

**[Bank Name/Financial Institution Letterhead]**

Date: [Insert Date]

To: [Borrower/Applicant Name]

[Address Line 1]

[Address Line 2]

**Subject: Commitment Letter for Financial Standby Letter of Credit**

Dear [Contact Person Name],

We are pleased to inform you that [Bank Name] (the "Issuer") hereby commits to issue a Financial Standby Letter of Credit ("SBLC") on behalf of [Borrower Name] (the "Applicant") in favor of [Beneficiary Name] (the "Beneficiary"), subject to the following terms and conditions:

**1. Maximum Amount:** [Currency and Amount in Figures] ([Amount in Words]).

**2. Purpose:** To guarantee the financial obligations of the Applicant regarding [Description of Project/Contract/Obligation].

**3. Expiration Date:** This commitment expires on [Date]. The issued SBLC shall have an expiry date of [Date].

**4. Governing Rules:** The SBLC will be subject to the International Standby Practices (ISP98) or the Uniform Customs and Practice for Documentary Credits (UCP 600).

**5. Conditions Precedent:** This commitment is subject to the following:

- Execution of a formal Reimbursement Agreement by the Applicant.
- Provision of collateral in the form of [Specify Collateral, e.g., Cash/Property] in the amount of [Amount].
- Payment of an issuance fee of [Percentage/Amount].
- Satisfactory completion of all "Know Your Customer" (KYC) and Anti-Money Laundering (AML) checks.

**6. Drawdown Terms:** Funds will be available to the Beneficiary upon presentation of a written demand stating that the Applicant has failed to meet its financial obligations, accompanied by [List other required documents].

Please indicate your acceptance of this commitment by signing and returning the enclosed copy of this letter by [Deadline Date].

Sincerely,

[Authorized Signature]  
[Name of Signatory]  
[Title]  
[Bank Name]

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**Accepted and Agreed:**

By: \_\_\_\_\_  
[Name of Applicant Authorized Signatory]  
Date: \_\_\_\_\_