**Bank Gurantee on Advance Payment**

Date:

-------------------- Bank represented by its director person empowered ----------------, acting on the bases of the charter and legislation of --------------, issues the present Guarantee in accordance with the following general conditions:

**Guarantor:** -------------------

**Principal:** --------------------

identification number: -----------------

Date of registration: -------------------

**Beneficiary:** --------------------

**Guarantee amount**: ------------------( )

**Guarantee issuance basis**:

Guarantor have been informed that Agreement # --------- was concluded on ------------------- (hereinafter referred to as ,,Agreement”) between ,,Principal” and ,,Beneficiary”. The object of the agreement is ---------------------------------------------------------.

**Precondition of the Guarantee**

**Effectiveness:**

The Present guarantee enters into force only after receipt of the mentioned advance payment in the amount of ------------------------ ( ) at the principal’s current account number #--------------------------- held in ------------------- Bank.

**Right to request (claim) of**

**Guarantee amount:**

Taking into consideration the present Bank Guarantee letter conditions, “Guarantor” undertakes an obligation within ------ business days from the moment of the first written request receipt, to pay to the Beneficiary the amount stipulated in the request, that shall not be more than Guarantee amount.

The Beneficiary in its’ written request (which should be signed by the authorized person) must necessarily specify the circumstances in which the breach of obligations by the Principal is expressed.

Written request together with attached documentation shall be submitted to -------------------- Bank Chancellery, during working hours.

**Reduction of Guarantee**

**amount:**

Guarantee amount is reduced proportionally with execution of obligation undertaken by the Principal certified documentarily and attested by Beneficiary in written.

**Guarantee validity period:** Till --------------- (Guarantee amount repayment request shall be

submitted by the Beneficiary before this date).

If within the validity period of the present Guarantee the Beneficiary fails to submit written request with reference to non fulfillment obligations undertaken by the principal, together with the copy of attached Agreement, then the Guarantee terminates (in case if the beneficiary fails to submit request, Bank Guarantee automatically terminates after the expiry of its date.)

Except the circumstances mentioned above the Bank Guarantee also terminates in the following cases:

* With repayment to the Beneficiary of the amount for which the Guarantee had been issued;
* With the written waiver of Beneficiary of his rights outgoing from the Guarantee and returning the original of Bank Guarantee to the Guarantor;
* With full execution of Guarantee obligation by the principal. Such execution shall be confirmed in written by the Beneficiary.

All Disputes in connection with the Bank Guarantee shall be resolved through negotiations and mutual consultations and on failure to do so disputes will be considered by legislation of ----------------------.

---------------- Bank Representative

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/Signature/