

To: Manager, National Bank of Canada

Address

The undersigned (hereinafter the "Client") hereby requests that National Bank of Canada (the "Bank") issue a letter of guarantee/standby letter of credit (or counter guarantee/counter standby) (hereinafter the "Guarantee") in accordance with the terms and conditions set out below and in the attached draft text and forward it in accordance with the instructions below. The issuance of this Guarantee will be subject to the general conditions set out at the end of this form.

Client (name and address in full)

Amount: _____ Currency: _____

Transit to debit: _____ Account no. to debit: _____

Fax: _____

E-mail: _____

Contact person: _____

Name of applicant to be indicated on the Guarantee if different from the Client (name and address in full)

Expiry date of the Guarantee (add 30 days for a counter-guarantee/counter standby)

Date _____

Beneficiary (name and address in full)

Delivery instructions for the Guarantee (choose only one)

Send directly to beneficiary by courier or SWIFT via the advising bank

Other (specify): _____

Address of advising bank (if applicable)*

Name of institution: _____

Complete address: _____

SWIFT-BIC Code: _____

* All fees charged by the advising bank (if applicable) are payable by the Client.

Special conditions (if applicable)

Automatic extension for additional periods of _____ with advance notice of non-extension of _____ days. Notwithstanding the foregoing, the Guarantee will not be extended beyond _____ .

Drawings not authorized before _____

Other (specify): _____

The purpose of this Guarantee (choose only one)

Tender participation (Bid) Non performance of a contract

Reimbursement of an advance/holdback Default of payment Other (see text attached)

Unless otherwise stated below, the Guarantee is governed by the most recent version (at the time of issuance) of the International Standby Practices of the International Chamber of Commerce (ICC).

The most recent version of the Uniform Rules for Demand Guarantees of ICC.

The most recent version of the Uniform Customs and Practice for Documentary Credits of ICC.

Other (specify): _____

Brief description of the underlying contract describing the goods or services rendered in connection with this application and the place where they are being rendered (attach a sheet if necessary):

Commission rate (p.a.): _____ %

The Guarantee is payable to the Beneficiary on presentation of documents, as stipulated in the attached text.

FOR BANK USE ONLY – CREDIT AUTHORIZATION (Mandatory)

Yes No: Has credit for issuing the Guarantee (inside or outside the operating loan) been authorized?

Yes No: Has credit authorization been entered in LIS?

Yes No: N/A: If the Guarantee is covered by a guarantee, is it held and compliant?

Outside an operating loan

Inside an operating loan

Client CIS No.: _____ **Operating Loan LIS No.:** _____

Guarantee backed by an EDC guarantee (PSG), PSG No.: _____

Authorized by:

Date (YYYY MM DD) _____ Signature of Account Manager _____

First and last name of Account Manager (in block letters)

In consideration of the Bank's issuance of a Guarantee substantially conforming to the Application on page 1 hereof and the attached text, the Client agrees as follows (for the purposes hereof, any reference to the Guarantee shall include possible amendments to the Guarantee):

