

Advance Payment Guarantee

On behalf of *[name and address of contractual partner]*

– Vendor –

we

[name and address of bank]

– Guarantee Bank –

are drawing up the following

Advance Payment Guarantee

in favour of the

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH,
Dag-Hammarskjöld-Weg 1-5,
65760 Eschborn
Germany

– Purchaser –

The *Vendor* and *Purchaser* have concluded a contract on *[date]* with the order number *[•]* (**'Contract'**). In this Contract, the *Vendor* undertakes to deliver *[description of goods]* with a total value of *[•]* to the *Purchaser*. The parties have agreed that the *Purchaser* will pay the *Vendor* a down payment of *[•]* per cent of the purchase price on receipt of a bank guarantee of the same amount in favour of the *Purchaser*.

In this Contract, the *Guarantee Bank* hereby undertakes – irrevocably, without examining the basic legal relationship and waiving any objection or plea arising from it – to pay to the *Purchaser* without delay upon the *Purchaser's* first written request an amount of up to

EUR *[•]*

(in words: *[•]* euros)

if the *Purchaser* simultaneously confirms in writing to the *Guarantee Bank* that the *Vendor* has not delivered the goods and has not fulfilled its obligation to repay the advance payment.

This guarantee will automatically expire once the *Guarantee Bank* has received this certificate back.

The rights and obligations arising from this guarantee shall be governed by the law of the Federal Republic of Germany. The place of jurisdiction for all disputes resulting from this guarantee shall be Frankfurt am Main.

[Place], on *[date]*

.....
[Signature of Guarantee Bank]

SAMPLE