

(On Bank Letterhead)

IRREVOCABLE LETTER OF CREDIT

U.S. Dollars: _____

Number: _____

TO: Wisconsin Department of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive
P. O. Box 8911
Madison, WI 53708-8911

An Irrevocable Letter of Credit is hereby established in favor of the Wisconsin Department of Agriculture, Trade, and Consumer Protection ("the department") available by the department's notice drawn on _____ (*Issuing Bank*) and payable at sight for any sums not exceeding the aggregate amount of _____ U.S. Dollars, for the account of _____ (*Name of Milk Contractor*).

Drafts presented for payment under the terms of this letter of credit shall be accompanied by a letter from the department stating that _____ (*Name of Milk Contractor*) is in default to producers or producer agents who sold milk under Ch. 126, Sub. Ch. V, Wis. Stats., to the milk contractor because the milk contractor failed to pay the producers or producer agents for the milk. The amount of the draft must be supported by a list of names of producers or producer agents and the amount owed to those producers or producer agents. This letter of credit becomes effective on the date it is signed by the bank or on _____ (*Effective Date*), whichever is later, and shall remain in effect for a period of one year from the effective date. This letter of credit shall be deemed automatically renewed without amendment for one year from the present or any future expiration date hereof, unless at least ninety (90) days prior to such expiration date, _____ (*Name of Bank*) gives the department notice in writing served in person or by certified letter that it has elected not to allow this letter of credit to automatically renew for another year.

Drafts drawn under and in compliance with the terms of this letter of credit shall be duly and immediately honored if presented to the bank on or before the expiration date of this letter of credit. Payment shall be made to the department regardless of any financial condition of the milk contractor including the filing of bankruptcy. Applicable provisions of Chapter 405, Wis. Stats., shall apply to this letter of credit unless such provision is inconsistent with a provision of this letter of credit in which case the provisions of this letter of credit shall control.

This letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Publication No. 600. In case of conflict between chapter 405, Wis. Stats., and Uniform Customs and Practice for Documentary Credit (2007 Revision) International Chamber of Commerce Publication No. 600, chapter 405, Wis. Stats., shall control.

Signed this _____ day of _____, 20_____.

(Issuing Bank)

By: _____
Name
Title

TR-SB-68 (Rev 5/16)

The wording in this sample irrevocable letter of credit must be copied exactly. No alterations are permitted. The wording above applies ONLY to Milk Contractors.