# SAMPLE OF ADVANCE PAYMENT GUARANTEE TO BE OBTAINED FROM CONTRACTOR’S BANK

**(NOTE: DO NOT CHANGE THESE PROVISIONS EXCEPT WITH THE ADVICE OF A UNOPS LEGAL OFFICER)**

**FIRST DEMAND GUARANTEE**

First Demand Guarantee No [XXXXXX] in favour of: United Nations Office for Project Services (UNOPS)

Att.: [INSERT FULL NAME AND ADDRESS OF REGIONAL DIRECTOR, CHIEF AT UNOPS OR FUNCTION THAT REGIONAL DIRECTOR/CHIEF HAS DECIDED SHOULD HAVE CUSTODY OF SECURITIES (E.G. A UNOPS FINANCE OFFICER)]

WHEREAS ....... [INSERT NAME AND ADDRESS OF THE CONTRACTOR] (hereinafter called "the

Contractor") has undertaken, in pursuance of Contract No........., dated................, to ..................................... [INSERT NUMBER, TITLE OF CONTRACT AND BRIEF DESCRIPTION OF

SERVICES/WORKS/GOODS], (hereinafter called "the Contract");

AND according to this Contract, UNOPS is required to make an advance payment to the Contractor of [INSERT CURRENCY AND AMOUNT OF ADVANCE PAYMENT IN FIGURES]; being [INSERT

PERCENTAGE IN FIGURES] % of the total price.

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Guarantee by a recognized Bank for the sum specified therein as security for his compliance with his obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Guarantee;

NOW THEREFORE we hereby unconditionally and irrevocably affirm that we are the Guarantor and responsible to you up to a total of........................................... [INSERT AMOUNT OF ADVANCE PAYMENT GUARANTEE IN FIGURES AND IN WORDS, INCLUDING CURRENCY(IES)], such sum being payable in

the types and proportions of currencies in which the Contract price is payable, and we unconditionally and irrevocably undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of ................................ [INSERT AMOUNT OF GUARANTEE] as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein, and notwithstanding any objection by the Contractor.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid from the date of the advance payment under the Contract until …………….. [INSERT DATE AND/OR EVENT(S), e.g. the date the goods have been received, inspected and accepted by UNOPS (as confirmed by UNOPS in writing) or until UNOPS recovers full payment of the same amount from the Contractor]

SIGNATURE AND SEAL OF THE GUARANTOR ..................................................................

NAME OF BANK ..................................................................

ADDRESS ..................................................................

DATE ..................................................................