1. **Commission.** The Client shall pay to the Bank, in consideration of its issuing the Guarantee, a non-refundable commission at the annual rate indicated in the credit agreement / letter of offer between the Bank and the Client, which shall be calculated on the amount of the Guarantee and which may be modified from time to time by the Bank by way of a written notice to the Client.
2. **Authorization.** The Bank is hereby irrevocably authorized to make any payment requested under the Guarantee, at the simple request of the beneficiary and without any notice to the Client or any authorization being required on the part of the Client. The Bank shall not be obliged to verify whether the request for payment is warranted, and any payment made by the Bank shall be binding upon the Client. Notwithstanding the applicable rules of the International Chamber of Commerce, the Bank will be under no obligation to notify the Client of a drawing before making a payment to the beneficiary.
3. **Undertaking to pay.** The Client shall reimburse any sum that the Bank shall pay under the Guarantee. The Client shall pay all costs charged by the Bank and, unless indicated otherwise on page 1 hereof, by its correspondents, for issuing the Guarantee and the operations resulting therefrom, the whole in accordance with the rates and terms and conditions currently in effect at the Bank and at banking correspondents who may intervene at the request of the Bank. The Client acknowledges having been informed of the rates and terms and conditions currently in effect at the Bank. The Client shall further pay all costs (including legal fees) that may be incurred and any damages that may be suffered by the Bank or its correspondents as a result of any litigation with respect to the Guarantee or the operations resulting therefrom.
4. **Additional costs.** If any statute, regulation or administrative order has the effect of increasing the costs of the Guarantee for the Bank (namely, but without limitation, as a result of the imposition of any reserves, taxes, income tax or capital adequacy requirements for the Bank), the Bank may forward a statement to the Client indicating such additional costs and the Client shall then pay the amount.
5. **Amounts due to the Bank.** All amounts due to the Bank hereunder shall be payable on demand, and any unpaid amount shall bear interest, until payment in full, at the rate applicable to overdrafts stipulated in the credit agreement / letter of offer between the Bank and the Client. The Bank may debit such amounts (and interest) to any of the Client's accounts held at the Bank and/or it may consider such amounts as advances made to the Client bearing interest at the same rate. Any sum due in foreign currency may, at the Bank's option, be converted into Canadian currency at the spot rate in force on the date of exchange and, if applicable, any commission related to the exchange shall be payable by the Client.
6. **Issuance and Appointment of Correspondent Banks.** The Bank is authorized to appoint any other bank or financial institution (each a "Correspondent Bank") for services and acts required in connection with the Guarantee and may, upon notice to Client, use the services of a Correspondent Bank different from the one requested by the Client. Nothing herein shall oblige the Bank to issue the Guarantee.
7. **Electronic Communications.** Any electronic communication, including communication by telephone, by computer or by means of any other electronic transmission or communication methods, including facsimile transmission and e-mail, purportedly received from the Client shall be deemed to be duly authorized by an binding upon the Client. The Bank shall be authorized to act upon any such communications and to give effect to any instructions or requests (including acceptance of discrepancies) thus presented, provided it believes in good faith that such instructions or request come from a person authorized to act on behalf of the Client. The Bank shall consider any signature appearing on the facsimile or scanned copy to be the authentic and complying signature of the Client. The Bank is further authorized to transmit any notice relating to the Guarantee to the Client's fax number or e-mail appearing in this Application and any notice so transmitted shall be deemed delivered to the Client as the date of sending. The Client acknowledges that the Bank offers no implicit or explicit guarantee regarding the confidentiality of the information exchanged between them electronically. The Client releases the Bank from any and all liability incidental to the use of such communication methods.
8. **Rights of the Bank.** The Bank's rights hereunder or under the documents are in addition to and not in substitution of the rights resulting from any other agreement or guarantee. The rights conferred on the Bank shall benefit any successor of the Bank, including any entity resulting from the amalgamation of the Bank with another person.
9. **Responsibility of the Bank.** Neither the Bank nor any Correspondent Bank shall be liable for any punitive, exemplary, indirect or special damages in connection with the Guarantee requested or issued under this Agreement. Without limitation, the Bank shall not be responsible for i) the form, sufficiency, accuracy, genuineness, falsification or legal effect of any signature or document ("Document") presented to it pursuant to the Guarantee nor for the general or specific conditions stipulated in a Document, or superimposed thereon, ii) the description, quantity, weight, quality, condition, packing, delivery, value or existence of the goods represented by such documents or iii) the good faith, or acts or omissions, solvency, performance or standing of any issuer or other person mentioned in a Document. Furthermore, the Bank shall not be responsible for i) the consequences arising out of delay, loss in transit, mutilation or other errors arising in the transmission of the Guarantee, messages or Documents, ii) errors in translation or iii) failure of any Correspondent Bank or other bank to carry out instructions transmitted by the Bank. If the Guarantee includes a clause for automatic extension, the Guarantee will be extended without modification for a period equal to the period stipulated on the back hereof, unless, at least 15 days before the notice of non-extension period begins: i) the Client notifies the Bank, in writing, that he does not intend to extend the Guarantee or ii) the Bank, acting at its sole discretion, notifies the Client in writing that it has elected not to extend the Guarantee. The Client acknowledges that, in the event of any extension or amendment, all the Client's obligations set out herein will continue to apply with respect to the extended or amended Guarantee.
10. **Rules and regulations relating to the Guarantee.** Unless otherwise stated herein, the Guarantee and the rights and obligations of the Bank and the Client with respect to the Guarantee are governed by the most recent version (at the time of issuance) of the International Standby Practices, the Uniform Rules for Demand Guarantees or the Uniform Customs and Practice for Documentary Credits (all publications of the International Chamber of Commerce), as indicated on page 1 hereof. The Client acknowledges having taken cognizance of the rules / customs / practices selected, which are deemed to form an integral part hereof. Unless otherwise indicated, the law in force in Quebec shall apply to the Guarantee in a suppletive manner. The Guarantee may also be subject to all statutes, rules or practices in effect in the jurisdiction in which it is realized (paid). The Client acknowledges that any designation in the Guarantee of statutes other than those in force in Quebec or foreign courts of law is made at the express request of the Client, and the Client accepts all risks and expenses resulting from such a choice (including possible ineligibility of an injunction application). In the event that the Guarantee does not bear a specified expiry date or is issued in favour of a foreign beneficiary that does not acknowledge being bound by the expiry date stipulated for any reason whatsoever (including the law in force in the beneficiary's jurisdiction) unless a discharge is provided or the original Guarantee is returned to the Bank / Issuer, the Client undertakes to i) indemnify the Bank for any damages, losses or costs the Bank may suffer or incur as a result of the Guarantee being kept in force until a discharge is obtained or the original Guarantee is given and ii) pay any fees charged by the Bank relating to the Guarantee.
11. **Governmental Requirements.** The Client acknowledges that the issuance of the Guarantee is subject to legislation applying to anti-money laundering and anti-terrorist financing measures. The Client hereby certifies that the activities for which the Guarantee is issued are not prohibited or restricted and undertakes to fully cooperate with and deliver to the Bank any documents required by any governmental/regulatory authorities.
12. **Law applicable hereto.** Notwithstanding the determination of statutes and jurisdiction indicated in the Guarantee, this Application and the Client's obligations toward the Bank shall be governed by the law in force in Quebec. The Client agrees, however, that if foreign statutes are designated in the Guarantee, this agreement may be subject to those statutes, at the sole discretion of the Bank. The courts of the District of Montreal, Quebec shall have non-exclusive jurisdiction to hear any lawsuit, litigation or proceeding in relation to the Guarantee or this Application. In the event that the Guarantee provides for the competency of foreign courts of law to the exclusion of those of Quebec, the Client (i) acknowledges that the Bank shall not be bound by any order or injunction issued by such foreign courts of law and (ii) agrees to not refer to the courts of Quebec in order to obtain an injunction or otherwise prevent payment of the Guarantee. The Client irrevocably waives its right to a trial or process before a jury in all cases where legal proceedings are instituted in a jurisdiction where civil proceedings are heard before a jury.

Signed at _____, this _____ day of _____ 20 _____

Authorized signatory(ies) of Client

First and last name of signatory(ies) of Client (in block letters)