

Bank Guarantee Template– Start of construction

**To: The Managing Director
Board of Investment
10th Floor, One Cathedral Square Building
16, Jules Koenig Street
Port Louis**

In accordance with the provision of regulation 10 (1) (b) of the Investment Promotion (Real Estate Development Scheme) Regulations 2007 and a condition of the letter of approval which inter alia provides for production of a Bank Guarantee of 100,000 rupees per residential property, *[name of IRS Company]* (hereinafter called " IRS Company") having its registered address at *[address of IRS Company]* shall deposit with the Board of Investment, a statutory body established under the Investment Promotion Act 2000, a bank guarantee to guarantee that the IRS Company shall start construction works within a period of 6 months of the date of the issue of the Building and Land Use Permit in an amount of *[amount of Guarantee]* _____*[in words]*.

We, the *[bank and indicate the address and other particulars of the Bank]* (hereinafter called "the bank"), as instructed by the IRS Company, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to the Board of investment on first demand by the Managing Director of the Board of Investment without whatsoever right of objection on our part stating that the amount claimed is due by way of failure to abide by regulation 11 (3) of the Investment Promotion (Real Estate Development Scheme) Regulations 2007, in the amount not exceeding *[amount of Guarantee]*__ *[in words]*.

WE, THE BANK , DO HEREBY DECLARE AND AGREE that the decision of the Board of Investment as to whether the IRS Company has failed to abide by any terms and condition under the said regulations shall be final and binding on us.

WE, THE BANK, DO HEREBY DECLARE AND AGREE that the notwithstanding anything contained above, our liability, under the Guarantee shall be restricted to *[amount of Guarantee]*__ *[in words]* and our Guarantee shall remain in force until *[year]* from the date hereof. Unless a demand or claim under this Guarantee is made on us in writing within this date, all your rights under the Guarantee shall be forfeited and we shall be released and discharged from all liabilities thereunder.

SIGNATURE AND SEAL OF THE BANK:

Name of bank:

Address:

Dated thisday of20.....