

FORM OF MOBILIZATION ADVANCE

To

Dear Sirs,

WHEREAS you have entered into a contract with _____ (name and address) _____ (hereinafter called the "Contractor" which expression shall include its successors and permitted assigns) for _____ (hereinafter called the "Works").

AND WHEREAS at our request and at the request of the Contractor you have agreed to the contractor a sum of Rs _____ (Rupees _____ only) to be used by the Contractor for the procurement and transport of Plants, Equipment and materials for the said works (inclusive of any temporary works).

NOW THEREFORE we do hereby agree, undertake and guarantee:

1. That the Contractor shall use the advance amount of Rs. _____ (Rupees _____ only) for the purposes of procurement and transport of Plants, Equipment and materials for the works inclusive of any temporary works as defined in the Contract Agreement dated entered into between you and the Contractor.
2. That the Contractor shall repay the above said advance amount to you either by getting the same deducted from his running bills as per the General Conditions of Contract or from his own resources.
3. In the event of the Contractor failing to utilize the advance for the purpose for which it has been given by you and/or the Contractor failing to make the payment of the same to you as per the General Conditions of Contract, we hereby guarantee the payment of the amount of Rs. _____ (Rupees _____ only) or such other amount as may be outstanding against the Contractor within one working say after receiving of a written demand made by you on us without any question or without any reference of any nature whatsoever to the Contractor and irrespective of existence of any dispute between you and the Contractor and irrespective of pendency of any dispute with the Contractor before any Arbitrator or any Court of Law.
4. That a demand certifying that the Contractor has failed to utilize the advance for the purpose for which it has been given and/or has failed to repay the same and signed by the Engineer will be conclusive against the Contractor and against us which certified demand shall not be questioned by us for any reason whatsoever and it would be sufficient authority for us to make the payment to you.
5. That our liability under this Guarantee shall stand reduced automatically to the extent of the adjustment made from the running bills of the Contractor and a certificate signed by the Engineer to this effect shall be conclusive and binding on us.
6. The payment hereunder shall be made by us under this Guarantee in your name and a receipt issued by you shall be sufficient that the payment has been made to you hereunder.
7. That our liability under this Guarantee shall not be discharged until such time that a release has been granted to us in writing under the signature of the Engineer.
8. That no alteration in the terms of the said contract made by agreement between you and the Contractor or in the extent or nature of the works to be executed there under and no allowance of time by you or the Engineer under the said contract nor any forbearance or forgiveness in or in respect of any matter or thing concerning the said contract on your part or on part of the Engineer shall in any way release us from any liability under this Guarantee.

9. That any notice or demand under this Guarantee may be left at our address mentioned hereinafter or at any changed address as may be communicated by us to you in writing against your receipt, or the said notice of demand may be sent by registered post to us addressed as aforesaid and shall be deemed to have been given at the time when it should have been delivered in due course of post and your certificate that the envelope containing the notice was posted shall be conclusive.
10. That you shall have collective and/or several right to recover the full amount under this Guarantee from us which shall be paid by us to you as per Clause 6 hereof.
11. That this Guarantee shall remain binding on us and we shall be liable to you and/or your successors in interest or assigns.
12. This Guarantee shall remain in force upto _____ for the amount of Rs. _____
(Rupees _____ only).
Signed, sealed and delivered on this _____ day of _____ by _____ and by _____
_____ for and on behalf of _____ (Guarantor) in the presence
of _____

(Name and designation)

(Name and designation)