

PERFORMANCE BOND 2%

STAND BY LETTER OF CREDIT (SPECIMEN OF VERBIAGE)

ISSUED BY : (name and address of issuing bank)

Account Name : _____

Account N° : _____ S.W.I.F.T.: _____

STAND BY LETTER OF CREDIT NUMBER: _____

DATE OF ISSUE: _____ DATE OF EXPIRATION: _____

TRANSACTION CODE : _____

BENEFICIAIRY(Seller) NAME _____

ADDRESS: _____

WE, HEREBY OPEN OUR, IRREVOCABLE, TRANSFERABLE STANDBY LETTER OF CREDIT IN YOUR FAVOUR IN THE AMOUNT OF \$XXXXXXXXXXXXXXXXX FOR ACCOUNT OF (THE BUYER) COVERING: PERFORMANCE UNDER CONTRACT (Reference FCO/PFI #)

PAYMENT IS AVAILABLE UPON PRESENTATION OF BENEFICIARY'S DRAFT MARKED "DRAWN UNDER STAND BY LETTER OF CREDIT N°..... , DATED.....".ACCOMPNIED BY:

BENEFICIARIY'S STATEMENT THAT A PAYMENT DUE UNDER THE CONTRACT HAS NOT BEEN EFFECTED, THEREFORE THE AMOUNT DRAWN HEREUNDER IS DUE AND OWING.
THIS CREDIT IS CONFIRMED BY (CONFIRMING BANK NAME) ADVISING AND NEGOTIATING BANK (BENEFICIARY'S BANK)

WE ENGAGE WITH YOU THAT THE DRAFT DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED UPON PRESENTATION TO THE NEGOTIATING BANK COUNTERS, IF PRESENTED ON OR BEFORE XXXXXX 2007 (ALLOW A YEAR AND A DAY)

THIS LETTER OF CREDIT IS AVAILABLE FOR NEGOTIATION AND PAYMENT TO THE COUNTERS OF (NAME THE BANK)

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS ICC 500 (LATEST VERSION) PUBLISHED BY INTERNATIONAL CHAMBER OF COMMERCE OF PARIS, FRANCE.

THIS IS A N OPERATIVE INSTRUMENT.
ALL CHARGES ARE FOR THE ACCOUNT OF THE APPLICANT.

Authorized Bank Officer
Name and title
Signature
Tel :

Authorized Bank Officer
Name and title
Signature
Tel :