**ANNEX GEN 10-1: Template for Prepayment Guarantee**

# PrePayment guarantee

To be completed by the financial institution on paper bearing its letterhead.

Contract title: [insert]

Tender no: [insert]

Beneficiary: [name and address of Contracting Authority]

Date: [insert]

Dear Sir/Madam,

**OUR GUARANTEE REFERENCE NUMBER**: [insert]

Guarantee for the repayment of prefinancing payable under contract <contract number and title>

We, the undersigned, [name and address of financial institution], hereby irrevocably declare that we guarantee as primary obligor, and not merely as surety on behalf of [Contractor's name and address], hereinafter referred to as “the Contractor”, the payment to the Contracting Authority of [indicate the amount of the prepayment], corresponding to the prepayment as mentioned in the Special Conditions of the contract [contract number and title] concluded between the Contractor and the Contracting Authority, hereinafter referred to as “the Contract”.

Payment shall be made without objection or legal proceedings of any kind, upon receipt of your first written claim (sent by registered letter with confirmation or receipt) stating that the Contractor has not repaid the pre-payment on request or that the Contract has been terminated for any reason whatsoever. We shall not delay the payment, nor shall we oppose it for any reason whatsoever. We shall inform you in writing as soon as payment has been made.

We shall make the payment to your account no. <insert account no., SWIFT no. and full banking details of the Contracting Authority>

We accept notably that no amendment to the terms of the Contract can release us from our obligation under this guarantee. We waive the right to be informed of any change, addition or amendment of the Contract.

We note that the guarantee will be released 45 days at the latest after implementation of the contract including any related services.

The law applicable to this guarantee shall be that of <country of the Contracting Authority/country in which the financial institution issuing the guarantee is established>. Any dispute arising out of or in connection with this guarantee shall be referred to the courts of <name of country of the Contracting Authority>.

The guarantee will enter into force and take effect on receipt of the pre-financing payment in the account designated by the Contractor to receive payments.

Name: ……………………………........................ Position: ………………….............................

# Signature[[1]](#footnote-1): ……………...................................... Date: ............................................................

1. The name(s) and position(s) of the persons signing on behalf of the guarantor must be shown in printed characters. [↑](#footnote-ref-1)