# PERFORMANCE GUARANTEE

To be completed on paper bearing the letterhead of the financial institution

For the attention of

**John Paul II Foundation**

**Jerusalem Hebron St. P.O. Box 24, Bethlehem-West Bank-**

**Occupied Palestinian Territories**

referred to below as the “Contracting Authority”

Subject: Guarantee No <insert number>

Performance Guarantee for the full and proper execution of contract **N° AID 010601/FGPII/TAP 02-2016 , “Supply and Installation of refrigerated rooms “ ,**

We the undersigned, <name and address of financial institution>, hereby irrevocably declare that we guarantee as primary obligor, and not merely as a surety on behalf of <Contractor's name and address>, hereinafter referred to as “the Contractor”, payment to the Contracting Authority of **10 % of the total Contract price**, representing the performance guarantee mentioned in Article 11 of the Special Conditions of the contract **N° AID 010601/FGPII/TAP 02-2016 , “Supply and Installation of refrigerated rooms “** concluded between the Contractor and the Contracting Authority, hereinafter referred to as “the Contract”.

Payment shall be made without objection or legal proceedings of any kind, upon receipt of your first written claim (sent by registered letter with confirmation of receipt) stating that the Contractor has failed to perform its contractual obligations fully and properly. 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.

We accept notably that no amendment to the terms of the Contract can release us from our obligation under this guarantee. We waive the right to be informed of any change, addition or amendment to the Contract.

We note that the guarantee will be released in accordance the General Conditions to the Contract [and at the latest on <at the expiry of 18 months after the implementation period of the Contract>].1

Any request to pay under the terms of the guarantee must be countersigned by the Head of Delegation of the European Union or his designated empowered deputy as per the applicable Commission rules. In case of a temporary substitution of the Contracting Authority by the Commission, any request to pay will only be signed by the representative of the Commission, namely whether the Head of Delegation, his designated empowered deputy or the authorised person at headquarters' level.

The law applicable to this guarantee shall be that of **Occupied Palestinian Territories**. Any dispute arising out of or in connection with this guarantee shall be referred to the courts of <the country in which the financial institution issuing the guarantee is established>]

This guarantee shall enter into force and take effect upon its signature.

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

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| --- | --- |
| Signature[[1]](#footnote-1): [*Signature*]  Name:  [*Function at the Financial Institution/Bank*] | Signature[[2]](#footnote-2): [*Signature*]  Name:  [*Function at the Financial Institution/Bank*] |

1. The name(s) and position(s) of the persons signing on behalf of the guarantor must be shown in printed characters. [↑](#footnote-ref-1)
2. The name(s) and position(s) of the persons signing on behalf of the guarantor must be shown in printed characters. [↑](#footnote-ref-2)