

STANDARD FORMAT FOR LETTER OF CREDIT ISSUED IN FAVOR OF OUR CLIENT'S BUYER
PERFORMANCE BOND

_____ (NAME OF BUYER)
_____ (ADDRESS OF BUYER)
_____ (CITY, STATE ZIP)

GENTLEMEN:

-
AT THE REQUEST AND FOR THE ACCOUNT OF _____ -
(NAME AND ADDRESS OF OUR CLIENT) (HEREINAFTER MAY ALSO BE REFERRED TO AS THE
"APPLICANT") WE HEREBY ESTABLISH OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____
IN YOUR FAVOR (HEREINAFTER MAY ALSO BE REFERRED TO AS THE "BENEFICIARY") IN THE
AGGREGATE AMOUNT OF US\$ _____ (UNITED STATES DOLLARS _____)
(ENTER AMOUNT IN FIGURES AND WORDS) IN RELATION TO THE PERFORMANCE BOND REQUIREMENT
IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF CONTRACT/AGREEMENT NO. - _____
DATED _____ FOR SUPPLY OF _____ (ENTER BRIEF DESCRIPTION)

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO UPON PRESENTATION TO US OF YOUR
DRAFT DRAWN AT SIGHT ON OURSELVES MENTIONING THEREON OUR STANDBY LETTER OF CREDIT
NO. _____ AND ACCOMPANIED BY THE FOLLOWING DOCUMENT:

BENEFICIARY'S STATEMENT ON ITS LETTERHEAD, MANUALLY SIGNED BY TWO AUTHORIZED
OFFICERS STATING THAT THE APPLICANT _____ HAS FAILED TO COMPLY
WITH THE TERMS AND CONDITIONS OF CONTRACT/AGREEMENT NO. _____ DATED _____ AND
THEREFORE PAYMENT IN THE AMOUNT OF US\$ _____ (INSERT AMOUNT IN FIGURES AND WORDS) IS
NOW DUE AND PAYABLE TO THE BENEFICIARY AGAINST STANDBY LETTER OF CREDIT NO. _____.

THIS STANDBY LETTER OF CREDIT SHALL EXPIRE AT OUR OFFICE LOCATED AT _____
(ADDRESS OF THE ISSUING BANK) WITH OUR CLOSE OF BUSINESS ON _____ (ENTER DATE)
AFTER WHICH DATE IT SHALL BE CONSIDERED NULL AND VOID AND OF NO EFFECT.

PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED / NOT PERMITTED (SELECT ONE)
ALL BANKING CHARGES RELATED TO THIS STANDBY LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE
APPLICANT / BENEFICIARY (SELECT ONE)
DOCUMENTS SHOULD BE FORWARDED TO US IN ONE COVER

ALL DOCUMENTS MUST BE ISSUED IN ENGLISH

WE HEREBY ENGAGE WITH THE BENEFICIARY THAT DRAFT(S) DRAWN UNDER AND ACCOMPANIED BY DOCUMENT IN COMPLIANCE WITH THIS STANDBY LETTER OF CREDIT WILL BE DULY HONORED

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600
