

Standby Letter of Credit (Performance Guarantee)

[Date]

[Issuer's Name and Address]

[City, State, ZIP]

[Beneficiary's Name and Address]

[City, State, ZIP]

Dear [Issuer's Name],

This is to confirm that [Issuer's Name] has established a standby letter of credit in favor of [Beneficiary's Name] for an amount not exceeding [Amount] USD (United States Dollars).

This standby letter of credit is intended to serve as a performance guarantee and will be payable upon presentation of a written demand for payment indicating the failure to perform under the terms of the underlying agreement between the parties.

Sincerely,

[Your Name]