

**[Date]**

**To:**

[Bank Name]

[Branch Address]

[City, State, Zip Code]

**Subject: Letter of Guarantee for Collateral Backed Overdraft Facility**

Dear Sir/Madam,

This Letter of Guarantee is executed by [Name of Guarantor/Entity], located at [Guarantor Address] (hereinafter referred to as the "Guarantor"), in favor of [Bank Name] (hereinafter referred to as the "Bank").

1. **The Facility:** At the request of [Name of Borrower/Company] (hereinafter referred to as the "Borrower"), the Bank has agreed to grant an Overdraft Facility up to the limit of [Amount in Currency] (hereinafter referred to as the "Facility").

2. **Guarantee:** The Guarantor hereby irrevocably and unconditionally guarantees the punctual payment of all sums payable by the Borrower in connection with the Facility, including principal, interest, fees, and legal costs.

3. **Collateral:** As security for this Guarantee, the Guarantor hereby pledges/mortgages the following assets (the "Collateral"):  
[Description of Collateral: e.g., Property Title Deeds, Fixed Deposit Receipt No., or Stock Certificates]

4. **Bank's Rights:** In the event the Borrower fails to repay the Facility upon demand or at maturity, the Bank is hereby authorized to realize, sell, or liquidate the Collateral without further notice to the Guarantor to satisfy the outstanding debt.

5. **Continuing Security:** This Guarantee shall be a continuing security and shall remain in full force and effect until all liabilities of the Borrower under the Facility have been discharged in full.

6. **Governing Law:** This letter shall be governed by and construed in accordance with the laws of [Jurisdiction/Country].

Sincerely,

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**[Authorized Signature]**

**[Name of Signatory]**  
**[Title/Position]**  
**[ID/Passport Number]**

**Witnessed By:**

Signature: \_\_\_\_\_

Name: [Witness Name]

Address: [Witness Address]