

**Form of
ADVANCE PAYMENT GUARANTEE**

(draft only)

Sequence of Total

1/1

Transaction Reference Number

[X]

Further Identification

ISSUE

Date

YYMMDD

Applicable Rules

URDG

Details of Guarantee

ATTN:GUARANTEE DEPT.

PLS ADVISE OUR FOLLOWING GUARANTEE WITH THE NO. [X]
TO BENEFICIARY WITHOUT ANY RESPONSIBILITY ON YOUR PART.

.
QUOTE

ADVANCE PAYMENT GUARANTEE

TO: [X]

ADDRESS: [X]

ISSUING DATE: [X]

OUR REF. [X]

FOR ADVANCE PAYMENT GUARANTEE IN THE AMOUNT OF [X]

.
WE HAVE BEEN INFORMED THAT YOU [X] (HEREINAFTER THE "BUYER") CONCLUDED A CONTRACT # [X] DATED [X] FOR SUPPLY OF [X] (HEREINAFTER 'GOODS' or 'SERVICES') WITH [X] (HEREINAFTER THE "SELLER"). IN ACCORDANCE WITH THE PROVISIONS OF THE CONTRACT THE SELLER RECEIVES AN ADVANCE PAYMENT IN THE AMOUNT OF [X], WHICH REPRESENTS [X] PERCENT OF THE TOTAL CONTRACT PRICE.

THIS BEING STATED, WE, [BANK NAME: X], [BANK ADDRESS: X] (HEREINAFTER 'THE GUARANTOR') IRRESPECTIVE OF THE VALIDITY AND THE LEGAL EFFECTS OF THE ABOVE MENTIONED CONTRACT AND WAIVING ALL RIGHTS OF OBJECTION AND DEFENSE ARISING THEREFORE, HEREBY IRREVOCABLY AND UNCONDITIONALLY UNDERTAKE TO PAY TO YOU, UPON YOUR FIRST DEMAND, ANY AMOUNT UP TO THE MAXIMUM AMOUNT TOTALING TO [X] (IN WORDS [X]), UPON RECEIPT OF YOUR DULY SIGNED REQUEST FOR PAYMENT IN ORIGINAL STATING THAT [X] HAVE FAILED TO FULFILL THEIR CONTRACTUAL OBLIGATIONS.

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THE PRESENT GUARANTEE ENTERS INTO FORCE ONLY AFTER RECEIPT OF THE ABOVE MENTIONED ADVANCE PAYMENT ON (INDICATE ACC. NO. AND BANK DETAILS), EVIDENCING THIS GUARANTEE NO [X].

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FOR THE PURPOSE OF IDENTIFICATION, YOUR WRITTEN REQUEST FOR PAYMENT OR ANY OTHER CORRESPONDENCE, HAS TO BE PRESENTED TO THE GUARANTOR IN FULL BY AUTHENTICATED SWIFT THROUGH [X], WITHIN THE VALIDITY PERIOD OF THIS GUARANTEE, CONFIRMING THAT YOUR ORIGINAL REQUEST FOR PAYMENT OR ANY OTHER CORRESPONDENCE HAS BEEN SENT TO THE GUARANTOR BY REGISTERED COURIER SERVICE/ DHL AND OTHERS AND THAT THE SIGNATURES APPEARING ON THE DEMAND ARE AUTHENTIC AND LEGALLY BINDING UPON YOUR COMPANY. ANY REQUEST FOR PAYMENT OR OTHER CORRESPONDENCE SENT BY REGISTERED COURIER SERVICE/ DHL SHALL BE ACCOMPANIED BY A COVER LETTER ISSUED BY THE [BANK NAME: X] CONFIRMING THAT THE SIGNATURES APPEARING ON THE BENEFICIARY'S DEMAND FOR PAYMENT ARE AUTHENTIC AND LEGALLY BINDING UPON YOUR COMPANY. FOR THE AVOIDANCE OF DOUBTS, THE EFFECTIVENESS OF YOUR REQUEST FOR PAYMENT OR OTHER CORRESPONDENCES WHICH SHALL COMPLY WITH THE TERMS OF THIS GUARANTEE WILL BE ON THE DATE OF OUR RECEIPT OF SUCH REGISTERED COURIER SERVICE/ DHL AT OUR FOLLOWING ADDRESS:

[BANK ADDRESS: X]

OR

VIA AUTHENTICATED SWIFT MESSAGE SENT TO (BIC. [X]) THROUGH [X] CONFIRMING THAT ORIGINAL CLAIM HAS BEEN FORWARDED TO US BY REGISTERED MAIL OR DHL COURIER SERVICE

WHICHEVER EVENT OCCURS EARLIEST.

· ALL DOCUMENTS PRESENTED UNDER THIS GUARANTEE AS A RESULT OF THE CLAIM MUST BE ISSUED IN ENGLISH LANGUAGE.

· OUR GUARANTEE IS VALID UNTIL INCLUSIVE AND EXPIRES IN FULL AND AUTOMATICALLY, SHOULD YOUR ORIGINAL WRITTEN REQUEST FOR PAYMENT OR THE AUTHENTICATED SWIFT NOT BE IN OUR POSSESSION AT OUR ABOVE ADDRESS ON OR BEFORE THAT DATE, REGARDLESS OF SUCH DATE BEING A BANKING DAY OR NOT.

· OUR GUARANTEE WILL BE REDUCED BY EACH PAYMENT MADE BY US AS A RESULT OF A CLAIM.

· THIS GUARANTEE IS SUBJECT TO THE UNIFORM RULES FOR DEMAND GUARANTEES (URDG) 2010 REVISION, ICC PUBLICATION NO. 758.

· UNQUOTE

· ALL COMMISSIONS AND CHARGES OF ARE FOR ACCOUNT OF THE PRINCIPAL.

BANK

DRAFT