

SPECIMEN Advance Payment Bond

Dear Sirs,

we have been informed that you have concluded on a contract No. with ... (herein referred to as " supplier ") for the supply of... at a total price of
According to this contract, you are required to make an advance payment to the supplier of ... (...% of the total price).
Your claim for reimbursement of this amount, should the supplier fail to supply the goods in conformity with the terms of the contract, is to be secured by a bank guarantee.

This being stated, we, Sparkasse Krefeld, waiving all rights of objection and defense arising from the principal debt, hereby irrevocably undertake to pay immediately to you, upon your first demand, any amount up to

...currency/amount
in full letters

upon receipt of your written request for payment and your written confirmation stating that the supplier has failed to supply the goods in conformity with the terms of the above-mentioned contract and that, as a result thereof, you are entitled to claim reimbursement of your advance payment.

For the purpose of identification your request for payment and your confirmation have to be presented through the intermediary of a first rate bank confirming that the signatures are legally binding upon your firm.

The present indemnity will enter into force only after the unconditionally receipt of the above-mentioned advance payment by the supplier on his account with Sparkasse Krefeld, SWIFT-BIC SPKRDE33.

Our guarantee is valid until ... and expires in full and automatically, should your written request and your confirmation not be in our possession by that date, irrespective of whether the present instrument is returned to us or not.

This document is to be returned to us when the bond is no longer required or its validity has expired.

The amount of this bond will automatically be reduced in line with each partial payment made under this bond by us.

Rights from this guarantee may only be assigned with our prior written consent.

The issuance of this document is permitted by the laws of the Federal Republic of Germany. In the event of any recourse under this guarantee, we will effect payment in accordance with the regulations on payment transactions then in force between the Federal Republic of Germany and your country.

This bond is subject to the laws of the Federal Republic of Germany. Place of jurisdiction is Krefeld.

Yours faithfully,

Muster