**TO BE PROVIDED ON BANK LETTER HEADED PAPER (if issued in letter format) or by SWIFT to Crown Agents Bank (CRASGB2L)**

**Addressed to [Crown Agents Limited]** *(amend beneficiary details as appropriate e.g. –CAKL etc. and adjust definition of Crown Agents and other references to CA in the text below appropriately)*

**ADVANCE PAYMENT GUARANTEE** *(for use in contracts where* ***no*** *Services are included)*

WHEREAS [name and address of supplier] ("the Supplier") has undertaken in accordance with the terms of the contract reference [enter CA ref] dated [enter date] ("the Contract") to supply [insert details of goods].

AND WHEREAS the Contract requires the Supplier to provide [Crown Agents Limited] ("Crown Agents") with a bank guarantee issued by a bank acceptable to Crown Agents as security for the advance payment to be paid under the Contract in the sum of [amount of guarantee figures and words] (“the Advance Payment”).

In consideration of Crown Agents making the Advance Payment to the Supplier under the Contract, we [name and address of bank], hereby unconditionally and irrevocably undertake to pay Crown Agents without objection on our part, any amount or amounts not exceeding in aggregate [amount of guarantee figures and words] upon Crown Agents’ first written demand including a statement that:

1. the Supplier is in breach of its obligation(s) under the Contract, because it has failed to repay the advance or has used the advance for a purpose other than towards performance under the Contract, or;
2. Crown Agents is entitled to terminate the Contract.

We confirm that no waiver, suspension, change or addition to or other modification of the terms of the Contract shall in any way release us from any liability under this guarantee, and we hereby waive any requirement to be given notice of any such waiver, suspension, change, addition or modification.

This guarantee shall expire on l [date to be inserted], *say two months after contract delivery date* or one month after receipt by Crown Agents of the documents required under the Contract, evidencing completion of the Supplier’s delivery obligations under the Contract whichever is the earlier. *Note for Buyers, this is for single consignment deliveries only*

*For deliveries with several consignments - .*

The maximum amount of this guarantee will be reduced by [state percentage] % of the total value of each part-shipment one month following the date of such part-shipment as evidenced by and against presentation to Crown Agents, by the Supplier of *[Crown Agents to specify documents to be presented for reduction purposes – i.e. Contract Documents: clean shipped on board Bills of Lading, Invoices etc.]*

All charges relating to this guarantee (inside and outside country of issuance) shall be borne by the applicant under this guarantee.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758.

Duly authorised on behalf of the Bank