

Date: [Insert Date]

To:

The Manager,
[Bank Name],
[Bank Address],
[City, Country]

Subject: Letter of Undertaking for the Issuance of an Irrevocable Letter of Credit

Dear Sir/Madam,

In consideration of [Bank Name] (hereinafter referred to as "the Bank") agreeing to issue an Irrevocable Letter of Credit (LC) for the amount of [Currency and Amount] on behalf of [Applicant/Company Name] in favor of [Beneficiary Name], we hereby irrevocably and unconditionally undertake the following:

1. We authorize the Bank to debit our account number [Account Number] for all commissions, taxes, duties, and any other charges related to the issuance and maintenance of this LC.
2. We undertake to provide the Bank with sufficient funds to cover the full value of any drawings made under this LC at least [Number] days prior to the maturity or payment date.
3. We acknowledge that the Bank is authorized to honor any complying presentation of documents and to pay the beneficiary according to the terms of the LC without further reference to us.
4. We agree to indemnify the Bank against all losses, claims, damages, or liabilities that may arise out of the issuance of this LC, except in cases of proven gross negligence or willful misconduct by the Bank.
5. We agree that this undertaking is governed by the laws of [Jurisdiction] and is subject to the Uniform Customs and Practice for Documentary Credits (UCP 600).

This undertaking shall remain in full force and effect until the LC has expired and all obligations toward the Bank have been fully discharged.

Yours faithfully,

Authorized Signature

[Name and Title]

[Company Stamp/Seal]