

SALVAGE GUARANTEE FORM I.S.U.1

To:

Dear Sirs,

**" ... " Salvage
Lloyd's Standard Form of Salvage Agreement dated**

1. In consideration of your refraining from calling for the completion of security by means of a Guarantee in the form prescribed by the Council of Lloyd's in connection with your claim for remuneration in respect of salvage services rendered to the "....." under the terms of Lloyd's Standard Form of Salvage Agreement "No Cure-No Pay" dated, we hereby undertake to pay to you on demand any sum or sums, together with interest and costs which may be agreed between you and the Owners of the salvaged property in respect of which this undertaking is given or which may be awarded to you in respect of the said salvaged property by an Arbitrator or Appeal Arbitrator appointed by the Council of Lloyd's under the terms of the said Lloyd's Standard Form of Salvage Agreement "No Cure-No Pay".

2. In the event of an amicable settlement being reached, and in the absence of any agreement as to date of payment and interest accruing thereafter, it is hereby agreed that payment of the settlement monies will be effected within 28 calendar days after the date of such settlement and, in the event of non-payment within that period, we undertake to pay, in addition to the principal sum, interest thereon at the rate of UK Base Rate plus.... percent per annum from and including the day after the due date for payment specified above until and including the date upon which payment is received and credited for value to your account with Bank, at

3. Any monies paid by the undersigned hereunder shall be deemed to have been paid by the undersigned as surety for the party or parties by whom your remuneration shall be payable, provided that, notwithstanding anything hereinbefore contained, the liability of the undersigned as between the undersigned on the one hand and you on the other hand shall be that of a principal debtor and the undersigned shall not be released by time being given or other indulgence shown to the party or parties hereby guaranteed or by any other act, matter or thing whereby the undersigned, if liable as a surety only, would or might have been released.

4. This undertaking shall be governed by and construed in accordance with English Law and we undertake, when called upon to do so, to give irrevocable instructions to English Solicitors to accept service of proceedings issued on your behalf against us in relation to this undertaking

5. Provided always that our liability under this guarantee shall not exceed the sum of Euros/US\$...... inclusive of interest and costs.

6. This undertaking is given in respect of

Signed this day of 20

Authorised signatory of.....

**FOR COMPLETION OF THIS GUARANTEE FORM SEE OVER
GUIDANCE NOTES ON THE COMPLETION
OF SALVAGE GUARANTEE I.S.U.1**

1. The Guarantee should be addressed to the Contractors named on the Lloyd's Form.

2. **Paragraph 1**

Insert the general identity of the party on whose behalf the Guarantee is given, e.g. m.v. "....." her cargo, freight, bunkers and stores and any other property thereon;

or

the bunkers aboard m.v. "....."

or

the cargo aboard m.v. "....."

Insert the date of the LOF Agreement.

The Guarantee is designed for a single Guarantor. If there are two or more Guarantors amend the 5th line to read "we hereby **jointly and severally** undertake to pay you....."

3. **Paragraph 2**

Insert the appropriate rate of interest.

At the end of this paragraph insert the name of the company or firm, or the Bank and Account No to whom the Contractors wish payment to be made. If unknown amend to read "for value to an account to be specified by you".

3. **Paragraph 5**

Insert the amount in US Dollars or Pounds Sterling for which the guarantee is given, inclusive of interest and costs.

4. **Paragraph 6**

Insert details of the salvaged property on whose behalf the Guarantee is given e.g. m.v. "....." her cargo, freight, bunkers stores and any other property thereon;

or

the bunkers aboard m.v. ".....";

or

the cargo aboard m.v. ".....";

or

the cargo aboard m.v. ".....", carried under Bills of Lading New York to London Nos. 1, 4, 8, 9.