

Date: [Insert Date]

To:

[Beneficiary Name/Company Name]

[Address]

[City, State, Zip Code]

Subject: Performance Guarantee Letter for [Contract Reference Number/Project Name]

Dear [Name of Contact Person],

This Performance Guarantee Letter is issued in connection with the contract dated [Date of Contract] (the "Contract") entered into between [Contractor Name] (the "Contractor") and [Beneficiary Name] (the "Employer") for the execution of [Brief Description of Work/Project].

We, [Name of Guaranteeing Institution/Bank], located at [Address], hereby irrevocably and unconditionally guarantee the due and faithful performance by the Contractor of all its obligations under the terms of the said Contract.

In the event that the Contractor fails to perform its obligations as specified in the Contract, we undertake to pay the Employer, upon first written demand and without cavil or argument, any sum or sums within the limits of [Insert Currency and Amount in Figures] ([Amount in Words]).

This Guarantee shall remain in full force and effect from the date of issuance until [Expiry Date] or until the completion of the project and issuance of the final performance certificate, whichever occurs first.

Any claim under this guarantee must be received by us in writing at our office on or before the expiry date mentioned above.

Yours faithfully,

[Authorized Signature]

[Name and Title]

[Name of Institution/Bank]

[Seal/Stamp]