

## Model of financial guarantee

*Defining the minimum requirements of the guarantee to be issued by a financial institution (bank, insurance)*

*(to be printed on the Guarantor headed paper)*

### **Guarantee beneficiary:**

Interreg CENTRAL EUROPE Managing Authority  
City of Vienna  
Municipal Department for European Affairs  
(Magistratsabteilung 27)  
Schlesingerplatz, 2  
A-1080 Vienna, Austria

### **Bank account:**

Holder: Stadt Wien MA 27 - Europäische Angelegenheiten  
IBAN: AT87 1200 0100 1759 6007  
BIC: BKAUATWW

### **§ 1. Subject**

Financial Guarantee for the benefit of [name of the LP institution] acting as lead partner of the project [number and acronym] selected for funding within the Interreg CENTRAL EUROPE Programme.

### **§ 2. Legal basis**

The legal provision for the issue of the present financial guarantee (hereinafter referred to as “**Guarantee**”) is based on the following legal framework and guidelines:

- Application manual for the xx call for proposals of the Interreg CENTRAL EUROPE Programme (Part D, chapter V.5), stating that a financial guarantee shall be in force before the signature of the subsidy contract, for an amount covering the lead partner total eligible budget (ERDF + national co-financing) and lasting one year after the approval of the project final report;
- Decision of the Monitoring Committee of the Interreg CENTRAL EUROPE Programme dated xx.xx.xxxx granting a subsidy to [name of the LP institution] acting as lead partner of the project [number and acronym];
- Subsidy Contract (hereinafter referred to as “**the Subsidy Contract**”) to be signed between the City of Vienna - Department for European Affairs - acting as Managing Authority of the Interreg CENTRAL EUROPE Programme (hereinafter referred to as “**MA**” or “**Beneficiary**”) and the lead partner;
- Last version of the approved application form of the project [number and acronym] according to which the lead partner eligible budget is of [Euro in figures and word] and the date of project end is [Date].

### **§ 3. Payment**

The [name of the institution providing the guarantee] (hereinafter referred to as “**Guarantor**”) hereby irrevocably assumes a guarantee obligation pursuant to § 880a second sentence of the Austrian General Civil Code (ABGB) up to a maximum of [lead partner

eligible budget in Euro, both in figures and word]. The Guarantor herewith irrevocably undertakes to make payments to the Beneficiary upon the Beneficiary's first demand up to the above amount, without any examination of the legal grounds and waiving any defenses, within 10 working days from the receipt of the written demand of the Beneficiary (hereinafter referred to as the "Letter of Demand")

Partial drawings on this Guarantee are permitted.

This Guarantee may be called in at any time by the MA during the period specified under § 4 by sending the Letter of Demand which shall also include a statement that the lead partner has failed to fulfill its obligations under the Subsidy Contract and specifying the amount being claimed in EUR.

The Guarantor will execute the guarantee only on presentation of such a document signed by the MA. It is herewith expressly stated that no further requirements are necessary for drawing the Guarantee, and that the Guarantor shall not be in a position to withhold payment of the demanded amounts from the Beneficiary or require any further documents or declarations from any party.

#### **§ 4. Duration and termination of the Guarantee**

The Guarantee shall expire one year after the submission of the Project Final Report (xx.xx.xxxx) as defined in § 7 of the Subsidy Contract and its annexed overview table on reporting targets and deadlines. After this deadline the MA shall send the Guarantee back to the Guarantor.

If for whatever reason the project final report cannot be approved at the latest 3 months before the Guarantee termination date, a new or an extended guarantee for the same amount as in the initial guarantee shall be provided for a period ending one year after the finalisation of the approval process of the final report.

Similarly, a new or an extended guarantee for the same amount shall be provided if 3 months before the Guarantee termination date an audit in accordance with § 12 of the Subsidy Contract, is still pending. The duration of this extended or new guarantee shall be reasonably determined by the MA on the basis of the expected duration of the audit plus a reasonable safety margin.

#### **§ 5. Applicable Law and Jurisdiction**

This Guarantee and the effect given to it are governed exclusively by Austrian law.

Any dispute relating to this Guarantee or to any payment made in the context thereof shall be exclusively decided by the competent court for the First Viennese District. Legal proceedings will be in German.

#### **§ 6. Miscellaneous**

Any modification and amendment to this Guarantee shall be made in writing. All notices and declarations pursuant to this Guarantee shall be made in writing.

All costs, if any, resulting from the establishment of this Guarantee, including, but not limited to, all advisors fees, shall be borne by such party where they occurred. All stamp duties arising in connection with the establishment or performance of this Guarantee (if any) shall be borne by the Guarantor.

---

[Name of Guarantor/responsible person]

---

[Stamp and date]