EXAMPLE OF ADVANCE PAYMENT GUARANTEE

Brief description of Contract						
·						
Name and address of Beneficiary	/					
of						
Employer).	•					

(a) that the Principal has failed to repay the advance payment in accordance with the conditions of the Contract, and

(b) the amount which the Principal has failed to repay.

This guarantee shall become effective upon receipt [of the first instalment] of the advance payment by the Principal. Such guaranteed amount shall be reduced by the amounts of the advance payment repaid to you, as evidenced by your notices issued under the Conditions of Contract. Following receipt (from the Principal) of a copy of each purported notice, we shall promptly notify you of the revised guaranteed amount accordingly.

Any demand for payment must contain your signature(s) which must be authenticated by your bankers or by a notary public. The authenticated demand and statement must be received by us at this office on or before (*the date 28 days after the expected expiry of the Time for Completion*) (the "expiry date"), when this guarantee shall expire and shall be returned to us.

We have been informed that the Beneficiary may require the Principal to extend this guarantee if the advance payment has not been repaid by the date 28 days prior to such expiry date. We undertake to pay you such guaranteed amount upon receipt by us, within such period of 28 days, of your demand in writing and your written statement that the advance payment has not been repaid and that this guarantee has not been extended.

MALCONLAW - EXample Not For USE This guarantee shall be governed by the laws of Malaysia.