

ADVANCE PAYMENT SECURITY

[The bank, as requested by the successful Tenderer, shall fill in this form in accordance with the instructions indicated]

Date: [insert date (as day, month, and year) of Tender Submission]

Tendering Process Reference: [insert number and title of Tendering process]

[bank's letterhead]

Beneficiary: [insert legal name and address of Purchaser]

ADVANCE PAYMENT GUARANTEE No.: [insert Advance Payment Guarantee no.]

We have been informed that [name of the Supplier]. (hereinafter called "the Supplier") has entered into Contract No. [reference number of the Contract]. datedwith you, for the supply of Goods and Related Services [name of contract and brief description of Goods and Related Services] (hereinafter called "the Contract").

Furthermore, we understand that, according to the Conditions of the Contract, an advance payment in the sum [name of the currency and amount in figures] ¹. (. [amount in words].) is to be made against an advance payment guarantee.

At the request of the Supplier, we [name of the Bank]. hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [name of the currency and amount in figures]*. (. [amount in words].) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Supplier is in breach of its obligation under the Contract because the Supplier used the advance payment for purposes other than performing his obligations under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Supplier on its account number [Supplier's account number]. at [name and address of the Bank].

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758 except that the supporting statement under Article 15(a) is hereby excluded.

. [Seal of Bank and Signature(s)].

Note –

All italicized text is for guidance on how to prepare this demand guarantee and shall be deleted from the final document.

1 The Guarantor shall insert an amount representing the amount of the advance payment denominated either in the currency of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Purchaser.