

CLIENT'S PERFORMANCE BOND

under clause 10 of AB 18

At the request of
(the client):

we hereby guarantee to
(the contractor):

the payment of a total amount of up to DKK
(in words: Danish kroner):

as security for the performance of the client's
obligations under the construction contract of (date):

comprising the execution of
(the project):

The bond serves to satisfy all claims the contractor has under the contractual relationship, including claims relating to extra work, if applicable; see clause 10, subclause (2), of AB 18.

I. Payment under the bond

If the contractor requests payment under this performance bond, such request must, in accordance with clause 10, subclause (5), of AB 18, be made in writing and notified simultaneously to the client and the guarantor with a specification of the size of the amount claimed.

The amount claimed is payable to the contractor within ten working days after receipt of the notification unless the client has filed a prior request with the Danish Building and Construction Arbitration Board, asking the Board to issue a decision on the security provided, in particular with a view to determining whether the payment claim is justified; see clause 67 of AB 18.

If the expert decides that payment must be made under the bond, the amount must be paid out no later than three working days after the parties and the guarantor have received written notification of the decision; see clause 67, subclause (9), of AB 18.

The guarantee amount of this bond will be reduced by any amount paid out under the bond.

II. Cessation of the bond

The performance bond ceases when the contractor has submitted the final account to the client and does not have any unsatisfied claims; see clause 10, subclause (4), of AB 18. The contractor must notify the guarantor in writing as soon as possible after the contractor has sent the final account and does not have any unsatisfied claims.

III. Disputes

Any dispute concerning payment under or cessation of this performance bond must be resolved by a decision on the security provided in accordance with clause 67 of AB 18; see clause 10, subclauses (5) and (6), of AB 18.

If the circumstances warranting a claim in accordance with clause 10, subclause (5) or (6), of AB 18 are already the subject of a dispute between the parties in pending proceedings as set out in clause 68 or clause 69 of AB 18, an introduction of the claim in the pending proceedings replaces the request for a decision on the security provided; see clause 10, subclause (7), of AB 18.

If the client is declared bankrupt, the guarantor may file a request for a decision on the security provided in accordance with clause 67 of AB 18, in which case the guarantor becomes a party to the case; see clause 10, subclauses (5) and (6), of AB 18.

The guarantor accepts that all disputes arising out of or in connection with this performance bond are resolved in accordance with the provisions of chapter J of AB 18, except for clause 64 of AB 18.

Bond no/ref no:

Guarantor:

Date and signature: