanding the provisions of Clause 4 of the MSPA, the Buyer has the right not to purchase and take up to two (2) Cargoes of LNG in each calendar year during the term of this Confirmation Notice provided that it gives the Seller notice of such intention at least one hundred and twenty (120) day prior to the Delivery Window or if the Delivery Window has not yet been fixed one hundred and twenty (120) day prior to the estimated period in which the Delivery Window for that month is to occur (as provided in Paragraph 5 below) (“Deferred Quantity”). In the event the Buyer gives the required notice of deferment of any Cargo or Cargoes, then, subject to Clause 4.2(c) below, the Seller shall be obliged to accept such request without any charge or penalty to the Buyer. If the Buyer gives less than the required notice, the Seller shall review the request in good faith and determine in its sole discretion whether to accept such request. Where the Deferred Cargo right is exercised, PLL shall not be required to pay for such Deferred Quantity,
- (b) PLL may, at any time, on one hundred and twenty (120) days written notice to the Seller schedule deliveries of any Cargoes comprised in the Deferred Quantity. Provided that if PLL does give such notice the Seller shall be obliged to deliver the relevant Cargo comprised in the Deferred Quantity within the Delivery Window requested by PLL.
- (c) The cumulative Deferred Quantity outstanding at any time during the term of this Confirmation Notice shall not exceed two (2) Cargoes. Deferred Quantity rights shall not be exercised by PLL in the last year of the term of this Confirmation Notice.

5. Delivery Programme and Delivery Windows

- (a) For each calendar year during which Cargo deliveries will be undertaken under this Confirmation Notice, one (1) Cargo will be delivered in each calendar month of the relevant calendar year, subject to the provisions regarding Deferred Quantity as provided in paragraph 4.2 above.
- (b) No later than sixty (60) days before the first day of the relevant calendar month, the Buyer shall communicate to the Seller in writing the two (2) day period during which the Delivery Window is scheduled to occur.



(c) For each calendar year following the 2017 calendar year, the Buyer shall communicate to the Seller no later than 30th September of the preceding calendar year a five (5) day range for Cargo deliveries. No later than sixty (60) days before the first day of the relevant five (5) day period, the Buyer will advise the Seller of the two (2) day period during which the Delivery Window is scheduled to occur.

(d) Daytime berthing shall apply.

6. LNG Heel

The LNG Heel shall not be used to reduce or increase the Estimated Cargo Quantity beyond the tolerance set out in paragraph 4(d) of this Confirmation Notice.

7. Specification

The LNG to be sold and delivered by Seller to Buyer ex-ship at the Discharge Port in accordance with this Confirmation Notice and the MSPA shall comply with the Specifications set out in Clause 5.1 and Annex B of the MSPA.

8. Contract Price

The delivered ex-ship Contract Price for each LNG cargo shall be calculated as follows:

(a) The price (in US\$/MMBtu) applicable to each relevant LNG cargo, the discharge of which commences during a particular calendar month (month n) (the “**Contract Price**”), shall be equal to CP_n determined in accordance with the following formula:

$$CP_n = [\bullet]^1\% Brent_m$$

Where:

CP_n is the Contract Price applicable to the relevant LNG cargo, rounded to 4 decimal places;

$Brent_m$ for a given month is the arithmetic mean of the 3 values of BRICE (US\$/bbl) for the 3 months immediately preceding (and not including) the month in which the commencement of unloading of the relevant LNG cargo falls. $Brent_m$ shall be rounded to 4 decimal places;



To be kept empty.

BRICE for a given month is the arithmetic mean of all the settlement prices (in US\$/bbl) for each quoted day of that month as published by the Intercontinental Exchange of the first line ICE Brent future's contract. The first line settlement price will be used except to the expiration date of each maturity. On such date, the applicable pricing quotation will be rolled to the second nearby maturity. BRICE will not be rounded.

- (b) Commencement of discharge shall be deemed to occur at the point at which the relevant LNG carrier is shown to be all fast in the port log at the relevant Discharge Port.

9. Allowed Laytime

The Allowed Laytime for the purposes of Clause 12.2 of the MSPA for LNG Carriers shall be thirty-six (36) hours.

10. Demurrage Rate

The rate of Demurrage for the purposes of Clause 12.5 of the MSPA shall be United States Dollars twenty thousand (20,000 USD) per day and pro rata for any begun day.

Boil off rate for all LNG Cargoes under this Confirmation Notice shall be 0.15% (zero point one five percent) per day of the full vessel capacity.

