

[Bank Name]
[Bank Address]
[City, State, Zip Code]

Date: [Date]

To:
[Beneficiary Name/Company Name]
[Beneficiary Address]
[City, State, Zip Code]

RE: COMMITMENT TO ISSUE AN ADVANCE PAYMENT STANDBY LETTER OF CREDIT

Dear [Name of Contact Person],

At the request of our client, **[Applicant/Contractor Name]** (the "Applicant"), we, **[Bank Name]** (the "Bank"), hereby confirm our irrevocable commitment to issue an Advance Payment Standby Letter of Credit (the "SBLC") in favor of **[Beneficiary Name]** (the "Beneficiary").

This commitment is subject to the following terms and conditions:

- **SBLC Amount:** [Currency and Amount in Figures] ([Amount in Words])
- **Purpose:** To secure the advance payment made by the Beneficiary to the Applicant under Contract No. [Contract Number] dated [Contract Date] for [Brief Description of Project/Goods].
- **Validity Period:** The SBLC shall remain valid until [Expiry Date].
- **Governing Rules:** The SBLC will be issued subject to ISP98 (International Standby Practices) or UCP 600.
- **Conditions for Issuance:** Issuance is contingent upon the final approval of documentation and the receipt of the Advance Payment into the Applicant's account number [Account Number] held at our institution.

The SBLC will be payable at sight against the Beneficiary's first written demand stating that the Applicant has failed to fulfill its contractual obligations or failed to repay/utilize the advance payment in accordance with the terms of the aforementioned Contract.

This commitment letter is valid until [Commitment Expiry Date] and shall automatically expire if the SBLC is not issued by that date.

Yours faithfully,

For and on behalf of [Bank Name]

[Authorized Signature]
[Printed Name]
[Title/Position]