

**INDIVIDUAL DIRECTOR'S GUARANTEE/PROMISSORY NOTE**

In consideration of **METICULOUS GENERAL INSURANCE COMPANY LIMITED** of P.O. Box 77016, Dar es Salaam whose registered office is on the 6<sup>th</sup> Floor, Diamond Plaza, Mirambo Street, Dar es Salaam, the United Republic of Tanzania (hereinafter referred to as "the Surety") issuing a Bond:

A) On behalf of (Name of the principal/contractor)

.....

B) In favour of (Name of the obligee/employer/in whose favour the guarantee is issued)

.....

C) In the amount of (Amount of the Guarantee)

.....

D) In respect of (Details of the Project)

.....

The party executing this **Individual Director's Guarantee/Promissory Note** (herein referred to as "the Indemnitor") hereby undertakes as follows:

- 1) To Indemnify the Surety against all claims and liabilities under the said Bond and if the Surety is called upon to pay any monies under the said Bond indemnify all costs and expenses incurred by the Surety in respect thereof. In pursuance of this guarantee/promissory note, the Surety shall be entitled whenever notification of a claim or potential claim is received in respect of the said bond to call upon the Indemnitor to deposit with the Surety the full amount of the said bond. Such deposit shall be paid by the Indemnitor to the Surety within 14 days after the request in writing and the said Surety may use such monies to settle such claim or claims together with costs and expenses in connection therewith. If there is a surplus in the hands of the Surety after settling all such claims costs and expenses such surplus shall be refunded forthwith to the Indemnitor but if there is a deficiency, then the amount of such deficiency shall be paid by the Indemnitor to the Surety forthwith upon request in writing.
- 2) The Surety shall not be obliged before enforcing this Guarantee/Promissory Note to take any step to recover from any other person whether principal debtor or guarantor, any monies due to the Surety nor be obliged to enforce any of the Surety's rights in any order of priority and no time given by the Surety or any variation or release of any obligation as aforesaid or release of any other security in any way reduce or otherwise affect the liability of the Indemnitor hereunder.
- 3) If the Surety executes any bond or procures the execution of any bond by another Surety or reinsures any Bond with Reinsurers or executes any bond with Co- Sureties the terms of this Counter Indemnity shall also operate for the benefit of such procured Sureties, Reinsurers and/or Co- Sureties. Any such arrangements shall be deemed to be a Bond hereinafter and shall not in any way reduce or otherwise affect the liability of the Indemnitor to the Surety.
- 4) If this guarantee/promissory note is executed by more than one person, firm or corporation the word Indemnitor shall be read in the plural and the liability of each party executing this Counter Guarantee shall be joint and several and the surety shall be entitled to recover from any one or more of the said parties the full amount of the above-mentioned deposit or

deposits or other monies due from the Indemnitor by virtue of the guarantee/promissory note.

- 5) In the event of default in payment of the above mentioned deposit or failure to reimburse the claim and the costs incurred by the Surety in respect of the fulfilling the Bond requirement, an interest at a penal rate of 5% (five percent) per annum above the Bank of Tanzania approved lending rate is leviable on the total amount from the date of such default till the full amount is paid by the Indemnitor to the Surety.

**Signed by the Director (Indemnitor)**

Name: .....  
Address: .....  
ID No: .....  
Mobile No: .....

**Signature of the witness**

**Witness details**

Name: .....  
Address: .....  
ID NO: .....  
Mobile No. ....

**In the presence of:**

Stamped by an Advocate/Notary Public

Name: .....  
Address: .....  
Signature: .....  
Qualification: .....  
Phone No.....  
Email Address.....