

## PERFORMANCE BANK GUARANTEE

**BENEFICIARY:** The Government of Montenegro, represented by [*insert name of institution's representative*], (hereinafter referred to as the **Beneficiary**).

**ORDERING PARTY:** [*Insert name of the Beneficiary of funds for fostering direct investments*], company [*insert legal form of the Beneficiary of funds for fostering direct investments*], registered, in accordance with Montenegrin law, in the Central Registry of Business Entities, under identification number [*insert identification number of the company*], with its office in [*insert address of the company's office*], represented by [*insert name of the company's representative*], (hereinafter referred to as the **Ordering Party**).

At the request of the Ordering Party of [*insert date of request for issuance of guarantee*] and the Agreement on the utilization of funds for fostering direct investments, concluded between the Beneficiary and the Ordering Party, on [*insert date of conclusion of the Agreement on the utilization of funds for fostering direct investments*], (hereinafter referred to as the **Agreement**). Article 6 of the Agreement provides for the issuance of the Performance Bank Guarantee (hereinafter referred to as the Guarantee) in the amount of EUR \_\_\_\_\_ (\_\_\_\_\_ euros), in accordance with the provisions of the Agreement.

We, [*insert bank details*] (hereinafter referred to as the **Bank**), issue the Guarantee in the amount of:

**EUR** \_\_\_\_\_  
(in words: \_\_\_\_\_ euros)  
(hereinafter referred to as the **Guaranteed amount**)

We, **the Bank**, hereby **unconditionally and irrevocably, without right of objection**, guarantee to pay to the Beneficiary of this Guarantee full or upon request partial amount which does not exceed the guaranteed amount, on first demand of the Beneficiary submitted in the form of a written request (hereinafter referred to as the Request for disbursement), as defined in Art. 6.6, 6.7 and 9 of the Agreement, which contains the written confirmation:

- that the Ordering Party did not extend the validity period, or make renewal of the existing Guarantee or prolong the validity period of other collaterals as required by article 4.6 of the Agreement and/or
- that there has been a termination of the Agreement, for reasons that are, including but not limited to, provided for in Article 9 of the Agreement or any other non-compliance with obligations by the Ordering Party, which led to the termination of the Agreement and/or
- that there have been any other circumstances provided for by the Agreement, and resulting in the activation of this Guarantee.

# Form

We acknowledge and accept that there is no need to inform us about any reason for collecting this Guarantee, except for the reasons set out above, nor provide us with any evidence that you have the right to collect this Guarantee.

For the purpose of identification, the Request for disbursement shall be delivered to us through Your bank, with a statement confirming that the signatures registered by the Government of Montenegro are legally valid, to the address below:

(Bank name)  
(Address)  
(Attention) (.)  
(Division) (.)

The Request for disbursement must be accompanied by the original copy of this Bank Guarantee.

This Guarantee shall enter into force on the date of its issuance and shall remain in force until *[insert expiration date, i.e. the date which falls 60 (sixty) days after the scheduled completion date of implementation of the investment project and achieving full envisaged employment]*.

Accordingly, we must receive the Request for disbursement under this Guarantee no later than on the day of expiry of the Guarantee or before that date. After the expiry of the Guarantee, the original of the same should be returned to us, but regardless of whether the original guarantee was returned to us or not, after the said date this Guarantee shall be considered null and void.

For any disputes arising under this Guarantee, the Commercial Court in Podgorica shall be competent, applying the substantive and procedural law of Montenegro.

This Guarantee is made in 1 (one) original that belongs to the Beneficiary and 2 (two) duplicates, one for the Ordering party and one for the Bank.

*[Insert place], [insert date]*

Bank

\_\_\_\_\_  
*[Insert name and position of bank's representative]*