**MODEL OF LETTER OF COMFORT**

**This model is only to be regarded as a basic document and should therefore be adapted in order to meet to the specific requirements of the contractual commitment to be made.**

**This model may not be used in any civil, criminal or disciplinary proceedings.**

**For the good order, it should be noted that this model can by no means be regarded as a formal model issued by the IBR-IRE.**

**[Letterhead of the issuer (generally, the parent company or the shareholders)]**

[Name and address of the governing body of the Beneficiary (normally the subsidiary)]

For the attention of the Board of Directors [manager(s)] of [name subsidiary]

Dear Madam,

Dear Sir,

Subject: letter of comfort

**[Name issuer]** [legal form] (hereinafter the “issuer”), which has its registered office situated at [address of registered office], validly represented by (…) and (…) in their capacity as (…), majority shareholder of [name subsidiary] [legal form] (hereinafter the “beneficiary”), which has its registered office situated at [address of registered office], confirms the following as being under its sole responsibility.

[Name issuer] agrees unconditionally and irrevocablyto provide [name beneficiary] with adequate financial support, either in the form of a contribution, of a loan, or another form of support, so as to ensure its business continuity.

This continuity is regarded as ensured when the company has the financial resources to carry out its activities without facing circumstances of acute financial difficulties, request for amicable settlement with creditors, arrangement with creditors, default of payment, bankruptcy, etc.

This letter of comfort produces its effect for a period of (…) months/years from the signature date of this letter. [**Note**: the duration must be specified: at least 12 months after the end of the reporting period, for instance until the date of the next general meeting called to approve the annual accounts].

The commitment made by the issuer is irrevocable for the duration provided above and cannot be transferred to any other natural or legal person without the prior written consent of the beneficiary.

This letter of comfort has been duly authorised by a resolution of the Board of Directors of [name parent company] dated (…), a copy is attached to this letter.

In our capacity of issuer of the present comfort letter we understand that it shall be given by its beneficiary as the main justification for the preparation of the annual accounts closed at (…) in a going concern perspective in the annex to the aforementioned annual accounts as well as in the annual report accompanying them.

This letter of comfort is governed by the Belgian law.

All claims, disputes, or controversies arising or allegedly linked to the validity, interpretation, enforcement, performance or termination of this letter of comfort shall be submitted to the Commercial Tribunal of (…).

Executed in (…) [location], on (…) [date], in one original copy, of which the beneficiary acknowledges receipt.

Yours truly,

(…) [name] (…) [name]

(…) [capacity] (…) [capacity]

(…) [date] (…) [date]

(…) [signature] (…) [signature]

[**Note**: the signatories have to be capable to legally bind the person or persons that take on the engagements from this letter (possibly a member of the governing body of the issuer)]