

**IRREVOCABLE STANDBY LETTER OF CREDIT – SAMPLE FORMAT**

BANK NAME: (BUYERS BANK)  
BANK ADDRESS:  
SWIFT CODE:  
ACCOUNT NUMBER:  
BANK OFFICER:  
BANK OFFICER PHONE:  
BANK OFFICER EMAIL:  
AMOUNT: 000,000,000.00  
CURRENCY: USD

**RECEIVER:**

Bank Name: (SELLERS BANK)  
Street Address:  
Account Name:  
Account Number USD:  
IBAN Number USD NIB Number USD:  
SWIFT Code:  
Account Signatory:  
Bank Officer Name:  
Telephone Number:  
Bank office e-mail:

BY THE ORDER OF: (BUYER) **COUNTERPARTY**

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER ##### IN FAVOR OF \_\_\_\_\_ (THE "BENEFICIARY" / "SELLERS") FOR THE ACCOUNT OF \_\_\_\_\_, (THE "APPLICANT" / BUYER), FOR AN AMOUNT OF USD XXXXXX (MILLION AND 00/100 U.S. DOLLARS) AVAILABLE BY YOUR DRAFTS AT SIGHT AND PAYABLE AT SIGHT WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

BENEFICIARY'S SIGNED CERTIFICATE STATING: I, AN AUTHORIZED REPRESENTATIVE OF (SELLERS), WITH RESPECT TO (NAME OF ISSUING BANK) STANDBY LETTER OF CREDIT NO. \_\_\_\_\_, HEREBY CERTIFY THAT:

- a) (BUYER) COUNTERPARTY IS IN DEFAULT UNDER THE AGREEMENTS(S) BETWEEN (BUYER) COUNTERPARTY AND (SELLER) AND THE AMOUNT OF THIS DRAWING USD \_\_\_\_\_ (MILLION AND 00/100 U.S. DOLLARS) IS DUE AND OWING AND REMAINS UNPAID UNDER SAID AGREEMENTS(S).

OR

- b) A STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED REPRESENTATIVE OF (SELLER) ENTITY CERTIFYING THE STANDBY LETTER OF CREDIT WILL EXPIRE LESS THAN \_\_\_\_ (XX) DAYS FROM THE DATE HEREOF. THE ENTITY HAS REQUESTED ALTERNATE SECURITY FROM THE COUNTERPARTY (BUYER) AND THE COUNTERPARTY HAS FAILED TO PROVIDE ALTERNATE SECURITY IN ACCORDANCE WITH THE TERMS OF THE RELATIVE AGREEMENT(S). (SELLER) ENTITY IS THEREFORE ENTITLED TO DRAW USD \_\_\_\_\_ UNDER THE STANDBY LETTER OF CREDIT.

EXPIRATION DATE: \_\_\_\_\_, 2022\_.

**MUST BE ISSUED VIA SWIFT MT 760**

SPECIAL CONDITIONS:

PARTIAL DRAWINGS ARE PERMITTED

ALL ISSUING BANK CHARGES ARE FOR THE ACCOUNT OF THE APPLICANT (BUYER)

PRESENTATION OF INVOICES IN EXCESS OF THE AMOUNT OF THIS STANDBY LETTER OF CREDIT IS ACCEPTABLE, HOWEVER, DRAWINGS ARE LIMITED TO THE AMOUNT AVAILABLE UNDER THIS CREDIT.

WE HEREBY ENGAGE WITH YOU THAT DOCUMENTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED UPON PRESENTATION AS SPECIFIED IF PRESENTED AT OUR COUNTERS, ON OR BEFORE THE EXPIRATION DATE.

IT IS A CONDITION OF THE LETTER OF CREDIT THAT IT SHALL BE DEEMED TO BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR PERIODS OF ONE (1) YEAR FROM ITS PRESENT EXPIRATION DATE, OR ANY FUTURE EXPIRATION DATE UNLESS ATLEAST NINETY (90) DAYS PRIOR TO ANY EXPIRATION DATE WE SEND YOU NOTICE BY REGISTERED MAIL, RETURN RECEIPT REQUESTED, OR COURIER SERVICE OR HAND DELIVERY AT YOUR ABOVE ADDRESS THAT WE ELECT NOT TO CONSIDER THE LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL SERVICE.

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.

THIS LETTER OF CREDIT IS SUBJECT TO INTERNATIONAL STANDBY PRACTICES (ISP 98). THIS LETTER OF CREDIT SHALL BE DEEMED TO BE MADE UNDER THE LAWS OF THE STATE OF \_\_\_\_\_, INCLUDING ARTICLE 5 OF THE UNIFORM COMMERCIAL CODE, AND SHALL, AS TO MATTERS NOT GOVERNED BY THE INTERNATIONAL STANDBY PRACTICES (ISP98), BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF \_\_\_\_\_ EXCLUDING ANY CHOICE OF LAW PROVISIONS OR CONFLICT OF LAWS PRINCIPLES WHICH WOULD REQUIRE REFERENCE TO THE LAWS OF ANY OTHER JURISDICTION.