11. Payment

The payment due date for commercial invoice(s) of LNG delivered shall become due thirty (30) days after the Completion of Unloading of the Cargo at the Discharge Port or receipt of the invoice for the delivered cargo whichever is later in accordance with Clause 15.4.1 of the MSPA.

12. Parties' Account Details

- (a) The name of Seller's bank and Seller's account details for the purposes of Clause 15.4 of the MSPA are as follows:



(b) The name of Buyer's bank and Buyer's account details for the purposes of Clause 15.4 of the MSPA are as follows:

Beneficiary Name: **Pakistan LNG Limited**

Beneficiary Bank Name: _____

Beneficiary Bank Address: _____

Beneficiary Account Number: _____

Beneficiary IBAN: _____

Beneficiary SWIFT: _____

13. Parties' Contact Details

For the purposes of Clause 19.4 of the MSPA, the Parties' contact details shall be as follows:

(a) For: **PAKISTAN LNG LIMITED**

Attention: Chief Operating Officer

Address: 6th Floor, Petroleum House,

G-5/2, Islamabad. 44000

Pakistan

Tel: _____

Fax: _____

Email: _____

With copy of the same addressed to:

Pakistan LNG Limited



Tel: _____

Fax: _____

Email: _____

(b) For: _____

Attention:

Address:

Tel:

Fax:

Email:

With copy at the same address to:

14. Letter of Credit and Seller Credit Support

(a) Buyer shall provide Seller with credit support in accordance with Clause 15.6 of the MSPA as follows:

(i) Buyer shall provide an irrevocable standby letter of credit ("SBLC") for an amount equal to one hundred and five percent (105%) of the Cargo value of the first Cargo to be supplied under the MSPA in United States Dollars and substantially in the form of Appendix A to this Confirmation Notice from a Scheduled Bank with a long-term credit rating of at least AA from PACRA/JCR-VIS or equivalent from a reputable international credit rating



agency by the later of (i) thirty (30) days before the first day of the Delivery Window for the first Cargo finalised in accordance with paragraph 5 of this Confirmation Notice and (ii) seven (7) days before the loading date of the first Cargo and (iii) five (5) days of signing of this Confirmation Notice by PLL and which shall be renewed annually no later than thirty (30) days before the end of the relevant twelve (12)-month period and which shall continue to be in place to secure Buyer's obligations under this Confirmation Notice until thirty (30)-days from the end of the two (2)-day scheduled Delivery Window referred to in paragraph 5 of this Confirmation Notice for the last Cargo to be delivered hereunder.

- (ii) Seller shall re-determine the value of the SBLC that is required to be provided by Buyer in accordance with the provisions of paragraph 8 of this Confirmation Notice every ninety (90) days from the date of issuance and shall notify such re-determined amount to Buyer. Where the value of the SBLC is below the value as determined by the Seller, within five (5) Banking Days of receipt of notice by the Seller, the Buyer shall increase the value of the SBLC to equal the value as determined by the Seller.
- (iii) In case Seller draws any amount under the SBLC in accordance with Clause 17.2.2 of the MSPA, Buyer shall either restore the SBLC or issue a replacement SBLC within a maximum of fourteen (14) Business Days from the date of drawing. If at any time the SBLC is not provided, subject to the foregoing sentence, Seller shall have the right to immediately suspend performance of its obligations under this Confirmation Notice. Suspension of deliveries under this provision shall not constitute a failure of Seller to deliver LNG or to make LNG available for delivery for any purpose of this Confirmation Notice.
- (iv) All charges in relation to the SBLC inside Pakistan shall be on Buyer's account. All charges and commission including confirmation charges in relation to the SBLC outside Pakistan shall be on Seller's account. If required, SBLC confirmation will be arranged by the Seller.

(b) Seller shall provide Buyer with credit support in accordance with Clause 15.6 of the MSPA as follows:

- (i) Seller shall provide an irrevocable standby letter of credit for an amount equal to one hundred and five percent (105%) of the value of two (2) Cargoes (based on



the Contract Price for the first Cargo) in United States Dollars and substantially in the form of Appendix B to this Confirmation Notice from a Scheduled Bank operating in Pakistan with a long-term credit rating of at least AA from PACRA/JCR-VIS or equivalent from a reputable international credit rating agency ("Performance Guarantee"), no later than 1st March 2017. The Performance Guarantee shall be renewed annually no later than thirty (30) days before the end of the relevant twelve (12)-month period and shall continue to be in place to secure Seller's obligations under this Confirmation Notice until thirty (30)-days from the end of the two (2)-day scheduled Delivery Window referred to in paragraph 5 of this Confirmation Notice for the last Cargo to be delivered hereunder.

