



IRREVOCABLE STANDBY LETTER OF CREDIT

Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

We establish our Irrevocable Letter of Credit No. \_\_\_\_\_ in favor of the Arkansas Department of Energy & Environment (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 \_\_\_\_\_

\_\_\_\_\_ Name of Quarry quarry up to the aggregate amount 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 Secretary 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

\_\_\_\_\_ Name of Operator by Certified Mail that we will not extend this Letter of Credit beyond the current expiration date and

\_\_\_\_\_ Name of Operator provides an acceptable alternative bond as a replacement, this Letter of Credit can be withdrawn upon written release from the Department otherwise the Letter of Credit must remain in full force.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.

Bank/Financial Institution

Official's Signature: \_\_\_\_\_
Official's Name: \_\_\_\_\_
Official's Title: \_\_\_\_\_
Institution's Name: \_\_\_\_\_
Street Address: \_\_\_\_\_
Phone Number: \_\_\_\_\_