**MODEL BANK GUARANTEE TEXTS**

**Warranty Bond no. …………..**

We have been informed that a contract has been signed between you - Borregaard AS, Norway, P.O. Box 162, N-1701 SARPSBORG, Norway (company number 895 623 032) and …………….(*name and address of seller*) (hereinafter referred to as “Supplier”), under ref. No………….. (*Purchase Order N. or Contract No*.) for the supply of ……………(*description of what to be delivered)* at total price of ……………….., and that the contract stipulates after you have taken over the supply, Supplier shall provide your with a Warranty Bond to secure Supplier’s fulfilment of his contractual obligations after the take-over, in the amount of 10 % of the total contract sum as defined in the agreement, and amounting to EUR \_\_\_\_\_\_\_ at take-over.

This being premised, we …….( *name and address of bank)* hereby irrevocably undertake to refund to you without delay on your first written demand an amount up to

………………….

( say …………………………….)

provided you confirm to us at the same time in writing that Supplier has not fulfilled his contractual obligations, and that you are therefore entitled to demand compensation under the contract.

This guarantee shall become effective when the Supplier's bank has received the payment transferred from authorised person(s) at Borregaard for the credit of the Supplier's account and at such time when this payment can no longer be withdrawn on Borregaard's request.

This Warranty Bond shall expire, even if this document is not returned, on………….. *(insert expiry date, which shall be warranty expiry date plus 15 days)* unless your written demand under this bond in accordance with the above mentioned has reached us in ….... (*insert address and e-mail address of bank*) at the end of that day.

This Warranty Bond is transferable with our consent only.

All rights and obligations arising from the Warranty Bond shall be governed by the laws of Norway, and all disputes shall be determined by arbitration in Oslo under the rules provided by the Oslo Chamber of Commerce.

This Guarantee is also subject to the Uniform Rules for Demand Guarantees (URDG) 2010 revision, ICC Publication No. 758.

Name of bank & date

…………………… ………………………..

signature 1 signature 2