

Appendix

Outline advance payment guarantee

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Danish Ministry of Defence Acquisition and Logistics Organization
Lautrupbjerg 1-5
DK - 2750 Ballerup
Denmark

Advance payment guarantee

In accordance with the terms of Contract, no. [xxxxxxxxxx], dated [date], between the Danish Ministry of Defence Acquisition and Logistics Organization (DALO) and

Name of the Supplier
Address
Postal code and city
Country

concerning the acquisition of the Product, DALO will pay an advance payment of [Currency] [amount] ([amount in writing]).

[Name of the Bank] is informed that this guarantee shall cover any demand from DALO for the repayment of the above-mentioned advance payment.

Therefore,

[Name of the Bank]
[Address]
[Postal code and city]
[Country]

hereby irrevocably guarantee, as primary obligor and not merely as a surety, to pay on behalf of Name of the Supplier without cavil or argument to DALO – upon receipt of DALO's first written demand – any amount, up to the maximum of:

[Currency] [amount] ([amount in writing])

corresponding to the advance payment. Payment according to this advance payment guarantee shall take place upon DALO's first demand in writing for payment accompanied by their written statement stating:

- a. that Name of the Supplier is in breach of his obligation(s) under the Contract, nr. [xxxxxxxxxx], and
- b. the respect in which Name of the Supplier is in breach.

[Name of the Bank] shall, without the right to raise any objections in this regard, and notwithstanding any objection from Name of the Supplier, pay any amount under this guarantee to DALO.

The guarantee comes into force automatically upon DALO's payment of any advance payment under the Contract.

The advance payment guarantee shall be reduced as follows:

1. The amount of the advance payment guarantee will upon DALO's notice to [name of the Bank] be reduced pro rata concurrently with name of the Supplier's successful delivery of the according to the terms and conditions of the Contract, [xxxxxxxxxx].
2. By any amount [name of the Bank] have had to pay in order to meet DALO's claims made and presented under this guarantee.

DALO is entitled to give name of the Supplier a respite with regard to the time of delivery and otherwise to change the provisions of the Contract without this affecting the extent and validity of this guarantee.

[Name of the Bank] is not entitled to transfer, assign or otherwise dispose any of its rights and obligations arising out of this guarantee without DALO's prior written approval.

This guarantee expires upon the earliest to occur of the following events:

1. The value of the guarantee equals 0,00 (zero)
2. When DALO returns this document to [name of the Bank]
3. On [Date], provided that DALO, before then, has received any payment claimed by DALO under this guarantee

This guarantee shall be governed by Danish law.

Any dispute arising out of or in connection with this guarantee, including any disputes regarding the existence, validity or termination thereof, shall be settled by arbitration administered by The Danish Institute of Arbitration in accordance with the rules of arbitration adopted by The Danish Institute of Arbitration and in force at the time when such proceedings are commenced.

The arbitration tribunal shall consist of 3 (three) arbitrators. DALO and [name of the Bank] shall each be entitled to appoint an arbitrator. The chairman of the arbitration tribunal shall be appointed by the Danish Institute of Arbitration. The seat of the arbitration court shall be in Copenhagen and the language of the proceedings English. Danish speaking witnesses shall be examined in Danish unless the Parties agree otherwise. In case Danish speaking witnesses appear before the tribunal then the Parties or the Institute shall be requested to organise fully qualified and officially accredited independent Danish / English interpreters.

Date:

Signed by [name of the Bank]