

Performance bond

Example AG
P.O. Box
CH-8000 Zurich

UBS AG
Trade Finance
Guarantees
P.O. Box
CH-8098 Zurich
Tel. +41-44-234 11 11

26 May 20xx

SPECIMEN

Amount _____

(in words _____ **)**

We have been informed that you concluded on _____ a contract no. _____ with _____ for _____ at a total price of _____. According to this contract, _____ are required to provide you with a Performance Bond.

This being stated, we, UBS AG, _____, irrespective of the validity and the legal effects of the above mentioned contract and waiving all rights of objection and defense arising therefrom, hereby irrevocably undertake to pay to you, upon your first demand, any amount up to the above mentioned maximum amount, upon receipt of

your duly signed request for payment in original stating that _____ have failed to fulfil their contractual obligations.

For the purpose of identification your written request for payment must bear or be accompanied by a signed confirmation of one of our correspondent banks stating that the latter has verified your signature(s) appearing on the said request for payment.

Your claim is also acceptable if transmitted to us in full by authenticated SWIFT through one of our correspondent banks confirming that your original claim has been forwarded to us by registered mail or courier service and that the said bank has verified your signature(s) appearing thereon.

In case that at the time of a request for payment under this guarantee, there is a valid list of authorized signatures with a branch of UBS AG in Switzerland regarding the persons signing for you, the verification of signature(s) by a third bank is not required. In such case, your request for payment must be presented to us duly signed in writing (SWIFT excluded).

Our guarantee is valid until _____

and expires in full and automatically, should your original written request for payment or the authenticated SWIFT not be in our possession at our above address on or before that date, regardless of such date being a banking day or not.

Our guarantee will be reduced by each payment made by us as a result of a claim.

This guarantee is governed by Swiss law, place of jurisdiction and performance is _____.

UBS AG