- (ii) Buyer shall re-determine the value of the Performance Guarantee that is required to be provided hereunder in accordance with the provisions of paragraph 8 of this Confirmation Notice every ninety (90) days from the date of issuance and shall notify such re-determined amount to Seller. Where the value of the Performance Guarantee is below the value as determined by the Buyer, within five (5) Banking Days of receipt of notice by the Buyer, the Seller shall increase the value of the Performance Guarantee to equal the value as determined by the Buyer.
- (iii) In case Buyer draws any amount under the Performance Guarantee in accordance with Clause 17.2.3 of the MSPA, Seller shall either restore the Performance Guarantee or issue a replacement Performance Guarantee within a maximum of fourteen (14) Business Days from the date of drawing.
- (iv) All charges in relation to the Performance Guarantee shall be for Seller's account.

15. Notices of LNG Carrier movements²

Notice provisions set out in Clause 10.1.1 of the MSPA, in case the total time the LNG Carrier takes to transport the Cargo between the Loading Port and the Discharge Port is equal to or less than:

- (i) 96 hours, Clause 10.1.1(b) of the MSPA shall not apply;
- (ii) 72 hours, Clauses 10.1.1(b) and (c) of the MSPA shall not apply; and

² Only to be filled in if the journey from the Loading Port to the Discharge Port is equal to or less than 96 hours.



(iii) 48 hours, Clauses 10.1.1(b), (c) and (d) of the MSPA shall not apply,

and the provisions of Clause 10.1.1 of the MSPA shall be deemed to be amended accordingly.

16. Title Transfer

[One of the elections below should be marked]

Clause 6.1 (*Point of title transfer*)

Election A – International waters title transfer

Election B – Delivery Point title transfer

In the event, Election A is opted for, the following definition shall be inserted in Clause 1.1 of the MSPA:

“**Title Transfer Point**” has the meaning specified in Clause 6.1(a) of the MSPA and the references to Delivery Point in Clause 6.2 of the MSPA shall be read as references to the Title Transfer Point.”

17. Port Charges

The following new definition shall be inserted in Clause 1.1 of the MSPA after the definition of “Port Authority Regulations”:

“**Port Charges**” means the Pilotage fee (inclusive of towage charges) for LNG vessels as per Provisional amendments in notification number SRO 70 (KE)/2010 dated May 12, 2010 amended July 16, 2015 w.r.t. LNG Tariffs Section Para 0902 bullet “c” and Para 0908 Note 2 bullet C IX Pilotage (Please visit Port Qasim Authority’s website www.pqa.gov.pk where the rates are published or set by the Port Authority from time to time.). Anything additional to the “Port Charges” as defined will be treated separately and will be to Seller’s account. For the avoidance of doubt, Port Charges shall not include any additional charges or expenditure that may become payable by the Seller in connection with the use of the Discharge Port or the Receiving Facilities including for additional tugs, pilotage, towage, escort or watch vessel, immigration and custom clearance and any such charges shall be to the Seller’s account and shall not be reimbursed by the Buyer.

The following wording shall be inserted before the full stop at the end of Clause 7.1 of the MSPA:



“The Seller should provision for Port Charges of US\$ 500,000. If any Port Charges exceeding an amount of US Dollars five hundred thousand (USD 500,000) per calling of the LNG Carrier at the Discharge Port these shall be to the account of the Buyer and shall be reimbursed to the Seller by the Buyer against an invoice rendered by the Seller pursuant to Clause 15 of the MSPA. If Port Charges actually incurred by the Seller are less than US Dollars five hundred thousand (USD 500,000) on any calling(s) of the LNG Carrier at a Discharge Port, whether within or outside Pakistan, the differential of US Dollars five hundred thousand (USD 500,000) and the actual Port Charges will be paid by the Seller to the Buyer or adjusted by the Buyer against Seller’s invoices”.

18. Termination Provisions

For the purposes of this Confirmation Notice, in Clause 3.2 the following new clause shall be inserted after Clause 3.2.3:

“3.2.4 A Party may terminate a Confirmation Notice without cause upon giving the other Party ninety (90) days’ written notice of termination. In the event of such termination, the Party terminating such Confirmation Notice shall be liable to pay to the other Party liquidated damages equal to the value of six (6) Cargoes (based on the average Brent price for the three months preceding the month in which the notice of termination is served).”

