

**APPENDIX V
CALL FOR BIDS NS21-1**

PART C – INFORMATION: BANK LETTER OF GUARANTEE

A bank letter of guarantee must:

- be dated;
- be issued by a Bank, as defined in the *Bank Act* (S.C. 1991, c. 46);
- be on the Bank letterhead;
- be executed by an authorized signing officer of the bank;
- have the beneficiary named as the Canada-Nova Scotia Offshore Petroleum Board;
- refer to the promissory note(s) being guaranteed and to the company providing the promissory note(s);
- be explicit in agreeing to pay on demand the sum named in the promissory note(s);
- be either without an expiry date, or if stated, the guarantee must be valid for not less than 180 days following expiry of the period for which the security is posted;
- be explicit as to the address of the branch where the note may be presented in Halifax, Nova Scotia; refer to the Call for Bids and parcel number, appropriate licence, or other conditions, as appropriate, which give rise to the requirement to post Financial Security;
- contain standard conditions such as requiring the promissory note(s) to be signed by the company and wording to indicate the bank's Approval for Issue, including the signature of authorized bank officials (see sample); and
- not be subject to renewal, annual or otherwise, during the period for which the promissory note is posted.

**APPENDIX V
CALL FOR BIDS NS21-1**

PART D – SAMPLE BANK LETTER OF GUARANTEE

[Bank letterhead with address]

[Date]

Canada-Nova Scotia Offshore Petroleum Board
8th Floor, TD Centre
1791 Barrington Street
Halifax, Nova Scotia B3J 3K9

Dear Sirs:

It is our understanding that, in accordance with paragraph 2.7(b) of Call for Bids NS21-1 (Parcel #_), issued by the Canada Nova Scotia Offshore Petroleum Board, _____ [name of successful bidder] _____ is depositing with you its non-interest bearing demand promissory note in the amount of \$ _____ and dated _____. We hereby issue this letter of guarantee or credit in respect of the said note.

_____ [name of Bank] _____ engages to pay, on demand, to the Receiver General for Canada, on demand, the amount named in the said note on the following conditions:

1. The note is executed by _____ [name of successful bidder] _____ and is payable to the Receiver General for Canada;
2. The said note is presented during normal banking hours at the _____ Branch of _____ [name of bank] _____, _____ [address] _____, Halifax, Nova Scotia _____ (postal code) _____, no later than, July 15, 2028;
3. The said note bears the words "Approved for issue" and is countersigned by or on behalf of the Manager, _____ Branch of _____ [name of bank] _____, _____ [address] _____, _____ [city, province and postal code] _____.

_____ [name and address of bank]

_____ [signature of signing officer]

_____ [name and title of signing officer]