**ADVANCE PAYMENT GUARANTEE**

TO: THE CHIEF EXECUTIVE OFFICER, GHANA GOLD BOARD, ACCRA

ADVANCE PAYMENT GUARANTEE FOR THE PURCHASE, AGGREGATION AND SUPPLY OF GOLD TO GHANA GOLD BOARD

We have been informed that ……………. Company Limited of P.O BOX xxxx, ACCRA (hereinafter called “THE APPLICANT”) has applied for an Aggregator License and contract thereto, from the Ghana Gold Board (hereinafter called “THE BENEFICIARY”), to on behalf of THE BENEFICIARY, purchase, aggregate and supply gold to the said BENEFICIARY.

XXXXX A reputable financial institution (hereinafter called “THE GUARANTOR”) understands that, according to the requirements of the Aggregator License and contract thereto, an Advance Payment Guarantee from a recognized financial institution, is to be provided by THE APPLICANT to secure the funds it seeks in advance from THE BENEFICIARY as trade capital, being the sum of GHS ……………………….. MILLION GHANA CEDIS.

Waiving all objections and defences, THE GUARANTOR herein hereby irrevocably and unconditionally provides the said Advance Payment Guarantee to THE BENEFICIARY for and on behalf of THE APPLICANT on the terms contained herein.

Consequently, THE GUARANTOR undertakes to pay THE BENEFICIARY, any sum or sums not exceeding in total an amount of GHS ………………………… , being the advance payment sought by THE APPLICANT as trade capital from THE BENEFICIARY, upon receipt by THE GUARANTOR of THE BENEFICIARY’S first demand, supported by the Beneficiary’s statement whether in the demand itself or a separate signed document accompanying or identifying the demand, stating that THE APPLICANT Company , is in breach of its obligation(s) under the license and/or contract, without THE BENEFICIARY needing to prove or show grounds for the demand or sum specified therein.

Being concerned with the proper utilization of the Advance Payment, THE GUARANTOR hereby requires THE BENEFICIARY to pay all monies in tranches and in a revolving manner, into an Escrow Account that will be run by the GUARANTOR and THE APPLICANT in accordance with the terms of the aggregation license and contract.

The Escrow Account details shall be as follows:

\* Account Name:

\* Name of Bank:

\* Bank Address:

\* Branch:

\* Account Number:

\* Swift Code:

The Terms and conditions of this Advance Payment Guarantee are as follows;

1. The item covered is the Advance Payment in cash, provided by THE BENEFICIARY to THE APPLICANT as trade capital, for the purpose of buying, aggregating and supplying gold to THE BENEFICIARY.
2. This Advance Payment Guarantee is to cover against any losses of money to THE BENEFICIARY should THE APPLICANT fail to utilize the Advance Payment for the purpose of purchasing or supplying the commensurate value of gold to THE BENEFICIARY in accordance with the terms and conditions of the Aggregation license and contract.
3. The GUARANTOR shall satisfy and discharge the losses sustained by THE BENEFICIARY upon the bond amount or such part thereof, as will be outstanding at the time of the demand from THE BENEFICIARY.
4. The purpose for which the funds are to be advanced to THE APPLICANT is only to purchase, aggregate and supply gold to THE BENEFICIARY.
5. Not more than GHS ……………………… shall be advanced to THE APPLICANT by The BENEFICIARY at any material time during the pendency of this policy.
6. In the event that more than GHS ………………..amount is to be disbursed at any point in time by the BENEFICIARY to the APPLICANT, the written consent of THE GUARANTOR shall be sought and given.
7. The Advance Payment Guarantee shall come into effect as soon as the advance payment has been credited by the BENEFICIARY to the APPLICANT in the escrow account provided herein.
8. All deductions from the advance payment amount, notably bank charges, shall have no effect on the entry into force of the guarantee and any claim or demand under same.
9. This guarantee shall be automatically reduced pro rata in accordance with the payments performed and shall not expire during the pendency of the agreement between the BENEFICIARY and the APPLICANT.
10. Any demand for payment from the BENEFICIARY must be received by (GUARANTOR) at its office at ……………………………..:by letter, on or before the expiry date of this guarantee.
11. It is understood that the BENEFICIARY shall return this Guarantee to the GUARANTOR on expiry or after payment of the total amount to be claimed hereunder.
12. This Guarantee is governed by the laws of Ghana.
13. Any dispute arising from this Guarantee shall be referred to arbitration in accordance with the relevant provisions of the Alternative Dispute Resolution Act 2010 (Act 798).

Dated at Accra this \_\_\_\_\_\_\_\_\_, day of …………, 2025

SIGNED SEALED AND DELIVERED by) CHIEF

EXECUTIVE OFFICER) for and on behalf of ………………………..[FINANCIAL INSTITUTION]

NAME:

POSITION:

SIGNATURE:

In the presence of:

NAME:

POSITION:

SIGNATURE

SIGNED for and on behalf of THE APPLICANT BY:

NAME:

POSITION:

SIGNATURE:

In the presence of:

NAME:

POSITION:

SIGNATURE