

Version 1.4

ANNEX 1611

MODEL OF BANK GUARANTEE FOR PAYMENT OF ADVANCES

Works Contracts

Account nr.

Accounting nr. of project:

Invitation to tender n.r.:

Lot nr.:

Contract nr.:

We, the undersigned (*name and address of the Bank*), hereby guarantee as primary obligor and not merely as a surety, on behalf of (*name and address of the Contractor*) in favour of (*name and address of the Contracting Authority*), the payment, without contestation and upon receipt of the first written demand of the recipient, of (*amount of the advance*), representing 20 % of the amount of the contract which is payable after the conclusion of the Contract.

This guarantee shall become effective and operative on receipt of the advance payment on the account of (*Contractor's name*) at (*Bank, branch and address*).

We take note that in accordance with article 46.7 of the General Conditions for Works Contracts, the guarantee shall be released as and when advances are repaid.

Any request to pay under the terms of the guarantee must be countersigned by the Head of Delegation of the European Commission in the State of the Contracting Authority.

The law applicable to the guarantee shall be that of (*EEC Member country or A CP State where guarantee issued*).