

Irrevocable Standby Letter of Credit

[Name and address of banking establishment]

[ Date]

Commissioner

New York State Department of Environmental Conservation

625 Broadway

Albany, NY 12233-1011

Re: Letter of Credit No. \_\_\_\_

Dear Sir or Madam:

We hereby establish and open our Irrevocable Standby Letter of Credit No. \_\_\_\_ in your favor, at the request and for the account of [owner's or operator's name and address], up to the aggregate amount of [insert amount of dollars in words] U.S. dollars (\$ \_\_\_\_), available upon presentation of:

- (1) your sight draft, bearing reference to this Letter of Credit No. \_\_\_\_, and
- (2) your signed statement reading as follows: "I certify that the amount of the draft is payable pursuant to regulations issued under authority of the New York State Environmental Conservation Law."

This letter of credit is effective as of [date] and shall expire on [date at least one year later], but such expiration date shall be automatically extended for a period of [at least one year] on [date] and on each successive expiration date thereafter, unless at least

120 days before the current expiration date, we notify both you and [owner's or operator's name] by certified mail, return receipt requested, that we have decided not to extend this letter of credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft and the above-referred-to signed statement for 120 days after the date of receipt by both you and [owner's or operator's name], as shown on the signed return receipts.

The [insert name of bank issuing letter of credit] agrees that whenever this letter of credit is drawn on, under and in compliance with the terms of this letter of credit, that [insert name of bank issuing letter of credit] shall duly honor such draft upon presentation to [insert name of bank issuing letter of credit] and the [insert name of bank issuing letter of credit] shall deposit the amount of the draft into the standby trust fund of [owner's or operator's name] in accordance with the Commissioner's instructions.

We certify that the wording of this letter of credit is identical to the wording specified by the NYS DEC.

Very truly yours,

[insert name of bank issuing credit]

By:

[insert name and title of authorized employee or officer of bank issuing letter of credit.]

Date: \_\_\_\_\_

This credit is subject to (insert “the most recent edition of the Uniform Customs and Practice for Documentary Credits, published and copyrighted by the International Chamber of Commerce,” or “the Uniform Commercial Code of the State of New York”).