

Irrevocable Standby Letter of Credit

[insert date]

ISSUING BANK:

[name/address of (USA) advising & confirming bank:]

APPLICANT

[Insert Applicants name and address]

BENEFICIARY

[Insert Beneficiary Name]

120 Tredegar St. - DEC
Richmond, VA 23219

AMOUNT: *[insert amount]*

DATE OF EXPIRATION: *[insert date]*

REF: Irrevocable Standby Letter of Credit Number *[ref number]*

At the request of the applicant, we *[the "issuing bank"]* hereby issue this Irrevocable Standby Letter of Credit *[the "letter of credit number"]* in your favor in the sum of *[\$ insert currency + amount]*, effective immediately and expiring at our counter on *[insert expiry date]*.

This letter of credit is available by payment against presentation to us on or before the expiry date of your drafts at sight drawn on *[the issuing bank]* bearing the clause: "drawn under *[insert name of issuing bank]* Irrevocable Standby Letter of Credit *[number xxxxx dated xxxx]* accompanied by the following documents:

1. Your signed declaration stating: "The amount of the drawing under this letter of credit represents funds due from and remaining unpaid for thirty days by *[insert applicant]* and that the payment has not been effected as per the terms of the contract between the applicant and the beneficiary."
2. Copy of the unpaid invoices issued by the beneficiary to the name of the applicant.
3. The original of this letter of credit.

It is fully understood that this Standby Letter of Credit takes effect from the date of issuance and shall remain valid through the payment performance obligations under the contract and that partial payments shall be permitted. Amendments to decrease the amount of this Standby Letter of Credit must be approved, in writing, by an authorized official of the Beneficiary. Except as otherwise expressly stated herein, this credit is subject to the international standby practices (1998) I.C.C. publication no. 590 ("ISP98"). as to matters not covered by ISP98, this letter of credit shall be subject to and governed by the laws of the commonwealth of Virginia.

It is a condition of this Irrevocable Standby Letter of Credit that it will be considered automatically renewed without amendment, for a one (1) period upon the expiration date set forth above, unless at least thirty (30) days prior to such expiration date we notify you in writing, by registered mail or overnight courier that we elect not to renew this Irrevocable Standby Letter of Credit. In such event you may draw hereunder by means of your draft at sight drawn on us together with your signed certificate stating that you are drawing under this Standby Letter of Credit as we have elected not to renew it.

[name of issuing bank]

authorized signature & Date