

Annex #4 - Advance Payment Bank Guarantee

Unconditional and Irrevocable Bank Guarantee

draft

Guarantor: Name of Guarantee issuer

Principal: the Supplier

Beneficiary: JSC Georgian Oil and Gas Corporation

We were informed that an Agreement *(number of date of Agreement)* (hereafter "Agreement") was executed between the Principal and the Beneficiary, whereunder the Principal shall deliver/perform *(name of object of procurement)*. The terms and conditions of the above Agreement provide for advance payment in the amount of _____ % of the entire cost of the Agreement in case the Principal submits to the Beneficiary a Bank Guarantee for the amount equivalent to the requested advance payment, i.e. *(amount in numbers and words)* GEL.

Considering all the above, please be informed that in case the Principal fails to fulfill its obligations under the terms and conditions of the Agreement, the Guarantor undertakes to reimburse to the Beneficiary any amount or amounts, but not more than the equivalent of *(amount in numbers and words)* GEL without any refusal and appeal within 5 business days upon receipt of the first written request from the Beneficiary. The amount (in national currency) to be reimbursed by the Guarantor shall in no case be less than the advance amount deposited by the Beneficiary in national currency into the Principal's bank account specified in this Guarantee on the basis of this Bank Guarantee *(in case, principal is Georgian resident)*.

This Bank Guarantee shall become valid immediately upon after the advance amount – *(amount in numbers and words)* GEL is fully deposited by the Beneficiary into the Principal's account *(account number)* in *(name of Bank/Branch)*.

*Validity period of the Guarantee: *(specific date)*. Accordingly, this Guarantee shall be effective until the above date (inclusive). Any requests or claims proceeding from the above shall be received by the Guarantor prior to expiration of the validity period of the Bank Guarantee at the following address: *(name of Bank/Branch, address)*.

Reimbursement request submitted by the Beneficiary shall be signed by the authorized person and sealed in writing, specifying the requested amount in numbers and words.

The guarantee amount shall be reduced: a) on the basis of written notification of the Guarantor by the Beneficiary, specifying the amount to be reduced under the Guarantee; b) by the amount paid by the Guarantor under the Guarantee.

The Bank Guarantee shall be automatically revoked

- when the validity period of the Bank Guarantee expires;
- in case of written waiver of the rights under the Guarantee by the Beneficiary and return of the original copy of the Bank Guarantee to the Guarantor.

Signature of Guarantors and Seal

*** Validity period of this Guarantee shall exceed Works completion deadline defined in the contract for at least 60 (sixty) calendar days.**