

Payment Guarantee No. _____

We have been informed that you, _____, hereinafter called the SELLER, [have concluded the contract No. _____ of _____, hereinafter called the CONTRACT, with]¹ _____, hereinafter called the BUYER, according to which the SELLER / _____² will deliver to the BUYER / _____³

_____ (goods as described in contract / order) _____,

hereinafter called the GOODS,

in the total value of _____.

As agreed the BUYER has to provide a bank guarantee in favour of the SELLER, amounting to _____, to cover the fulfilment of the BUYER's payment obligations towards the SELLER resulting from the CONTRACT⁴.

In consideration of the aforesaid, we, COMMERZBANK Aktiengesellschaft, _____, hereby issue the guarantee on behalf of the BUYER towards the SELLER in the maximum amount of

_____ (in words: _____)

and undertake irrevocably

without consideration of any objections and defences of the BUYER or third parties and irrespective of the validity and legal effect of the CONTRACT⁴ and waiving any objections arising therefrom,

to pay to the SELLER any amount claimed from us by the SELLER up to the maximum amount of this guarantee upon receipt of the SELLER's first demand in writing, in which the SELLER simultaneously confirms that the BUYER is in breach of its payment obligations under the CONTRACT to the extent of the amount the SELLER is claiming from us.

¹ If reference to an "order" instead of a "contract" is requested, replace the text between [...] as follows: "have received the order no. _____, dd. _____, hereinafter called the ORDER, from"

² Name of supplier if not identical with SELLER

³ Name of consignee of the goods if not identical with BUYER

⁴ In accordance with preamble, replace CONTRACT by ORDER

The demand for payment of the SELLER must be accompanied by copies of his totally or partially unpaid commercial invoice(s) for the GOODS referring to the CONTRACT⁴ and by copies of the _____⁵ evidencing the despatch of the GOODS as described above.

[For reasons of identification, each claim under this guarantee shall be transmitted to us via the bank of the SELLER which shall confirm that the SELLER's demand for payment is signed by the SELLER in a legally binding manner.]⁶

[The obligation under this guarantee shall be reduced by all amounts which, by order of the BUYER, may be paid to the SELLER by us - or by the BUYER himself by bank transfer, or bank cheque - under reference to the above CONTRACT.]⁴⁶

The obligation under this guarantee shall expire [as soon as the original of this guarantee has been returned to us by the SELLER or a third party for discharge, but expires in any case at the latest]⁷ on _____. Any claim for payment complying with the above conditions must be received by us within the validity period of this guarantee.

[The rights under this guarantee shall only be assignable with our prior consent.]⁶

[This guarantee shall be governed by the law of the Federal Republic of Germany. Exclusive place of jurisdiction shall be _____⁸ _____.]⁶

⁵ Name of transport document according to agreed means of transport or generally "transport documents"

⁶ Paragraph optional, only if requested by the principal of the guarantee

⁷ [...] not applicable in case of electronic transmission of the guarantee

⁸ Location of the branch/entity issuing the guarantee