**TO BE PROVIDED ON BANK HEADED PAPER (if issued in letter format)**

**Addressed to [Crown Agents Limited]**

**PERFORMANCE GUARANTEE**

WHEREAS [name and address of Contractor] ("the Contractor") has undertaken in accordance with the terms of the contract reference [enter CA ref] dated [enter date] ("the Contract") to supply [description of goods and services].

AND WHEREAS the Contract requires the Contractor to provide [Crown Agents Limited] ("Crown Agents") with a bank guarantee issued by a bank acceptable to Crown Agents for the sum of [amount of guarantee figures and words] as security for the satisfactory performance by the Contractor of its obligations under the Contract.

In consideration of Crown Agents accepting this guarantee, we [name and address of bank] hereby unconditionally and irrevocably undertake without any objection on our part to pay Crown Agents an amount or amounts not exceeding in aggregate [amount of guarantee figures and words] upon Crown Agents’ first written demand including a statement that:

(i) the Contractor is in breach of its obligation(s) under the Contract and indicating the nature of the breach,

or

(ii) Crown Agents is entitled to terminate the Contract

We agree that no waiver, change or addition to or other modification of the terms of the Contract shall in any way release us from any liability under this guarantee, and we hereby waive any requirement for any notice to be given of any such waiver, change, addition or modification.

This guarantee shall remain valid and in full effect until the date of the Taking-Over Certificate under the Contract at which point the value of the guarantee shall be reduced to [amount figures and words] representing five (5) % of [enter value] and thereafter the guarantee shall remain valid until the end of the warranty period being twelve (12) months from the date of the Final Taking-Over Certificate or [date] whichever is the earlier. In the event that the warranty period has not expired by the aforementioned date, this guarantee shall be extended at Crown Agents' request for a further period of up to six months.

All charges relating to this guarantee (inside and outside country of issuance) shall be borne by the applicant under this guarantee

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758.

Duly authorised on behalf of the Bank