

**To:** [Name of the Beneficiary/Employer]  
**Address:** [Address of the Beneficiary]

**Date:** [Insert Date]

**Letter of Guarantee No:** [Insert Guarantee Number]

**Subject: Unconditional Irrevocable Retention Money Guarantee**

Dear Sirs,

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

AND WHEREAS it has been agreed under the terms of the Contract that the Employer shall release to the Contractor the retention money amounting to [Currency and Amount in Figures] ([Amount in Words]) upon the provision of an unconditional and irrevocable bank guarantee for an equivalent amount.

WE, [Name of Bank], having our registered office at [Address of Bank] (hereinafter called "the Guarantor"), hereby irrevocably and unconditionally undertake to pay the Employer, immediately upon receipt of your first written demand and without cavil or argument, any sum or sums up to an aggregate limit of [Currency and Amount].

We confirm that our liability under this guarantee is primary and we shall not require the Employer to exhaust any remedies against the Contractor before making a claim under this guarantee.

Any demand for payment shall be signed by your authorized representative and shall state that the Contractor is in breach of their obligations under the Contract or that the period for the rectification of defects has expired and the Contractor has failed to fulfill their obligations.

This guarantee shall remain in full force and effect from the date of release of the retention money until [Expiry Date] or until the issuance of the Final Completion Certificate/Defects Liability Certificate, whichever occurs first.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 758 and shall be governed by the laws of [Jurisdiction/Country].

Yours faithfully,

**For and on behalf of [Name of Bank]**

[Authorized Signature]

[Name and Title]

[Bank Stamp/Seal]