

IRREVOCABLE STANDBY LETTER OF CREDIT

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: _____

DATE: _____

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL
PROTECTION CABINET
DEPARTMENT FOR SURFACE MINING
RECLAMATION AND ENFORCEMENT
#2 HUDSON HOLLOW COMPLEX
FRANKFORT, KENTUCKY 40601

_____	Name
_____	Address

_____	Phone No.

GENTLEMEN:

WE HEREBY ISSUE OUR IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR FOR THE ACCOUNT OF (must state exact name that appears on the permit) _____

Permit Number _____ FOR A SUM OR SUMS NOT TO EXCEED A TOTAL OF _____ U. S. DOLLARS (SUSD _____)

AVAILABLE BY YOUR DRAFT(S) ON US (OR THE CONFIRMING BANK IF CONFIRMED) AT SIGHT.

THIS LETTER OF CREDIT WILL EXPIRE AT OUR (OR THE CONFIRMING BANK'S, IF CONFIRMED) COUNTERS ON _____

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL PERIODS OF ONE (1) YEAR FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE UNLESS WE (OR THE CONFIRMING BANK IF CONFIRMED) HAVE NOTIFIED YOU IN WRITING, NOT LESS THAN THIRTY (30) DAYS BEFORE THE ANNUAL EXPIRATION DATE, THAT WE ELECT NOT TO RENEW THIS LETTER OF CREDIT. THE NOTICE OF SUCH ELECTION SHALL BE SENT BY REGISTERED MAIL, RETURN RECEIPT REQUESTED, AND RECEIVED BY THE DIRECTOR OF FIELD SERVICES, NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET, DEPARTMENT FOR SURFACE MINING RECLAMATION AND ENFORCEMENT, U.S. 127, #2 HUDSON HOLLOW COMPLEX, FRANKFORT, KENTUCKY 40601 (OR ANY CHANGE OF ADDRESS PROVIDED BY THE CABINET HEREAFTER TO US); OR WE (OR THE CONFIRMING BANK IF CONFIRMED) MAY HAND DELIVER THE WRITTEN NOTICE TO, AND OBTAIN A WRITTEN, DATED RECEIPT FROM THE DIRECTOR OF FIELD SERVICES AT THE AFORESTATED ADDRESS.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1983 REVISION) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 400).

WE FURTHER AGREE THAT UNLESS EXPRESSLY STATED OTHERWISE HEREIN, THE TERMS AND OBLIGATIONS REPRESENTED BY THIS CREDIT SHALL BE GOVERNED BY THE UNIFORM COMMERCIAL CODE OF THE COMMONWEALTH OF KENTUCKY AND/OR ANY OTHER PERTINENT KENTUCKY LAW. WE AGREE THAT THE PROPER FORUM FOR TRIAL OF ANY DISPUTE INVOLVING OUR LIABILITY TO THE COMMONWEALTH OF KENTUCKY, NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET, DEPARTMENT FOR SURFACE MINING RECLAMATION AND ENFORCEMENT, ON THIS LETTER OF CREDIT SHALL LIE IN THE FRANKLIN CIRCUIT COURT, FRANKFORT, KENTUCKY PURSUANT TO OUR INTENT HEREBY TO DO BUSINESS IN THAT STATE.

ALL DRAFTS DRAWN UNDER THIS CREDIT SHALL STATE THAT THEY ARE "DRAWN UNDER _____ LETTER OF CREDIT NUMBER _____, DATED _____ for Permit No. _____

WE HEREBY AGREE THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH TERMS OF THIS IRREVOCABLE LETTER OF CREDIT WILL BE DULY HONORED ON DUE PRESENTATION TO THE DRAWEE.

YOURS VERY TRULY,

BY: _____

TITLE: _____