



Bank Letter of Guarantee

Bank Letter of Guarantee (for payment via company check)

Payments by company check will not be accepted unless accompanied by a letter from the company's bank guaranteeing payment in full, without condition and upon demand. This letter should be furnished to Premier via post mail in conjunction with the check.

Requirements for a Letter of Guarantee:

- Letter must be on official bank letterhead.
- **IMPORTANT:** Bank must state that they guarantee the payment of the check being presented. It is not sufficient for the bank to state the credit limit or balance of the individual/company.
- Letter must state the name of the individual or company for whom the guarantee is being stated and the check must have the same name printed on it.
- Letter should contain the account number on which the check is to be drawn and the check should match this same account number.
- Letter should state an ending date after which the letter of guarantee will expire. (At least seven days from sale)
- Letter must contain a maximum amount for which the bank will guarantee. The check must not be written for more than is guaranteed by the bank.
- Letter must be signed by a bank representative

Example of a Letter of Guarantee:

Premier Industrial Auction Co.
77 E. Palatine Road
Prospect Heights, IL 60070

Dear Sirs:

Please accept this letter as a statement of guarantee for XYZ Corporation.

National N.A. Bank will guarantee payment of the check being presented by XYZ to purchase items at your auction up to an amount no greater than \$25,000.00. The account number of this check is 1234-9999-999.

This letter of guarantee will be valid until Month, Day year.