

**Appendix VII**  
**Withdrawal of Guarantee**

No. SMEFD/SME/2010-

Month xx, 20xx

Name,  
Designation,  
**ABC Bank (PFIs' Name),**  
Bank Address,  
**City.**

Dear \_\_\_\_\_,

**Refund of deficient Guarantee Reimbursement Claims**

Please refer to our letter dated \_\_\_\_\_ whereby we had issued Guarantee of Rs. \_\_\_\_\_ (amount in words) against your sanctioned loan of Rs. \_\_\_\_\_ (amount in words) to your borrower bearing customer identification No. ABC-xxx-yyy.

In this connection, it has been discovered during inspection/ verification by SBP that the following provision(s)/ condition(s) of Guarantee Scheme were not complied with by your bank:

1. The Borrower was not rated as above average customer as per the internal risk management guidelines of your bank (for example).
2. Any other irregularity (please specify)

As the above deviations are a serious violation of the approved criteria, you are advised to please explain your position within 15 days from the date of issuance of this letter. In case your response does not reach us within the stipulated time, the guarantee issued against above mentioned loan shall stand withdrawn and your bank shall be liable to the full amount disbursed.

Yours faithfully,

**(Name of Head DFSU)**