

## ANNEX “D”

### Bank Guarantee Format

To: Cebu Air, Inc.  
Airline Operations Center  
Airport Road, Pasay City 1301  
Philippines

Dear Sir,

**SUB: Irrevocable Bank Guarantee**

1. In consideration of the obligations of Name of Agent (“Agent”) to you under the terms and conditions of that Account Specific Supply Agreement entered into between Cebu Air, Inc. and \_\_\_\_\_ dated \_\_\_\_\_ (the “Agreement”), we hereby guarantee payment to you a sum not exceeding \_\_\_\_\_ United States Dollars (USD \_\_\_\_\_), (the “Guarantee Sum”) and undertake to pay you all sums of money subject to the Guarantee Sum which now may be or which hereafter may from time to time become due to you from or by the above mentioned firm arising from such Agreement and/or the law.
2. You shall be at liberty without discharging us from liability hereunder to grant time or other indulgence to the Agent.
3. In the event of the failure of Agent to settle its account with you in accordance with the Agreement and/or the law, we undertake to pay you the guaranteed sum at your first demand without warning or any restrictions of your conditions, and notwithstanding any contestation or objections whatsoever from the Agent or any third party.
4. This irrevocable guarantee shall be a continuing security to you and shall extend to cover any monies which shall constitute the balance owing from Agent and shall remain valid for a period of one year from \_\_\_\_\_ to \_\_\_\_\_, or until six months after the term of the Agreement, whichever is later.
5. The termination of the Agreement howsoever occasioned shall not diminish your rights under this Irrevocable Bank Guarantee, and any and all liabilities, obligations, expenses or charges of Agent accruing to your firm up to the date of such termination shall continue to be guaranteed hereunder. Further, any transaction done before the expiration of the term of this Irrevocable Bank Guarantee but shall become due after the expiration of this Irrevocable Bank Guarantee shall continue to be covered by this Irrevocable Bank Guarantee.
6. In order to give full effect to the provisions of this guarantee we hereby waive all rights inconsistent with such provisions and which we might otherwise as sureties be entitled to claim and enforce.

This Irrevocable Bank Guarantee is governed by the laws of the Republic of the Philippines, and all parties agree to submit to the exclusive jurisdiction of the courts of Pasig City, in the Republic of the Philippines. We waive objection to the courts on grounds of inconvenient forum or otherwise as regards proceedings in connection with this Irrevocable Bank Guarantee; and (ii) agrees that a judgment or order of any of the

courts in connection with this Irrevocable Bank Guarantee is conclusive and binding on us and may be enforced against us in the courts of any other jurisdiction.

AUTHORIZED Signature and Seal

..... Bank

CEBU AIR, INC.  
8006 Airline Operations Center  
Domestic Road  
Pasay City

Dear Sirs:

Irrevocable Standby Letter of Credit No. \_\_\_\_\_

In accordance with instruction received by order and for account of \_\_\_\_\_ (the "Accountee"), we hereby establish our Irrevocable Standby Letter of Credit in your favor available by your drafts in duplicate at sight drawn on ourselves without recourse to drawer to the extent of \_\_\_\_\_ accompanied by your certificate in the form set forth below:

"We, the undersigned Cebu Air, Inc., hereby certify that \_\_\_\_\_ (the "Accountee") has failed to perform its obligation to Cebu Air, Inc. as the latter's sales agent for passenger services and that the amount of \_\_\_\_\_ is by reason thereof due to ourselves."

CEBU AIR, INC.

By:

\_\_\_\_\_  
Name:

Title:

This credit is valid until \_\_\_\_\_ for presentation of documents to us at our \_\_\_\_\_ currently located at \_\_\_\_\_ or at our Head Office currently located at \_\_\_\_\_.

Claims hereunder will be paid in (\_\_\_\_\_) and in freely transferable and immediately available funds, free of any withholding or deduction, of any kind whatsoever. In the event that we are obliged by law or regulation to make any such withholding or deduction, we shall make payments to you in such amounts as will be necessary to ensure that the amounts received by you will not be less than the amounts which would have been received if no such withholding or deduction had been required to be made.

Drafts must be marked "Drawn under Irrevocable Standby Letter of Credit \_\_\_\_\_".

We hereby undertake that drafts confirming to the terms of this Letter of Credit will meet with due honor on presentation to us as aforesaid, notwithstanding any contest or objection whatsoever from Accountee or any third party.

We hereby expressly waive diligence, presentment, demand, protest or notice of any other kind and nature whatsoever, as well as any requirement that you first exhaust the properties of the Accountee or any right, to take any action against the Accountee. We further agree that we shall not be exonerated or discharged from liability hereunder by time given to the Accountee or by any other indulgence or concession to the Accountee granted by you.

The termination of the appointment of Accountee howsoever occasioned shall not diminish your rights under this standby letter of credit and any and all liabilities, obligations, expenses or charges of Accountee accruing to you up to the date of such termination shall continue to be covered hereunder.

This letter of credit shall be governed by the laws of the Republic of the Philippines. Any dispute arising hereunder shall be brought only in the Courts of Pasig City, Philippines, to the exclusion of all other courts.

This Standby Letter of Credit is issued subject to the Uniform Customs and Practice for Documentary Credits (ICC PUBLICATION UCP 500, 1993 REVISION) insofar as it is not inconsistent with the laws of the Republic of the Philippines. This Standby Letter of Credit shall, as to matters not governed by the Uniform Customs and Practice for Documentary Credits, be governed by and construed in accordance with the laws of the Republic of the Philippines.

Conforme:

Accountee