

SAMPLE IRREVOCABLE LETTER OF CREDIT

DATE

(Current Commissioner)

Tax Commissioner
Capitol Building, W-300
Charleston, West Virginia 25305

RE: IRREVOCABLE LETTER OF CREDIT NO. _____

Dear Commissioner _____ :

We, _____ **(Financial Institution)** _____, hereby establish in favor of the State of West Virginia for the use of the Tax Commissioner of the State of West Virginia our Irrevocable Letter of Credit available by draft of the State Tax Commissioner drawn at this Bank at our banking house in _____ **(City)** _____, for sums not exceeding _____ **(Amount)** _____, for the account of _____ **(Taxpayer)** _____, to provide indemnification to the Tax Commissioner adequate to secure compliance with the provisions of Chapter 11 of the West Virginia Code.

1. Hereunder _____ **(Funds)** _____ are available to you, or your successor as Tax Commissioner, by drafts of the Tax Commissioner drawn on us if presented on or before _____ **(Date)** _____. Drafts must be marked "Drawn Under Letter of Credit No. _____, dated _____".

2. Any draft hereunder shall be accompanied by a written certification by the Tax Commissioner that _____ **(Taxpayer)** _____ has failed to comply with the provisions of Chapter 11 of the West Virginia Code, that the Tax Commissioner has given _____ **(Taxpayer)** _____, 15 days written notice by certified mail, return receipt requested, of the default by _____ **(Taxpayer)** _____ in payment of any assessment which has become final and not subject to further appeal, and that _____ **(Taxpayer)** _____, has not cured such default within such fifteen day period.

3. All drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon delivery of documents as specified if presented on or before the current or a future date of expiration.

4. This Letter of Credit shall be automatically extended for additional periods of one year from the present or each future expiration date unless we notify you by certified mail, return receipt requested, at the above address at least thirty (30) days prior to the expiration date of this Letter of Credit that we intend not to extend it for another year (less one day) or to replace it with another similar Letter of Credit, and that following such notice you may immediately draw against this Letter of Credit, notwithstanding the provisions of Paragraph 2.

Very truly yours,

Financial Institution

By: _____