



STATE OF COLORADO
DEPARTMENT OF AGRICULTURE
IRREVOCABLE LETTER OF CREDIT



**MAIL
TO**

COLORADO DEPARTMENT OF AGRICULTURE – FARM PRODUCTS SECTION
2331 W. 31ST AVENUE
DENVER, CO 80211
(303) 477-0054

NAME OF FINANCIAL INSTITUTION

F.D.I.C. NUMBER IF APPLICABLE

TELEPHONE NUMBER

FACSIMILE NUMBER

HOW CHARTERED

ADDRESS

KNOW ALL PERSONS BY THESE PRESENTS, that the undersigned, hereinafter referred to as “Issuer”, by order of our client,

CLIENT (Hereinafter, referred to as the “Principal”)

TELEPHONE NUMBER

ADDRESS

The Issuer hereby establishes Irrevocable Letter of Credit No. _____ (“Letter of Credit”) to the Colorado Commissioner of Agriculture (“Commissioner”), in favor of the people of the State of Colorado as described in §§ 12-16-106 and 12-16-218, C.R.S. (hereinafter, referred to as the “Beneficiary”), at the request of Principal and in lieu of a surety bond for a maximum aggregate amount of _____ dollars (\$ _____), lawful money of the United States. Multiple draws are permitted as long as they do not exceed, in the aggregate, the maximum amount of this Letter of Credit. For each draw, the date of the draw, the dollar amount of the draw, the dollar amount of the remaining balance, the signature of the authorizing Department of Agriculture employee, and the signature of Issuer’s representative are to be recorded in the Draw Record on the back side of this Letter of Credit and a copy of the relevant Sight Draft Certificate is to be permanently affixed to this Letter of Credit.

The funds under this Letter of Credit are immediately available by sight payment upon presentation by the Commissioner, or any designated Employee of the Division of Inspection and Consumer Services, of a Sight Draft Certificate in the form of Exhibit A with all blanks appropriately completed. Presentation may be made at the main office or at any branch office operating under the same charter as Issuer, and at the sole discretion of Beneficiary may be made through teletransmission.

This Letter of Credit is effective on _____ 20____ and shall expire for presentation one year later on _____ 20____, but such expiration date shall be automatically extended two (2) times for a period of one year each on [date of expiration] _____ 20____ and on each successive expiration date, unless at least 90 days before the current expiration the Issuer or Principal gives written notice to the Beneficiary. The term of this Letter of Credit shall not exceed three (3) years in the aggregate.

The credit established by this Letter of Credit and the Issuer’s obligation to pay shall not be affected by the receivership, bankruptcy, or insolvency of Principal or the attachment of property of the Principal, nor shall this credit or Issuer’s obligation to pay be affected by any security agreement or other agreement between Principal and Issuer.

The Issuer represents, warrants, and covenants each and every one of the following conditions:

- A. That the Issuer is: a state or national bank or a state or federal savings and loan association, doing business in Colorado; or a bank for cooperatives organized or chartered under the Farm Credit Act, Chapter 7 of Title 12, U.S.C., serving the region in which the State of Colorado is located;
- B. That the Letter of Credit issued hereunder is negotiable at a financial institution located in Colorado or if the Issuer is a Bank for Cooperatives, then at its counters;
- C. The Issuer currently meets all applicable minimum capital requirements imposed under state and/or federal law;
- D. That this Letter of Credit is subject to the: (i) Uniform Commercial Code - Letters of Credit (Colorado Revised Statutes, Title 4, Article 5) (hereinafter “UCC”) and (ii) Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600 (hereinafter “UCP”). In the event of a conflict between the UCC and the UCP, the terms of the UCP shall prevail unless there is a conflict with the non-variable provisions specified in § 4-5-103(c), C.R.S. in which case the UCC shall prevail.
- E. Only the courts of the State of Colorado shall have jurisdiction over this Letter of Credit and any cases or controversies arising out of this Letter of Credit; and
- F. That the person signing this Letter of Credit is duly authorized to execute this document.

SIGNED THIS _____ DAY OF _____, 20____

ISSUER _____
NAME OF FINANCIAL INSTITUTION

BY _____
AUTHORIZED SIGNATURE

CERTIFICATION OF ISSUER'S SIGNER

I hereby certify that I am the duly elected and qualified secretary of _____
NAME OF FINANCIAL INSTITUTION
 and the keeper of the records and corporate seal of said corporation; and that _____
(SIGNER OF LETTER OF CREDIT)
 has the authority of the Board of Directors of said corporation to negotiate and sign this document on behalf of this corporation.

IN WITNESS WHEREOF, I have hereunto affixed my name as secretary and have caused the corporate seal of said corporation to be hereto affixed this _____ day of _____, 20____.

(IMPRINT SEAL BELOW)

SIGNATURE - SECRETARY OF FINANCIAL INSTITUTION

TYPED NAME OF SECRETARY OF FINANCIAL INSTITUTION

EXHIBIT A: SIGHT DRAFT CERTIFICATE FOR IRREVOCABLE LETTER OF CREDIT

Name of Financial Institution: _____

Address: _____

Dear Sir or Madam,

The undersigned individual, a duly authorized representative of the Commissioner of the State of Colorado, Department of Agriculture, on behalf of Beneficiary hereby makes a sight draw in the amount of \$ _____ on Irrevocable Letter of Credit No. _____ dated _____, 20____. I certify that the amount of the draft is payable pursuant to the Farm Products Act and/or the Commodity Handler Act, Article 16, Title 12, C.R.S. as amended, and the related implementing regulations.

You are hereby directed to make immediate payment in the form specified below:

Check A or B below:

- A. Cashier's Check payable to the Colorado Department of Agriculture; or
- B. Wire Transfer of Immediately Available Funds to the State of Colorado bank account identified below:
 Name of Receiving Bank: _____
 ABA Routing Number of Receiving Bank: _____
 Account Number at Receiving Bank: _____
 Attention: _____
 Re: _____

IN WITNESS WHEREOF, this Sight Draft Certificate has been executed this _____ day of _____, 20____.

BY _____
AUTHORIZED SIGNATURE

TYPED NAME AND TITLE

DRAW RECORD

| Date of Draw | Dollar Amount of Draw | Dollar Amount of Remaining Balance | Signature of Authorizing Dept. of Agriculture Employee | Signature of Issuer's Representative |
|--------------|-----------------------|------------------------------------|--|--------------------------------------|
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