



CANADA AVIATION AND FINANCE MANAGEMENT LTD.

BANK GUARANTEE PROCEDURES

The Borrower arranges a Bank Confirmation Letter as per **EXHIBIT** from Guarantee issuing bank.

The Guarantee issuing Bank is a Prime European/American Bank

The Bank Guarantee should be strictly as per **Annexure-I**.

In the event the Bank Guarantee is issued from a local bank, the same to be re-confirmed by its **CORRESPONDING BANK** in UK/USA.

Please **Refer Text of Re-confirmation**

Bank Confirmation Letter & Pre-advise of Bank Guarantee are received by CANFIM'S Transaction Bank which will be one of the **TOP 50 BANKS**

A Commitment Letter is issued from CANFIM'S Transaction Bank confirming that the said **Bank Guarantee will be returned unencumbered**, without any lien upon maturity.

Upon Pre-advise Bank Guarantee is verified and Commitment Letter is arranged, the Guarantee issuing Bank transmit/send Operative Bank Guarantee to our Transaction Bank.

The Bank Guarantee shall be issued for One year plus One Month & extendable until the end of Construction/Moratorium Period or the Project starts repayment of Finance assistance.

The Issuing Bank undertakes with full responsibility to extend the Bank Guarantee 10 days prior to the date of maturity.

The First installment of Finance Assistance Starts within 30 international Banking Days, which shall be, 5%-10% of the Project Costs and/or as per the agreed project implementation schedules thereafter.

THE BANK GUARANTEE IS RETURNED UPON MATURITY