

TO: **State of Maryland**  
**Department of the Environment**  
**Bureau of Mines**  
**160 South Water Street**  
**Frostburg, Maryland 21532**

\_\_\_\_\_  
Name of Financial Institution

\_\_\_\_\_  
Name of Permittee/Permit No.

## IRREVOCABLE LETTER OF CREDIT

Gentlemen:

We \_\_\_\_\_ (Financial Institution) hereby establish our irrevocable letter of credit in favor of the State of Maryland, Department of the Environment by order and for account of \_\_\_\_\_ (Permittee name and address), in the amount of \_\_\_\_\_ (dollars) which total sum is guaranteed available upon your demand and payable directly to the State in full upon our receipt from the Maryland Bureau of Mines of a Notice of Forfeiture by \_\_\_\_\_ (Permittee) under Permit No. \_\_\_\_\_ issued by the Bureau of Mines.

This letter of credit shall remain fully in effect during the term of the said Permit, any renewals thereof, and the reclamation period thereafter as provided in Annotated Code of Maryland, Environment Article, Title 15, Subtitle 5 and regulations promulgated pursuant thereto. This letter of credit shall be irrevocable until released by the Bureau of Mines. The full amount payable under this letter of credit shall be confessed to judgment upon revocation of Permit No. \_\_\_\_\_ and Notice of Forfeiture issued by the Bureau of Mines.

We, \_\_\_\_\_, are a financial institution organized under the laws of \_\_\_\_\_ (State) and are authorized to do business in the State of Maryland. This letter of credit is not in excess of ten percent (10%) of our capital surplus account as shown on our most recent balance sheet certified by a certified public accountant. This letter of credit is ☐ is not ☐ secured by a segregated deposit account in this financial institution. If the letter of credit is secured by a segregated deposit account, we hereby expressly waive all rights of setoff or liens which we have or might have against any such segregated deposit account.

By these presents, we agree that we will give prompt notice to \_\_\_\_\_  
\_\_\_\_\_ (Permittee) and the Bureau of Mines of any notice received or action  
filed alleging the insolvency or bankruptcy of the financial institution, or alleging any violations of  
regulatory requirements which could result in suspension or revocation of our charter or license to do  
business. We also agree that, in the event we become unable to fulfill our obligations under this letter  
of credit for any reasons, notice thereof shall be given immediately to \_\_\_\_\_  
\_\_\_\_\_ (Permittee) and the Bureau of Mines.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Permittee

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Officer of Financial Institution

\_\_\_\_\_  
Printed Name and Title

Accepted:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Bureau of Mines