

To: [Employer Name/Client Name]
[Address Line 1]
[Address Line 2]

Date: [Insert Date]

Guarantee No: [Insert Guarantee Number]

Subject: Retention Money Guarantee

Dear Sirs,

WHEREAS [Contractor Name] (hereinafter called "the Contractor") has entered into a Contract dated [Insert Date] with [Employer Name] (hereinafter called "the Employer") for the execution of [Project Name/Contract Description] (hereinafter called "the Contract").

AND WHEREAS, according to the terms of the Contract, the Employer shall release the Retention Money to the Contractor against the provision of a Bank Guarantee for the sum of [Insert Currency and Amount in Figures] ([Amount in Words]).

WE, [Bank Name], having our registered office at [Bank Address] (hereinafter called "the Bank"), hereby irrevocably and unconditionally undertake to pay the Employer, upon your first written demand stating that the Contractor is in breach of their obligations under the Contract, any sum or sums not exceeding in total the amount of [Insert Amount].

A demand for payment under this guarantee shall be sufficient if it is signed by your authorized representative and states that the Contractor has failed to fulfill their contractual obligations regarding the rectification of defects or other requirements specified in the Contract.

The Bank shall not be required to inquire into the validity of the claim or the underlying grounds for the demand.

This guarantee shall remain in full force and effect from the date of release of the retention money until [Insert Expiry Date or Event, e.g., Issuance of the Final Defects Certificate]. Any claims under this guarantee must be received by the Bank on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758.

Yours faithfully,

For and on behalf of [Bank Name]

[Authorized Signature]

[Name and Title]
[Bank Seal/Stamp]