

Date: [Insert Date]

To: [Beneficiary Bank/Company Name]

[Address Line 1]

[Address Line 2]

Subject: Letter of Guarantee for Trade Facility (Kafalah)

Dear Sir/Madam,

1. At the request of our client, [**Applicant Name/Company Name**], residing at [Applicant Address], hereinafter referred to as the "Customer," we, [**Guarantor Bank/Institution Name**], hereby irrevocably and unconditionally undertake to pay you any sum or sums not exceeding in total an amount of [**Currency and Amount in Figures**] ([Amount in Words]) under this Kafalah Trade Facility Guarantee.

2. This guarantee is issued in relation to the [Type of Trade Facility, e.g., Letters of Credit, Murabaha, or Import Financing] granted by you to the Customer for the purpose of [Description of Goods/Services].

3. We undertake to pay you, upon receipt of your first written demand stating that the Customer has failed to fulfill their financial obligations under the agreed trade facility terms, the amount specified in your demand, without any necessity for you to prove or show grounds for your demand or the sum specified therein.

4. This guarantee shall remain valid and in full force from [Start Date] until [Expiry Date]. Any claim for payment under this guarantee must be received by us in writing at our office located at [Bank Branch Address] on or before the close of business on the Expiry Date.

5. Following the Expiry Date, this guarantee shall become null and void, whether the original document is returned to us or not, and our liability hereunder shall be deemed extinguished.

6. This guarantee is personal to you and is not assignable or transferable to any third party without our prior written consent.

7. This guarantee shall be governed by and construed in accordance with the laws of [Jurisdiction/Country].

Yours faithfully,

For and on behalf of [Guarantor Bank/Institution Name]

[Authorized Signature]

[Name and Title]
[Bank Stamp]