19. Annex C

Paragraph 6.2.1 of Annex C to the MSPA shall stand substituted as under:

“6.2.1 The Quantity Delivered shall be calculated using the following formula:

$$Q = \frac{1}{1055.056} \times \left[V \times d \times Hm - \left(V \times \frac{288.60}{273.15 + Tv} \times \frac{P}{1015.60} \times 37.4 \right) \right] - \text{Egas}$$

Where

Egas = the energy of the gas consumed in the LNG carrier’s engine room (also including all gas burnt by the ship for any other use/ boil off (including temperature/ pressure management)) during the time between opening and closing custody transfer surveys.”

IN WITNESS WHEREOF, each of the Parties, in accordance with the MSPA, has caused this Confirmation Notice to be executed by its duly authorised representative.



**PAKISTAN LNG
LIMITED**

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

WITNESSED BY:

1. _____

Name

2. _____

Name

WITNESSED BY:

1. _____

Name

2. _____

Name



APPENDIX A
FORM OF BUYER'S STANDBY LETTER OF CREDIT

To: The "Beneficiary"

Address

Gentlemen:

We hereby open in favour of the Beneficiary our irrevocable Standby Letter of Credit (the "SBLC") No. [●] in an amount not exceeding the total of US\$ [●] (the "Maximum Amount of the SBLC"), by order and for the account of Pakistan LNG Limited (the "Buyer").

This SBLC relates to the Master (Delivered Ex-Ship) LNG Sales and Purchase Agreement dated [●] and the Confirmation Notice between the Buyer and the Seller dated _____ as may be amended, modified or supplemented, from time to time (together, the "Agreement"). Capitalised terms not otherwise defined herein shall have the same meaning as given to them in the Agreement.

Funds under this SBLC shall be available to the Beneficiary upon presentation of your written demand in the form attached to this SBLC (the "Demand for Payment"). The Beneficiary is not required to provide any reasons or justifications in respect of the Demand for Payment or provide any other documentation to us other than stating that the Buyer has not paid the invoices on the due date pursuant to the terms of the Agreement. The presentation for demand for payment in authenticated SWIFT form is also acceptable.

We hereby unconditionally and irrevocably undertake to pay the Beneficiary within three (3) days of receipt of a Demand for Payment, the full amount which is demanded for payment, without delay or contestation.

A Demand for Payment will be duly honoured by us if presented not later than the Expiry Date (as defined herein below) at the confirming bank's counters [*insert bank name*] during banking hours.

Notwithstanding any provision of the Agreement or other provision of this SBLC, this SBLC shall be valid for a period of one (1) year from its date of issuance and shall expire on [*insert expiry date*] (the "Expiry Date"). The Buyer may request from us an extension of this SBLC thirty (30) days prior to the expiry of this SBLC for a further period of one (01) year. If the extension is not granted the Beneficiary



may demand the full amount due by Buyer to the Beneficiary prior to the Expiry Date, upto the Maximum Amount of this SBLC.

On receipt of the Maximum Amount of the SBLC as undertaken herein the Beneficiary will return to us this SBLC duly discharged and cancelled but failure to do so will not adversely affect us as our liability will be extinguished.

Multiple presentations and drawings (in whole or in part) may be made under this SBLC but our aggregate liability will be restricted to the Maximum Amount of the SBLC.

All banking commissions and charges inside Pakistan are account of the Buyer. All banking commissions and charges outside Pakistan are on account of the Beneficiary including SBLC confirmation charges. Confirmation will be arranged by the beneficiary, if required.

This SBLC is subject to the Uniform Customs and Practice for Documentary Credits (2007 revision) of the International Chamber of Commerce Publication No.600 and shall be governed by and construed in accordance with English law.

Any dispute arising out of, relating to, or in connection with this SBLC including any question regarding its existence, validity, or termination shall be settled by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration and the arbitrators shall apply English law.

Yours faithfully

For and on behalf of [SBLC issuing Bank]



DEMAND FOR PAYMENT

To: [Bank]

[Date]

Dear Sirs,

Re: Standby Letter of Credit issued in respect of Company ([\]) dated [xxxx] (the "SBLC")

We refer to the SBLC No [/>. Terms defined in the SBLC have the same meaning when used in this Demand for Payment.

