

Sample Letter of Credit

(CHARTERED BANK OF CANADA)
Letter of Credit

[Date]

BENEFICIARY:

Liquor Control Board of Ontario
55 Lake Shore Boulevard East
Toronto, Ontario
M5E 1A4

Dear Sirs:

Irrevocable Standby Letter of Credit No. _____

At the request of our customer _____, located at _____, we hereby issue in your favour our irrevocable standby letter of credit No. _____ in the amount of _____ Dollars (\$ _____), effective immediately and expiring at our offices at _____, Ontario, Canada, at the close of business on _____, relative to our customer's performance under (i) the Wholesale Supply Agreement between the LCBO and our customer entered into pursuant to LCBO RFB #2015-010; and (ii) the Wholesale Supply Agreement between the LCBO and our customer entered into pursuant to LCBO RFB #2016-010 (collectively, the "Contracts").

This letter of credit expires on [DATE], however, this letter of credit shall be deemed to be automatically extended without any amendment for one year from the present or any future expiration date unless at least ninety (90) days prior to any such date, the bank notifies the beneficiary in writing at the address noted above, by certified mail, that the bank elects not to extend this letter of credit for any future period. Upon receipt of such notice of non-renewal of the expiration date of this letter of credit, you may also draw under this letter of credit by presentation to us at our above office of a demand in the amount of the letter of credit less the amount of any previous drawings.

This letter of credit will be available for payment to you against presentation of this letter of credit and a written demand for payment and certificate signed by an authorized representative of the LCBO to the effect that our customer is in default of any of its obligations under one or both of the Contracts.

Partial drawings permitted.

We agree to honour your demand made in accordance herewith without enquiring as to whether or not you have the right as between yourselves and our customer to make such demand and without recognizing any objection of claim of our customer or any other person whomsoever.

This irrevocable standby letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce, Publication No. 500 (the "UCP") and engages us in accordance with the terms thereof.

(CANADIAN CHARTERED BANK)

Per: _____
Authorized Signing Officer