**MODEL LETTER OF GUARANTEE**

 For the attention of

 Executive Agency for Competitiveness

 and Innovation[[1]](#footnote-1)

 [Insert name of the relevant Unit + full official address as mentioned under Article I.8 of the agreement]

**Reference: Guarantee No […]**

**Subject: Financial guarantee for the repayment of pre-financing payable under grant agreement [insert agreement number] for the implementation of the action [insert title and acronym of the action]**

We, the undersigned, [insert name and address of the financial institution] hereby irrevocably declare that we jointly and severally guarantee as primary guarantor on behalf of [insert full official name and official address of the [co-ordinator**[[2]](#footnote-2)** / co-beneficiary**[[3]](#footnote-3)**]] (hereafter referred to as “the [co-ordinator / co-beneficiary]”) payment to the Agency of [insert amount of the pre-financing in Euro, in words and figures] corresponding to the guarantee referred to in Article I.5.1 of the agreement [insert agreement number and acronym] signed between the [co-ordinator / co-beneficiary] and the Agency (hereafter referred to as “the agreement”).

Payment shall be made without objection or legal proceedings of any kind, upon receipt of your first written claim, sent by registered letter with advice of delivery or equivalent, stating that the [co-ordinator / co-beneficiary] has not fulfilled one of his contractual obligations. We shall not delay the payment, nor shall we oppose it for any reason whatsoever. We shall inform you in writing as soon as payment has been made.

Furthermore, we accept that no amendment to the terms of the agreement signed between the Agency and the [co-ordinator / co-beneficiary] can release us from our obligation under the present guarantee. We waive our right to be informed of any change, addition or amendment to the agreement.

We have taken note that the present financial guarantee shall remain in force until the Agency has made the payment of the balance of the grant pursuant to the provisions of Article I.5.3 of the agreement. The Agency undertakes to release the guarantee within sixty (60) days following that payment.

The present guarantee is governed by the law applicable to the agreement. The courts having jurisdiction for matters relating to the agreement shall have jurisdiction in respect of matters relating to this guarantee.

The present guarantee shall come into force and shall take effect upon its signature.

Done at [insert place], on [insert date]

[Signature][[4]](#footnote-4)

1. Hereafter referred to as « the Agency ». [↑](#footnote-ref-1)
2. « Co-ordinator » means the legal entity that has signed the grant agreement with the Agency and ensures that the co-beneficiaries implement the action in accordance with the agreement. [↑](#footnote-ref-2)
3. « Co-beneficiary » means a legal entity (other than the co-ordinator) participating to the action. [↑](#footnote-ref-3)
4. The name(s) and position(s) of the person(s) signing on behalf of the guarantor must be shown in printed characters. [↑](#footnote-ref-4)