

Herrn
Max Mustermann
Musterstrasse 1
12345 Musterstadt

Advance Payment Guarantee No.

We have been informed that you have concluded a contract with Messrs. for the supply of at a total price of . According to this you are required to make an advance payment in the amount of (% of the total price). Your claim for reimbursement of this amount should Messrs. 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], waiving all rights of objection and defence arising from the principal debt hereby irrevocably undertake to pay immediately to you upon your first demand any amount up to

Amount in words:

upon receipt of your written request for payment and your written confirmation stating that Messrs. have 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. For the avoidance of doubt any document(s) received by way of facsimile or similar electronic means is/are not acceptable for any purposes under this guarantee.

This letter of guarantee will enter into force only after receipt of the above mentioned advance payment by Messrs. on account No. with [Sparkasse] with reference to this guarantee.

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. With each payment under this guarantee our obligation will be reduced pro rata.

This guarantee is personal to you and is not assignable.

This guarantee is governed by the law of the Federal Republic of Germany, place of jurisdiction is .