

BANK Letterhead Stationary

Date of Issuance: _____

Irrevocable Letter of Credit #: _____

Amount: \$ _____

Permit No.: _____

Illinois Department of Natural Resources
Office of Mines and Minerals
Explosives and Aggregate Division
One Natural Resources Way
Springfield, Illinois 62702-1271

The _____ (Issuing Bank) hereby issues this Irrevocable Letter of Credit to the Illinois Department of Natural Resources (Department), Office of Mines and Minerals for _____ (Permittee). This Irrevocable Letter of Credit authorizes the Department to draw on the Issuing Bank, up to the amount of \$ _____, by sight draft presented for payment to the Issuing Bank. The sight draft shall include a signed statement from the Department that the Permittee failed to submit acceptable replacement bond, or that the Permittee's acts or failure to act warrant forfeiture of this Irrevocable Letter of Credit pursuant to 62 Ill. Adm Code 300.40, as amended, and as authorized by the Surface Mined Lands Conservation and Reclamation Act, 225 ILCS 715 *et seq.*

The Issuing Bank authorizes the Department, its lawful assigns, or the attorneys for the Department and its assigns, to sue, to waive notice and process, to appear on behalf of, and to confess judgment against the Issuing Bank, in the event that this Irrevocable Letter of Credit is dishonored. This Irrevocable Letter of Credit shall be deemed to be made in Sangamon County, Illinois, for purposes of enforcement and any actions thereon shall be enforceable in the Courts of Illinois and shall be construed under Illinois Law.

The Issuing Bank is (select one):

_____ an Illinois Bank Corporation operating under Illinois Banking Charter No. _____ (or)
_____ a National Banking Association operating under Charter No. _____ issued by the
Comptroller of the Currency

and conducts its business at the address shown above. The Issuing Bank shall give prompt notice to the Permittee and to the Department of any notice received or action alleging the insolvency or bankruptcy of the Issuing Bank, or alleging any violations of regulatory requirements which could result in suspension or revocation of the Issuing Bank's charter or license to do business.

In the event the Issuing Bank becomes unable to fulfill its obligations under this Irrevocable Letter of Credit for any reason, notice shall be given immediately to the Permittee and the Department, provided that such notice shall in no way relieve the Issuing Bank of its obligations under this Irrevocable Letter of Credit.

Upon the incapacity of the Issuing Bank by reason of bankruptcy, insolvency, suspension or revocation of its charter or license, the Permittee, within thirty (30) days after receiving notice thereof from the Department, shall substitute for this Irrevocable Letter of Credit a replacement bond that fully complies with the Department's regulations. Upon the Permittee's failure to submit a replacement bond as herein provided, the Department shall suspend the permit until such substitution has been made.

This Irrevocable Letter of Credit is a binding obligation on the Issuing Bank, independent of the acts and omissions of the Permittee, payable upon presentment by the Department or its written order. The Department and/or the State of Illinois shall in no way be obligated to the Issuing Bank or Permittee for repayment of all or any portion thereof.

Select one:

___ This Letter of Credit will automatically extend for additional, successive terms of one (1) year each on the above date of issuance, unless the Issuing Bank provides the Department with written notice, at least ninety (90) days prior to this annual renewal date, that it does not wish to extend the Irrevocable Letter of Credit for an additional period. The Department has the right to draw on this Irrevocable Letter of Credit by presentation of a sight draft in the event the Permittee does not replace this Irrevocable Letter of Credit, prior to the thirty (30) days before said annual renewal date, with a replacement bond acceptable to the Department pursuant to the Surface Mined Land Conservation and Reclamation Act, 225 ILCS 715 *et seq.*, and its regulations, 62 Ill. Adm. Code 300.40, as amended.

___ Liability of the Issuing Bank under this Irrevocable Letter of Credit shall continue until all reclamation, restoration and abatement work for the permit required of persons who conduct mining under the requirements of the Illinois Surface Mined Land Conservation and Reclamation Act, the Department's regulations, the provisions of the permit has been completed, and the permit terminated by release of the Permittee from any further liability, in accordance with the Surface Mined Land Conservation and Reclamation Act, 225 ILCS 715 *et seq.*, and its regulations, 61 Ill. Adm. Code 300.40, as amended.

Name of Issuing Bank

RSSD ID No. _____

Authorized Agent of Issuing Bank

Title or Position