

(Format of Bank Guarantee)
LETTERHEAD BANK

Date:

Controller of Housing
Ministry of Housing and Local Government
National Housing Department
Licensing and Housing Development Division
Level 31, No. 51, Boulevard, Precinct 4
62100 PUTRAJAYA

Sir,

BANKER'S GUARANTEE

1. As requested by of (“the Licensee”), we hereby guarantee that the maximum aggregate sum of RM..... being 80% of the earnest money required to be deposited with the Controller of Housing which is in accordance to the provision of Section *6(1)(a) or 6(1)(b) of the Housing Development (Control & Licensing) 1966 Act 118 (“Act”) (which includes any amendment, consolidation or re-enactment thereof from time to time) as a guarantee for the due performance of the Licensee’s obligations under the Act made there under.
2. The sum of RM..... shall become payable by us within fourteen (14) Banking Days upon receipt of demand in writing from the Controller of Housing or Deputy Controller of Housing, stating that the demand is made pursuant to Section 6B of the Act 118 together with this original guarantee at the address stated in clause 4 herein or any other registered address as communicated by us notwithstanding any protest or contestation by the Licensee or any third party and without proof or condition. For the avoidance of any doubt, ‘Banking Days’ refers to the days on which the Bank is open for business, excluding Saturday, Sunday and public holidays in Wilayah Persekutuan, Malaysia.
3. This guarantee is effective from.....to.....(“Validity Period”) i.e. from the date of the issuance of the notice to open HDA account for the purpose of issuing license to the Licensee under the Housing Development (Control & Licensing) 1966 Act 118 until the Certificate of Completion and Compliance is issued during which, we shall not be discharged or released by any arrangement between us and the Licensee without the consent of the Controller of Housing or Deputy Controller of Housing. Upon the expiry of the Validity Period, this Guarantee is automatically cancelled and shall cease to have any effect and be considered null and void whereupon we shall be discharged of all and any liabilities and obligations under this Guarantee notwithstanding that it is not returned to us for cancellation.
4. All demands, pursuant to Section 6B of Act 118, if any, must be made in writing, delivered by hand or by registered post to..... (“insert bank address”) and received by us on or before the expiry of the Validity Period if not earlier, after which this Guarantee shall automatically be cancelled and shall be of no further effect notwithstanding that the original Guarantee is not returned to us for cancellation.

Nevertheless, the return of the original Guarantee together with a letter of discharge by the Controller of Housing or Deputy Controller of Housing prior to the expiry of the Validity Period shall be deemed to be sufficient notice that we are discharged from all of our liabilities under this Guarantee.

5. Any failure by the Controller of Housing or Deputy Controller of Housing to demand for payment under this Guarantee within the period stipulated in preceding paragraph of this Guarantee and in accordance with the terms of this Guarantee, shall discharge us of all obligations and liabilities under this Guarantee without the need for any notice by us to the Controller of Housing or Deputy Controller of Housing and shall be deemed a failure by the Controller of Housing or Deputy Controller of Housing to comply with its obligations under this guarantee or in law, and / or as an act / omission on the part of the Controller of Housing or Deputy Controller of Housing which impairs and is inconsistent with our rights and remedies.
6. This Guarantee shall only be assigned, transferred, or purport to assign or transfer upon obtaining our written consent and the consent of Controller of Housing or Deputy Controller of Housing.
7. This Guarantee shall be governed by and construed in accordance with the Laws of Malaysia and the parties hereby submit to the exclusive jurisdiction of the courts of Malaysia over any claims arising out of this Guarantee.

Signed :
For and on behalf of :
Name of Bank :
Address :
Bank's stamp

** 6(1)(a) a company & 6(1)(b) a person or body of person*