ATTACHMENT 10 - SAMPLE LETTER OF BANK GUARANTY

Place [ ]
Date [ ]

Contracting Officer
U.S. Embassy, Lima Peru
Av. Lima Polo cdra. 2
Monterrico, Surco

Letter of Guaranty No. _____

SUBJECT: Performance and Guaranty

The Undersigned, acting as the duly authorized representative of the bank, declares that the bank hereby guarantees to make payment to the Contracting Officer by check made payable to the Treasurer of the United States, immediately upon notice, after receipt of a simple written request from the Contracting Officer, immediately and entirely without any need for the Contracting Officer to protest or take any legal action or obtain the prior consent of the Contractor to show any other proof, action, or decision by an other authority, up to the sum of **[*amount equal to 20% of the contract price in U.S. dollars during the period ending with the date of final acceptance and 10% of the contract price during contract guaranty period*]**, which represents the deposit required of the Contractor to guarantee fulfillment of his obligations for the satisfactory, complete, and timely performance of the said contract **[*contract number*]** for **[*description of work*]** at **[*location of work*]** in strict compliance with the terms, conditions and specifications of said contract, entered into between the Government and **[*name of contractor*]** of **[*address of contractor*]** on **[*contract date*],** plus legal charges of 10% per annum on the amount called due, calculated on the sixth day following receipt of the Contracting Officer's written request until the date of payment.

The undersigned agrees and consents that said contract may be modified by Change Order or Supplemental Agreement affecting the validity of the guaranty provided, however, that the amount of this guaranty shall remain unchanged.

The undersigned agrees and consents that the Contracting Officer may make repeated partial demands on the guaranty up to the total amount of this guaranty, and the bank will promptly honor each individual demand.

This letter of guaranty shall remain in effect until 3 months after completion of the guaranty period of Contract requirement.

Depository Institution: **[*name*]**
Address: _____
Representatives: _____ Location: _____
_____ State of Inc.: _____
_____ Corporate Seal:
_____

Certificate of Authority is attached evidencing authority of the signer to bind the bank to this

document.