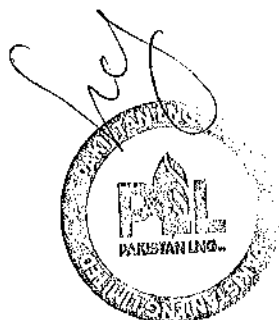
We hereby demand payment of the sum of [] in accordance with the terms of the SBLC. We certify that the amount of this drawing under the Standby Letter of Credit No. [-] represents funds due to us as per the Agreement as the Buyer has failed to make timely payment and/ or buyer has failed to renew or replace SBLC No [/>.

Please may the amount demanded hereunder to the following account:

[Account Details]

Yours faithfully

For and on behalf of Beneficiary



APPENDIX B

FORM OF PERFORMANCE GUARANTEE

To: The "Beneficiary"

Address

Gentlemen:

We hereby open in your favour our irrevocable Standby Letter of Credit (the "SBLC") No. _____ in the maximum amount of US\$ _____ (the "Maximum Amount of the SBLC"), by order and for the account of [●] (the "Seller").

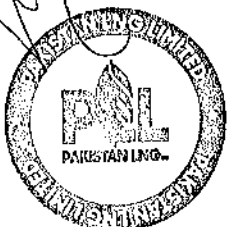
This SBLC relates to the Master (Delivered Ex-Ship) LNG Sales and Purchase Agreement dated [●] and the Confirmation Notice between Pakistan LNG Limited and the Seller dated _____ as may be amended, modified or supplemented, from time to time (together, the "Agreement"). Capitalised terms not otherwise defined herein shall have the same meaning as given to them in the Agreement.

Funds under this SBLC shall be available to you upon presentation of your written demand in the form attached to this SBLC (a "Demand for Payment"). The Beneficiary is not required to prove any reasons or justifications in respect of the Demand for Payment or provide any other documentation to us and such Demand for Payment shall only state that the Seller has failed to satisfy or otherwise has contravened or failed to perform any of the conditions of the Agreement. The presentation for demand for payment in Authenticated Swift form is also acceptable.

We hereby unconditionally and irrevocably undertake to pay the Beneficiary within three (3) days of receipt of a Demand for Payment, the full amount which is demanded for payment up to the amount of SBLC, without delay or contestation.

A Demand for Payment will be duly honoured by us if presented not later than _____ (the expiry date) at the [insert bank's name] Bank's counters during banking hours.

This SBLC shall continue in full force notwithstanding any alterations, additions or deletions to the Agreement.



Pakistan LNG Limited

Notwithstanding any provision of the Agreement or other provision of this SBLC, this SBLC shall be valid for a period of one year from its date of issuance to expire on [expiry date] (the "Expiry Date"). The Beneficiary may request from us an extension of this SBLC thirty (30) days prior to the expiry of this SBLC for a further period of one (1) year. If the extension is not granted the Beneficiary may demand the full amount due by the Seller to the Beneficiary prior to the Expiry Date, up to the Maximum Amount of the SBLC.

Multiple presentations and drawings (in whole or in part) may be made under this SBLC up to the Maximum Amount of the SBLC.

All banking commissions and charges including issuing, advising the SBLC are for the seller's account. SBLC confirmation may be arranged by the beneficiary at its own cost.

Spelling and typographical errors are not to be considered discrepancies except for numbers and amounts.

In case a duplicate of this SBLC is required by the beneficiary, the same may be issued subject to written request by the beneficiary.

This guarantee is non-assignable non-transferable.

This SBLC is subject to the Uniform Customs and Practice for Documentary Credits (2007 revision) of the International Chamber of Commerce Publication No.600 and shall be governed by and construed in accordance with English law.

Any dispute arising out of, relating to, or in connection with this SBLC including any question regarding its existence, validity, or termination shall be settled by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration and the arbitrators shall apply English law.

Yours faithfully

For and on behalf of [SBLC issuing Bank]



DEMAND FOR PAYMENT

To: [Bank]

[Date]

Dear Sirs,

Re: Standby Letter of Credit issued in respect of Company (M) dated [xxxx] (the "SBLC")

We refer to the SBLC No [/>. Terms defined in the SBLC have the same meaning when used in this Demand for Payment.

We hereby demand payment of the sum of [.] in accordance with the terms of the SBLC. We certify that the amount of this drawing under the Standby Letter of Credit No. [-] represents funds due to us as per the Agreement as the Seller has failed to satisfy or otherwise has contravened or failed to perform any of the conditions of the Agreement and/or the seller has failed to renew the SBLC/Performance guarantee.

Please pay the amount demanded hereunder to the following account:

[Account Details]

Yours faithfully

For and on behalf of Beneficiary

