

CLEAN IRREVOCABLE LETTER OF CREDIT



(Name and address of issuer if not on letterhead)

Date

Arkansas Professional Bail Bondsman Licensing Board
900 West Capitol, Suite 400
Little Rock, Arkansas 72201

Re: Clean Irrevocable Letter of Credit No. _____

Expiration Date _____

Dear Board:

At the request of _____, a professional bail bond company (“Company”), we, as issuer, are opening a Clean Irrevocable Letter of Credit in favor of you or your successors in office for up to the aggregate amount of _____ (\$_____), or such amount as indicated by the Addendum attached hereto, or any amendments thereof. We undertake that drawings under this Letter of Credit for any liability incurred by Company during term of this Letter of Credit shall be honored upon presentation of a draft to issuer *by you or your authorized representative. Drawings shall be honored by Issuer whether presented prior to the expiration date of the Letter of Credit or after the term of the Letter of Credit has expired. Issuer agrees and acknowledges that its obligation under this Letter of Credit matures at the time Company or any of its licensees fail to faithfully perform their duties as required by law. All drafts so drawn must be marked drawn under the above referenced Credit Number.

This Letter of Credit, which is retroactive from _____, is issued to you or your successors in office to meet the requirements of Ark. Code Ann. §17-19-205, which requires each bail bond company license applicant and renewal company license applicant to post and maintain with the Arkansas Professional Bail Bondsman Licensing Board a security deposit.

If during the term of this Letter of Credit, any of the licensees listed in the Addendum attached hereto are guilty of failing to faithfully perform their duties as required by law, the Board may draw upon this Letter of Credit pursuant to Ark. Code Ann. §17-19-208 and either recover the full amount of the penalty incurred or bond forfeited, or recover for the use and benefit of the person or persons aggrieved, the amount of loss or injury sustained by such person or persons by reason of such misconduct or forfeited bond. However, no such recovery or recoveries shall exceed a maximum amount of Ten Thousand Dollars (\$10,000.00) as stated in Ark. Code Ann. §17-19-208.

It is a condition of this Letter of Credit that it shall not be subject to termination, expiration or cancellation in less than sixty (60) days after giving written notice thereof by certified mail, return receipt requested, to the Arkansas Professional Bail Bondsman Licensing Board.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment from any stated expiration date herein, unless sixty (60) days prior to any such date we shall notify you or your successors in office in writing by certified mail, return receipt requested, that we elect not to consider this Letter of Credit renewed for any such additional period.

It is a condition of this Letter of Credit that no such termination or cancellation or nonrenewal shall affect the liability of the Issuer incurred prior to the effective date of such termination or cancellation or nonrenewal. Issuer's liability under this Letter of Credit is incurred at the time Company or any of its licensees fail to faithfully perform their duties as required by law.

It is a further condition of the Letter of Credit that it is issued to the Board solely for the express obligations of licensees as enumerated under Ark. Code Ann. §17-19-205, therefore it is expressly agreed and acknowledged by the Issuer that only the Board's drafts drawn under and in compliance with * the terms of this Letter will be duly honored by the Issuer if presented* as set forth herein. The Issuer confirms the credit and hereby undertakes that all such drafts drawn and presented will be duly honored.

It is understood and acknowledged by the Issuer herein that the list of bail bond licensees who are the subject of this Letter of Credit and who are named in the attached Addendum, may change from time to time due to normal personnel changes. Therefore, it is agreed by the Issuer that such additions and deletions of licensed personnel shall be reflected by amending the attached Addendum and by affixing the revision date and wet signature of an officer of the Issuer.

Except as expressly stated otherwise, this credit is subject to the "Uniform Customs and Practice for Documentary Credit", 1993 Revision, of the International Chamber of Commerce Publication No. 500.

Sincerely,

Officer of the Issuer

Title or Position

**APPENDIX F
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AMMENDUM

Name of Bail Bond Company _____

Issuer _____ Date/Amount of Original Letter of Credit

Credit No. _____

Covered Licensee(s): _____

Officer of Issuer

Title or Position

Date