The Real Estate Regulatory Agency

Land Department, Government of Dubai

P.O.Box 1166

Dubai, UAE

**Performance Bond**

|  |  |
| --- | --- |
| Amount:  | AED\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ( UAE Dirhams \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Only)  |
|  In Respect of: | Open Escrow Account As Per Dubai Land Department Requirement |
| Project Name: | “ Project Name “ – Plot No. \_\_\_\_\_\_\_\_ , “ Area Name” |

(The Developer Name), Trade License No.(-----) (Hereinafter called the “Developer”) had informed us that their request for the construction of the above named project has been accepted by RERA. We Financial Instituational Name PJSC, P.O.Box \_\_\_\_\_\_\_\_, City NAME,UAE hereby undertake to hold at your disposal the sum of AED \_\_\_\_\_\_\_\_ (UAE Dirhams \_\_\_\_\_\_\_\_ Only) as a performance guarantee against of completion of “ Project Name” - Plot No \_\_\_\_\_\_\_\_ , “Area Name” . This performance guarantee is unconditional, free of interest and payable in cash on your first written demand in the manner ordered. Without the developer or any person on his behalf or ourselves having the right to suspend or delay payment or to object thereto for any reason whatsoever.

You demand under this guarantee must be received by us during normal business hours in Dubai, UAE, and must be in the form of a statement signed by you stating:

1. That the Developer has failed to complete or delayed the Project in accordance with the agreed milestone as amended or extended from time to time;
2. That as a result of such failure, the amount claimed is due to you; and
3. The amount claimed.

This performance guarantee is valid from “Date” until the developer has executed and completed the 100% of the construction works as certified by RERA’s “Independent statement of construction progress” report and which shall be conveyed to us upon your request, whichever occurs earlier. After such date no claim shall be made against this performance guarantee and our performance guarantee shall become null and void.

For the purpose of identification only, claims, if any, under this guarantee must be presented to us through account trustee with your written instruction on the claim letter duly verified by them, along with the original guarantee and amendments if any.

This guarantee shall be governed by the laws and regulations of Dubai and, subject to the jurisdiction of the courts of Dubai, UAE.

Yours Faithfully

\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_

Signatory 1 Signatory 2