

**Suggested Format for Letter of Credit**

(Name of Bank and Address)

Date: \_\_\_\_\_  
L/C #: \_\_\_\_\_  
Amount: \_\_\_\_\_  
Expiry: \_\_\_\_\_  
At Our Counters

BENEFICIARY:  
USDA, Food and Nutrition Services  
3101 Park Center Drive, room 510  
Alexandria, Virginia 22302-1500

APPLICANT:  
(Name and Address of Applicant)

We have established this clean, irrevocable, and unconditional Letter of Credit in your favor as beneficiary for drawings up to U.S. \$\_\_\_\_\_ effective immediately. This Letter of Credit is issued, presentable and payable at our office at (issuing bank address) and expires with our close of business on June 30, (year). Except when the amount of this Letter of Credit is increased, this Credit cannot be modified or revoked without your consent.

The term “Beneficiary” includes any successor by operation of law of the named Beneficiary. If a court of law appoints a successor in interest to the named beneficiary, then the named beneficiary includes and is limited to the court appointed domiciliary receiver (including conservator, rehabilitator or liquidator).

We hereby undertake to promptly honor your sight draft(s) drawn on us, indicating our Credit No. \_\_\_\_\_, for all or any part of this Credit upon presentation of your draft drawn on us at our office specified in paragraph one on or before the expiration date hereof or any automatically extended expiry date.

Except as expressly stated herein, our undertaking is not subject to any agreement, requirement or qualification. The obligation of (issuing bank) under this Credit is the individual obligation of (issuing bank) and is in no way contingent upon reimbursement with respect thereto, or upon our ability to perfect any lien, security interest or any other reimbursement.

This Letter of Credit is deemed to be automatically extended without amendment of one year from the expiration date or any future expiration date, unless thirty days prior to such expiration date, we notify you by registered mail that this Letter of Credit will not be renewed for any such additional period.

The Letter of Credit is subject to and governed by the laws of the State of (see Note 1 below) and the 1993 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce (Publication No. 500) and in the event of any conflicts the Laws of (see Note 1 below) will control. If this Credit expires during an interruption of business as described in Article 17 and of said Publication 500, the bank hereby specifically agrees to effect payment if this Credit is drawn against within 30 days after the resumption of business.

Very truly yours,

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Notes:

1. Ceding insurers insert their State of incorporation. United States branches of alien insurers insert their state of entry.