

## APPENDIX-E2

### FORM OF COMPANY FINANCIAL AND PERFORMANCE

#### GUARANTEE

(to be furnished pursuant to Article 29.1 (b) of the Contract)

WHEREAS XYZ Company \_\_\_\_\_ duly organised and existing under the laws of \_\_\_\_\_ having its registered office at \_\_\_\_\_ (hereinafter referred to as 'the Guarantor' which expression shall include its successors and assigns) is signatory to a Production Sharing Contract in respect of an (offshore) (onshore) area identified as Block \_\_\_\_\_ (hereinafter referred to as 'the Contract') made between the Government of India (hereinafter referred to as 'the Government'), and XYZ Company (hereinafter referred to as XYZ which expression shall include its successors and permitted assigns); and

WHEREAS the Guarantor wishes to guarantee its performance under the Contract as required by the terms of the Contract;

NOW, THEREFORE this Deed hereby provides as follows:

1. The Guarantor hereby unconditionally and irrevocably guarantees to the Government that it will make available, or cause to be made available, financial, technical and other resources required to ensure that XYZ Company can carry out its obligations as set forth in the Contract.
2. The Guarantor further unconditionally and irrevocably guarantees to the Government the due and punctual compliance by it of any obligations under the Contract.
3. The Guarantor hereby undertakes to the Government that it shall fulfill or cause to be fulfilled all its obligations under the Contract, and if it fails to perform its obligations under the Contract or commits any breach of such obligations, then it shall indemnify the Government against all losses, damages, costs, expenses or otherwise which may result directly from such failure to perform or breach on its part.
4. This guarantee shall take effect from the Effective Date and shall remain in full force and effect for the duration of the said Contract and thereafter until no sum remains payable by XYZ Company, under the Contract or as a result of any decision or award made by any expert or arbitral tribunal thereunder.
5. This guarantee shall not be affected by any change in the articles of association and bye-laws of XYZ Company or in any instrument establishing the Company.

6. The liabilities of the Guarantor shall not be discharged or affected by (a) any time indulgence, waiver or consent given to XYZ Company; (b) any amendment to the Contract or to any security or other guarantee or indemnity to which XYZ Company has agreed; (c) the enforcement or waiver of any terms of the Contract or of any security, other guarantee or indemnity.
7. This guarantee shall be governed by and construed in accordance with the laws of India.

IN WITNESS WHEREOF the Guarantor, through its duly authorised representatives, has caused its seal to be duly affixed hereto and this guarantee to be duly executed the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_.