

"SAMPLE"

**COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE**

**INTERNATIONAL INSURER
FORM OF IRREVOCABLE LETTER OF CREDIT**

Letter of Credit No. []

Date: _____

OFFICE OF THE COMMISSIONER OF INSURANCE
GOVERNMENT OF PUERTO RICO
B5 TABONUCO STREET, SUITE 216 PMB 356
GUAYNABO, PR 00968-3029

COMMISSIONER:

1. We hereby establish this clean, irrevocable and unconditional LETTER OF CREDIT for the account of _____ in the amount of \$_____, available by the draft(s) of _____ drawn on us, at sight, bearing the number of this LETTER OF CREDIT NO. []. This LETTER OF CREDIT shall expire at our Letter of Credit Department, (Bank address), at our close of business (date), unless hereinafter extended.
2. This LETTER OF CREDIT shall be automatically extended, without amendment, for additional periods, each of one year, unless at least thirty (30) calendar days prior to the relevant expiration date we have advised _____ in writing, by certified mail, that we elect not to extend. In that event, _____ may draw hereunder on or prior to the then relevant expiration date, up to the full amount then available hereunder, against a sight draft(s) on us, bearing the number of this LETTER OF CREDIT.

The notification in writing hereby required shall also be made concurrently to the Commissioner of Insurance for their reference and corresponding action.

3. The foregoing provision is not meant to limit _____ ability to draw hereunder, up to the full amount then available hereunder, in the event of Court ordered Receivership or otherwise, at any time.
4. Except as stated herein, this undertaking is not subject to any requirement or qualification.
5. Each sight draft so drawn and presented shall be promptly honored by us if presented by _____ or an authorized designee on or prior to the above stated expiration date or any extension thereof as above provided.
6. This LETTER OF CREDIT sets forth in full the term of our undertaking, and such undertaking shall not in any way be modified, amended or amplified by reference to any note, document, instrument, statute or regulation or agreement referred to herein or in which this LETTER OF CREDIT is referred to or to which this LETTER OF CREDIT relates and any such reference shall not be deemed to incorporate herein by reference any note, document, instrument, statute, regulation or agreement.
7. **OPTIONAL:** This LETTER OF CREDIT is subject to the Uniform Customs and Practice Documentary Credits (2007 Revision) International Chamber of Commerce Publication No. 600. Notwithstanding Article 36 of said Publication, in the event that one or more of the occurrences specified in Article 36 occurs, then the bank hereby specifically agrees that this LETTER OF CREDIT shall be extended so as not to expire during such interruption of business and shall extend for ten (10) days after such resumption of business.

(NAME OF BANK. The Bank must be listed in the National Association of Insurance Commissioner's Purpose and Procedures of the Securities Valuation Office.)

AUTHORIZED SIGNATURE