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Muster BANK AG
Trade Finance

Hans Muster AG
Postfach
CH-4000 Basel

SPECIMEN

Advance Payment Guarantee No. _____ dated _____
for _____ amount _____ (in words: _____)

We have been informed that you concluded on _____ with _____ a contract no. _____ for _____ at a total price of _____. According to this contract, you are required to make an advance payment to _____ of _____, being _____ % of the total price. Your claim for refund of this amount, should _____ fail to comply with the contractual delivery obligations, is to be secured by a bank guarantee.

This being stated, we, Muster Bank AG, _____, irrespective of the validity and the legal effects of the above mentioned contract and waiving all rights of objection and defense arising therefrom, hereby irrevocably undertake to pay to you, upon your first demand, any amount up to _____ maximum, upon receipt of

your duly signed request for payment in original stating that _____ have failed to fulfill their contractual delivery obligations.

For the purpose of identification your written request for payment must bear or be accompanied by a signed confirmation of one of our correspondent banks stating that the latter has verified your signature(s) appearing on the said request for payment.

Your claim is also acceptable if transmitted to us in full by authenticated SWIFT through one of our correspondent banks confirming that said bank has verified your signature(s) appearing thereon.

In case that at the time of a request for payment under this guarantee, there is a client relationship between you and a branch of Muster Bank AG with a valid list of authorized signatures regarding the persons signing for you, the verification of signature(s) by a third bank is not required. In such case, your request for payment must be presented to us duly signed in writing (SWIFT excluded).

Our guarantee is valid until _____

and expires in full and automatically, should your original written request for payment or the authenticated SWIFT not be in our possession at our above address on or before that date.

The amount of this guarantee will automatically be reduced in proportion to the value of each delivery upon receipt by us of copies of the commercial invoice and the corresponding transport document which we shall be entitled to accept as conclusive evidence that such delivery has been effected.

The present guarantee enters into force only after receipt of the above mentioned advance payment, evidencing this guarantee no. _____, by _____ into their account held with us.

Our guarantee will be reduced by each payment made by us as a result of a claim.

This guarantee is governed by Swiss law, place of jurisdiction and performance is _____.

Muster Bank AG