

Date: [Insert Date]

To: [Beneficiary Name/Company Name]

[Beneficiary Address]

[City, Country]

Subject: Letter of Guarantee (Kafalah) for Deferred Payment

Dear Sir/Madam,

1. At the request of our client, **[Applicant Name]** (hereinafter referred to as the "Purchaser"), we, **[Bank/Financial Institution Name]**, having our registered office at [Bank Address], hereby irrevocably and unconditionally undertake to pay you, **[Beneficiary Name]** (hereinafter referred to as the "Seller"), any sum or sums not exceeding in total an amount of **[Currency and Amount in Figures]** ([Amount in Words]) representing the deferred payment obligations of the Purchaser.

2. This Guarantee is issued in relation to the [Agreement/Contract/Invoice Reference] dated [Date] for the supply of [Description of Goods/Services].

3. We undertake to make payment to you upon receipt of your first written demand stating that the Purchaser has failed to meet the deferred payment installment(s) on the specified due date(s) as per the agreed terms. Your demand shall be binding and conclusive evidence of the amount due.

4. This Guarantee is valid from [Start Date] and shall expire in full at the close of business on [Expiry Date]. Any claim under this guarantee must be received by us at our office address mentioned above on or before the expiry date.

5. Upon expiry or upon payment of the full guaranteed amount, this letter shall become null and void and must be returned to us for cancellation.

6. This Guarantee is governed by and construed in accordance with the laws of [Jurisdiction/Country].

Yours faithfully,

For and on behalf of **[Bank/Financial Institution Name]**

[Authorized Signature]

[Name and Designation]

[Bank Stamp/Seal]