

Bank Guarantees

Adelaide Bank can assist you with a Bank Guarantee.

A Guarantee is issued by Adelaide Bank to pay a beneficiary nominated by you. Bank Guarantees are often preferred as a substitute for cash in the following circumstances:

- A deposit for contracts (eg real estate purchases with long settlement periods).
- Substitutes for rental bonds on long term commercial lease agreements.
- A substitute for a bond or security favoured by a business supplier (eg a fuel company to its distributors).

Bank Guarantees are also favoured as a substitute for retention amounts in work contracts (ie. a Performance Guarantee) which can assist you with your business cash flow requirements.

A Guarantee can only be cancelled on return to the Bank by the beneficiary, if a nominated expiry date is reached or when the specified amount has been fully drawn.

Interest Rate	Interest is not applicable to the facility unless the Guarantee is called up and converts to a mutually agreed Loan Facility. In this instance the rate is negotiated at the time of conversion with the prevailing commercial rate options for that product to apply.
Application Fee	The greater of 2.5% of the Guarantee amount or \$400 (subject to variation at the Bank's discretion).
Preferred Minimum Loan Amount	\$10,000
Maximum Loan Amount	No Maximum, subject to Adelaide Bank's lending criteria.
Guarantee Term	Depending on the use a Guarantee may be for a set term with a predetermined expiry date (e.g. a Performance Guarantee) or have no fixed expiry date (e.g. a Rental Bond).
Line Fee	The greater of 2.5% of the Guarantee amount or \$400 paid annually for each additional year or part thereof (subject to variation at the Bank's discretion).
Other Fees	Valuation and documentation fees to apply when real estate security is provided.
Discharge Administration Fee	\$275 plus government registration etc.



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Information correct as at 8/11/2004 and is subject to change. Lending criteria, fees and charges apply. Full details including terms & conditions available on application. You must maintain your account according to the terms & conditions.