

(LETTERHEAD OF BANK)

IRREVOCABLE DIRECT DRAW LETTER OF CREDIT

Date \_\_\_\_\_

Developers Surety and Indemnity Company  
and/or Indemnity Company of California  
17771 Cowan, Suite 100  
Irvine, CA 92614  
Attn: Collateral Department

Letter of Credit No. \_\_\_\_\_

Expire Date \_\_\_\_\_

Gentlemen:

We hereby establish this Irrevocable Direct Draw Letter of Credit in your favor, at the request of NAME OF PARTY ARRANGING CREDIT. We hereby authorize you to draw on NAME OF BANK of CITY & STATE up to an aggregate amount of \$ \_\_\_\_\_.

U.S. Currency available by your drafts at sight accompanied by your signed statement that funds are required to cover liability, loss, cost, expense or unpaid premiums incurred by you under a bond(s) or undertaking executed by you on behalf of NAME OF PRINCIPAL.

It is a condition of this Irrevocable Direct Draw 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 at least sixty (60) days prior to any such date, we shall notify you in writing by certified mail at the above listed address that we elect not to consider this Irrevocable Direct Draw 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 signed statement that the aforesaid bond(s) or undertaking is still outstanding and that the proceeds of your drafts will be retained and used by you, to cover liability, loss, cost, expenses or unpaid premiums which may thereafter be incurred by you under said bond(s) or undertaking.

We engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored, without verification, on delivery of the documentation specified above if presented at this office on or before EXPIRATION DATE or any automatically extended date, as hereinbefore set forth.

This Irrevocable Direct Draw Letter of Credit shall be governed by and construed in accordance with the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600.

Very truly yours,

\_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Authorized Signature)

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.