

(Place on Bank's Letterhead)

Irrevocable Letter of Credit Template

Letter of Credit No.: _____

Date: _____

Commissioner of Insurance

North Carolina Department of Insurance
c/o Captive Insurance Companies Division
1203 Mail Service Center
Raleigh, NC 27699-1203

Bank Name: _____

Address: _____

City, State ZIP: _____

Commissioner:

We (hereinafter the "Bank") hereby establish this **Irrevocable Letter of Credit** in your favor for drawings up to:

U.S. \$ _____

effective immediately as a requirement for

(insert name of captive insurer/cell or series)

to operate as a North Carolina

(insert "licensed captive insurer" or "approved protected cell/series")

This Letter of Credit is issued, presentable, and payable at our office at:

(the "Bank Address")

and expires with our close of business on:

(the "Expiration Date").

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

Credit, if presented at the Bank Address on or before the Expiration Date or any automatically extended Expiration Date.

Except as stated herein, this undertaking is **not subject to any agreement, condition, or qualification.**

The obligation of the Bank is the **individual obligation of the Bank**, not contingent upon reimbursement from any other source.

It is a condition of this Irrevocable Letter of Credit that it shall be **automatically extended** without amendment for one (1) year from the Expiration Date or any future Expiration Date unless, **at least 90 days prior** to such date, we notify you by both of the following methods:

1. **Letter** addressed to:
Captive Insurance Companies Division
North Carolina Department of Insurance
1203 Mail Service Center
Raleigh, NC 27699-1203
(the "Commissioner's Address")

AND

2. **Electronic mail** to: **NCDOL.Captives@ncdoi.gov**
(the "Commissioner's E-mail Address")
stating our election **not** to extend the Irrevocable Letter of Credit for an additional period.

If this Irrevocable Letter of Credit expires during a period of interruption of the Bank's business caused by an Act of God, riot, civil commotion, insurrection, war, strike, lockout, or other cause beyond the Bank's control, the **Expiration Date shall automatically be extended** for the duration of the interruption.

This Irrevocable Letter of Credit is governed by the laws of the **State of North Carolina** and the **2007 Revision of the Uniform Customs and Practice for Documentary Credits (ICC Publication 600)**.

In the event of conflict, **North Carolina law controls.**

Should you have occasion to communicate with us regarding this Irrevocable Letter of Credit, please direct such communication to:

(Contact person)

making specific reference to our **Irrevocable Letter of Credit No.** _____.

If any legal proceedings arise concerning payment of this Irrevocable Letter of Credit, such proceedings shall be subject to the **courts and laws of the State of North Carolina.**

Very truly yours,

Name of Bank: _____

Bank Seal: _____

Signature of Bank Officer: _____

Title: _____

Date: _____