

LETTER OF CREDIT

Director
Department of Environmental Quality
c/o Land and Water Management Division
Administration and Program Support Section
525 West Allegan
Lansing, Michigan 48933

Director, Department of Environmental Quality:

We, (_____), as the Surety, hereby issue our irrevocable Letter of Credit number (_____) in favor of the Michigan Department of Environmental Quality (MDEQ) on behalf of (_____), hereby referred to as the Principal, whose address is (_____), for a sum of up to an aggregate amount not to exceed (_____ and 00/100) (\$_____), available by your drafts at sight drawn on our institution, (_____), located at (_____). Drafts must be marked "Drawn under [name of institution] Letter of Credit number (_____) dated (_____)." We are a bank or financial institution that has the authority to issue Letters of Credit in the state of Michigan.

This Letter of Credit is to provide financial assurance to the MDEQ for the conditions specified in Permit Number (_____) (Permit) where the Principal is required to establish a wetland mitigation area that is within the state of Michigan in accordance with the provisions of Part 303, Wetlands Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Part 303), and the administrative rules promulgated thereunder.

The MDEQ may draw on this Letter of Credit in the event that the Director of the MDEQ, or authorized representative(s), in accordance with the provisions of Part 303, and the administrative rules promulgated thereunder, issues a Notice of Violation or other order indicating that the Principal has failed to comply with the requirements of the Permit. These funds shall allow the MDEQ to complete the required mitigation.

Partial drawings are permitted. This original Letter of Credit must be submitted to us together with any drawings hereunder for our endorsement of any payments effected by us and/or for cancellation.

This Letter of Credit shall be, and continue to be, in force for a minimum of one (1) year, but such expiration date shall be automatically extended for periods of one year, unless, not less than 90 days before the current expiration date, we notify both the MDEQ and the Principal by certified mail of our decision not to extend the current expiration date. We agree that the 90-day period shall begin on the date when both you and the Principal have received the notice, as evidenced by the return receipts. If the Principal does not extend the expiration date or establish alternative financial assurance within 30 days after receipt of an expiration or cancellation notice by the Surety, the MDEQ may draw on the Letter of Credit. The Principal is not authorized to cancel the Letter of Credit without written approval from the MDEQ.

This Letter of Credit is subject to the Uniform Customs and Practices for Documentary Credits, 2007 Revisions, International Chamber of Commerce, Publication No. 600, and the Uniform Commercial Code, where applicable. Where conflicts exist between Uniform Customs and Practices for Documentary Credits and the Michigan Uniform Commercial Code, the Michigan Uniform Commercial Code shall control.

We shall honor drafts drawn under and in compliance with the terms of this Letter of Credit and these drafts will be duly honored upon presentation to us if presented on or before (_____, 20__), or any automatically extended date. The amount of each draft must be endorsed by us on the reverse of this Letter of Credit.

We certify that the wording on this Letter of Credit is identical to the wording provided by the MDEQ as of the date shown immediately below.

Institution

Address

City, State

Signature

Printed name

Date

Phone