



RAILROAD COMMISSION OF TEXAS
 Alternative Fuels Research and
 Education Division - Licensing Section

Bank Declarations Regarding Irrevocable Letter of Credit

We hereby establish our irrevocable letter of credit (issued by a federally or State of Texas chartered and federally-insured bank authorized to do business in the United States) in favor of the State of Texas for the account of _____
 (Licensee or applicant's name)

Doing business as _____
 (DBA names(s) if any)

 (City) (State) (Zip Code) (LPG License Number)

This irrevocable letter of credit shall be in full force and effect until released or discharged by the Railroad Commission of Texas, Licensing Section, or until the expiration date of _____

This is your authority to draw drafts or direct draft for any amount up to and including the full amount not to exceed \$ _____. This letter of credit is given as security to ensure Licensee or License applicant named above will be able to meet its legal obligations to the public, to pay all claims as required by law in the event of a claim. The Railroad Commission of Texas, Licensing Section, acting for the State of Texas, may draw upon this letter of credit prior to its expiration to satisfy any judgment filed against the applicant, whether disputed or not. These funds will be held in a suspense account by the Comptroller of Public Accounts subject to final determination under due process of law.

All draft or payment directives are to be marked "Drawn under Letter of Credit Number _____".

I _____, an officer of _____ certify that the following conditions of the bank are true.
 (Name) (Name of bank)

- A. The bank is not subject to any outstanding written enforcement action, agreement, order, capital directive, or prompt corrective action issued by a state or federal bank regulatory agency;
- B. The bank is "well capitalized" as defined in federal bank regulatory statutes with a (i) total risk-based capital ratio of 10% or greater, (ii) a Tier 1 risk-based capital ratio of 6% or greater, and (iii) a leverage ratio of 5% or greater.
- C. The bank has received a "satisfactory" or better rating at its most recent Community Reinvestment Act (CRA) examination by a federal bank regulatory agency;
- D. The full amount of the letter of credit when added to other indebtedness of the applicant to the bank is within the institution's regulatory lending limit; and
- E. The bank is in good standing with the State Comptroller's Office regarding the payment of franchise taxes and other obligations to the state.

 (Name of Bank) (Signature of Bank Officer)

 (Address of Bank) (Printed Name of Bank Officer)

 (City) (State) (Zip Code) (Title of Bank Officer)

 (Area Code) (Telephone Number)

Subscribed and sworn to before me this _____ day of, _____

 (Printed Name of Notary Public)

 (Signature of Notary Public)

My commission expires _____

By filing this application via facsimile transmission, applicant voluntarily stipulates and agrees that the filed facsimile copy shall be treated as an original document for all purposes in any court or administrative proceeding.

Return to:
 Railroad Commission of Texas
 AFRED Licensing Section
 P.O. Box 12967
 Austin, Texas 78711-2967
 (800) 64-CLEAR
 Fax (512) 463-7292