

SAMPLE LETTER (please do not use this sheet)

Letter from the Contractor to the Bank

(To be sent to the Bank on the Contractor's Company letterhead)

Date:

The Manager,

..... Bank

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Dear Sir,

SUBJECT: CONSTRUCTION PROJECTS WHICH WOULD BE UNDERTAKEN WITH THE CONCURRENCE OF CONSTRUCTION GUARANTEE FUND (CGF)

OPENING OF A LIEN CURRENT ACCOUNT

We, (Company Name as per the business registration) being a registered company involved in construction contract works, intend to obtain a Bond/Guarantee from the "Construction Guarantee Fund" (CGF), for the purpose of Construction of (Name of Project)Project, awarded by (Client/Employer)

It is a mandatory requirement of CGF, that we (the Bidder / Contractor) should open a **Project / Lien Current Account**, under the above name & style specifically for this Project and any other project/s undertaken by us, in any one of the Banks (Commercial) acceptable to CGF to get qualified for obtaining Bonds/Guarantee from them where CGF will extend facilities.

The above data are required by CGF for them to monitor review/compare the progress of construction work and to check whether the cash flows demonstrate the proper application of finances that are released to us (Contractor) by Clients / Employers, for respective Project/s.

We would inform the respective Client / Employer to remit all monies paid under Project/s directly only to this Project/Lien (Current) Account.

Thereafter, we irrevocably direct that all transactions of whatsoever nature from this Project / Lien Account must only be effected with the concurrence and explicit written approval of the CGF, and should not be transferred for any other purpose other than the said project activities, or used for any other form of transaction or held as security or set off for any other liability of ours, be it with your Bank and any of its' branches or with any other Bank/s. The CGF would inform you in writing the authorized officers who could approve any transactions from the said Project / Lien Account.

Hence, please be kind enough to open a Project / Lien Account in our business registration name to be operated as described above, and confirm the above arrangements to the CGF.

A draft of the letter required from the Bank to the CGF is attached.

Sgd. Contractor

Copies to: CGF and Client/Employer