

[Bank/Financial Institution Letterhead]

Date: [Insert Date]

To:

[Name of Contractor/Company]

[Address Line 1]

[Address Line 2]

Subject: Letter of Approval for Retention Money Guarantee Facility

Dear [Name of Authorized Representative],

We are pleased to inform you that [Bank Name] (the "Bank") has approved your application for a Retention Money Guarantee facility under the following terms and conditions:

- **Facility Type:** Retention Money Guarantee
- **Facility Amount:** [Currency and Amount in Figures] ([Amount in Words])
- **Purpose:** To release retention funds held by [Name of Employer/Client] for the project [Project Name/Contract Reference].
- **Validity Period:** [Number of Months/Years] or until the issuance of the Final Completion Certificate.
- **Commission/Fee:** [Percentage]% per annum, payable in advance.
- **Security/Collateral:** [Description of Security, e.g., Cash Margin, Fixed Deposit, or Corporate Guarantee].

Specific Conditions:

1. The guarantee shall be issued using the Bank's standard format or a format mutually agreed upon by the Bank and the Beneficiary.
2. The Bank reserves the right to review or cancel this facility in the event of a material adverse change in the Company's financial position.
3. This approval is subject to the execution of the Bank's standard facility agreements and documentation.

Please signify your acceptance of these terms by signing and returning the enclosed duplicate copy of this letter by [Expiry Date].

Yours faithfully,

[Signature]

[Name of Signing Officer]

[Designation]

[Bank Name]

Acknowledgment and Acceptance:

I/We hereby accept the terms and conditions outlined in this Facility Approval Letter.

For and on behalf of **[Company Name]**:

Authorized Signatory & Stamp

Date: [Insert Date]