

ACSTAR INSURANCE COMPANY
Farmington, Connecticut

IRREVOCABLE STANDBY LETTER OF CREDIT

SAMPLE: To be typed on Bank stationery and forwarded to ACSTAR Insurance Company.

To: ACSTAR Insurance Company
30 South Road
Farmington, CT 06032

Irrevocable Standby Letter of Credit
No. _____

Date: _____

Expiration Date: _____

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit, effective immediately, in your favor, at the request of NAME OF PERSON OR COMPANY ARRANGING CREDIT. We hereby authorize you to draw on NAME OF BANK of CITY & STATE up to an aggregate amount of _____ U.S. Dollars available by your drafts at sight in the event you deem it necessary by reason of your having executed bond(s) on behalf of PARENT COMPANY and or any affiliates/subsidiaries. All drafts so drawn must be marked drawn under our Irrevocable Standby Letter of Credit No. _____.

It is a condition of this Irrevocable Standby Letter of Credit that it shall be deemed automatically extended without amendment for one year from the present or any future expiration date hereof, unless forty-five (45) days prior to any such date we shall notify you in writing by certified mail, receipted overnight mail or receipted courier at the above listed address that we elect not to consider this Irrevocable Standby Letter of Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw hereunder by means of your drafts on us at sight accompanied by your letter stating that the proceeds of your drafts will be retained and used by you, and that in the event your liability under your bond(s) is satisfied, you will refund to us the amount paid, less any amount which may have been paid by you in the meantime under your bond(s) or any other contract and any unpaid premium due you.

Except as expressly stated herein, this undertaking is not subject to any agreement, condition, or qualification. The obligation of NAME OF BANK under this Irrevocable Standby Letter of Credit is the individual obligation of NAME OF BANK and is in no way contingent upon reimbursement with respect thereto.

We engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored if presented at this office on or before EXPIRATION DATE or any automatically extended expiration date, as hereinbefore set forth. We confirm credit and hereby undertake that all drafts drawn and presented will be duly honored by us.

Except so far as otherwise expressly stated, this undertaking is issued subject to the International Standby Practices 1998.

Sincerely,

Authorized Signature
(Title)

Authorized Signature
(Title)

NOTE: This letter must be signed by two authorized officers of the institution. The name and title of the officers must be typed below their signatures.