

IRREVOCABLE STANDBY LETTER OF CREDIT

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: _____ DATE: _____

COMMONWEALTH OF KENTUCKY
ENERGY AND ENVIRONMENT CABINET
DEPARTMENT FOR NATURAL RESOURCES
300 SOWER BLVD
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 (\$USD _____)
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 MINE RECLAMATION AND ENFORCEMENT,
DEPARTMENT FOR NATURAL RESOURCES, ENERGY AND ENVIRONMENT CABINET, 300 SOWER BLVD,
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 MINE RECLAMATION AND
ENFORCEMENT AT THE AFORESTATED ADDRESS.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS
(2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION NO. 600).

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, ENERGY AND ENVIRONMENT CABINET, DEPARTMENT FOR NATURAL
RESOURCES, 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: _____