

SAMPLE
IRREVOCABLE LETTER OF CREDIT FOR A
NEW YORK CAPTIVE INSURANCE COMPANY

FOR INTERNAL IDENTIFICATION PURPOSES ONLY: Applicant_____
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Bank _____
Address _____
City _____
State _____ Zip _____

Issue Date _____

Letter of Credit No. _____

Superintendent of Financial Services
New York State Department of Financial Services
25 Beaver Street,
New York, New York 10004

Superintendent:

1. We hereby establish this IRREVOCABLE LETTER OF CREDIT in your favor for drawings up to the aggregate amount of United States \$ _____ (*Amount*), effective immediately. This LETTER OF CREDIT is issued, presentable and payable at our office at _____ (*Address*) and expires with our close of business on (*Expiration Date*) unless as hereinafter extended.

2. We hereby undertake to promptly honor your sight draft(s) drawn on us, indicating our IRREVOCABLE LETTER OF CREDIT No. _____, for all or any part of this LETTER OF CREDIT upon presentation at our office specified in paragraph one on or before the expiration date or any automatically extended expiration date.

3. Except as expressly stated herein, this undertaking is not subject to any agreement, condition or qualification. The obligation of _____ (*Issuing Bank*) under this LETTER OF CREDIT is the individual obligation of (*Issuing Bank*), and is in no way contingent upon reimbursement with respect thereto.

4. It is a condition of this LETTER OF CREDIT that it is deemed to be automatically extended without amendment for one year from the expiration date hereof, or any future expiration date, unless at least thirty days prior to any expiration date we notify you by registered mail that we elect not to consider this LETTER OF CREDIT renewed for any such additional period.

5. Unless otherwise expressly stated, this LETTER OF CREDIT is subject to the 1993 Revision of the Uniform Customs and Practices for Commercial Documentary Credits of the International Chamber of Commerce (Publication No. 500). If this LETTER OF CREDIT expires during an interruption of business as described in Article 17 of said Publication 500, we hereby specifically agree to effect payment if this LETTER OF CREDIT is drawn against within five days after the resumption of business.

Very truly yours,

(*Issuing Bank*)