

Publisher Name : PT Bank JTrust Indonesia	Type : Trade Finance
Product Name : Bank Guarantee (BG)	Currency: IDR (Rupiah) / Foreign Currency
Service Description: A bank guarantee is a written promise from a bank to beneficiary that the bank will pay an agreed sum of money if the applicant defaults on their contractual obligations.	

Key Features

Customer Limit: Subject to the Bank's approval Facility Period: 1 (one) year and can be extended. BG Period: Max 1 (one) year and can be extended	Collateral Type: Cash Collateral 100% or other collaterals as per the Bank's approval Issuance Document: BG Issuance Application Contract Documents as underlying BG issuance
<ol style="list-style-type: none"> 1. Customers as Applicant must deliver <i>underlying document</i> which is the basis application issuance of Bank Guarantee. 2. Types of Bank Guarantees available : <ul style="list-style-type: none"> - <u>Guarantee Bid Bond</u>, Bank Guarantee issued for the benefit of contractors in supporting tenders made by project owners - <u>Advance Payment Bond</u>, a Bank Guarantee issued when the contractor requests a certain amount of funds in the contract to be paid in advance. - <u>Performance Bond</u>, Bank Guarantee issued for Tender/Bid to contractor as a guarantee that the contractor will comply with the terms and conditions stated in the contract. - <u>Payment Guarantee (Payment Bond)</u>, a Bank Guarantee issued by the Guarantor to the Guaranteee if the guaranteed person does not make payment of the amount within the time specified in accordance with the agreed contract - <u>Retention Bond</u>, linked to Performance and Advance Payment. The project owner can withhold some funds to ensure that the work is completed perfectly. - <u>Customs Bond</u>, Bank Guarantee issued as a guarantee to the Directorate General (Ditjen) of Customs and Excise for the risk of exporters/importers not fulfilling their obligations for customs facilities, facilities for suspension/exemption of import duties and other state levies. 3. Bank Guarantee becomes invalid if one of the following conditions occurs : the validity period of the Bank Guarantee ended , the claim for the Bank Guarantee has been paid , the original Bank Guarantee has been returned , the Recipient Guarantee submit a statement stating that the Agreement has ended . 4. Claim period on Bank Guarantee is 14 (fourteen) days calendar or 30 (thirty) days calendar since the expiry date of the Bank Guarantee. 5. JTRUST BANK is entitled to pay the claim if claim has been accepted by JTRUST BANK in accordance with condition in Bank Guarantee. 6. If customer cannot fulfil his obligation on claim, JTRUST BANK have the right to execute the collateral given and/or debit customer's account. 	

Fees

Transaction Fees	Loan Application Fee
Issuance/Nominal Increase/Extension Fee : 2% per annum min. Rp. 700,000 Administration Fee : Rp. 1,000,000 Other Amendment Fee : Rp. 700,000	Subject to JTRUST BANK's approval

Benefits

1. Support customers business opportunities that require a Bank Guarantee as collateral
2. As fulfillment requirements of the provider work or project owner
3. Increase customer credibility, where the customer has been guaranteed by JTRUST BANK
4. Procedure Bank Guarantee Issuance relatively quick and easy

Risk

1. Payment claim of Bank Guarantee can be based on a statement of default from the Bank Guarantee Recipient as *beneficiary*.
2. If the Customer is unable to meet the obligations for the Bank Guarantee claim, then JTRUST BANK can record the obligation as a non-performing credit facility which can be subject to fines in accordance with applicable provisions and recorded in the Financial Information Services System (SLIK).

Terms and Conditions

1. Open JTRUST BANK account
2. Use 100% cash collateral or have a Bank Guarantee issuance facility.
3. Complete the Trade Product and Service Terms and Conditions document.
4. Complete the Bank Guarantee Issuance Form and other forms in accordance with the provisions of JTRUST BANK.
5. Submitting *underlying documents*.