

IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

Expiration Date: _____

We establish our Irrevocable Letter of Credit No. _____ in favor of the Arkansas Department of Environmental Quality (Department) for the financial assurance that _____ will comply with the

Name of Operator

reclamation requirements of the Arkansas Quarry Operation Reclamation and Safe Closure Act (Act) on all lands affected by mining operations at the _____ quarry up to the aggregate amount

Name of Quarry

of _____ dollars (\$ _____) available by your sight drafts on us.

Drafts for payment must be accompanied by:

1. Your sight draft, bearing reference to this Letter of Credit No. _____; and
2. A notice of bond forfeiture signed by the Director of the Department.

It is a condition of this Letter of Credit that it will not expire for a period of no less than one (1) year upon issuance and that it will be automatically extended for a period of one (1) year upon each successive expiration date until such time that the mining operation has been fully reclaimed and released by the Department. We agree that we will provide the Department and the Operator with a verification of the annual extension to this Letter of Credit.

If at least ninety (90) days before the current expiration date, we notify both the Department and _____ by Certified Mail that we will not

Name of Operator

extend this Letter of Credit beyond the current expiration date and

_____ provides an acceptable alternative bond as a

Name of Operator

replacement, this Letter of Credit can be withdrawn upon written release from the Department otherwise the Letter of Credit must remain in full force.

We hereby agree that drafts drawn under and in accordance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the documents as specified above.

Signature of Bank/Financial Institution Official _____

Name of Bank/Financial Institution Official _____

Title of Bank/Financial Institution Official _____

Name of Bank/Financial Institution _____

Address _____

Telephone Number _____