Sample Grain Warehouse Keeper Irrevocable Letter of Credit

[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, Wisconsin 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 Grain Warehouse Keeper)__.

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 Grain Warehouse Keeper)__ is in default to depositors who stored grain under Wis. Stat. ch. 126, Subchapter IV, with the grain warehouse, because of a shortage that exists in the amount of grain held by the grain warehouse for depositors. The amount of the draft must be supported by a list of names of the depositors and the amount owed to those depositors.

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 grain dealer, including the filing of bankruptcy. Applicable provisions of Wis. Stat. ch. 405 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 Credit (2007 revision) International Chamber of Commerce Publication No. 600. In case of conflict between Wis. Stat. ch. 405 and Uniform Customs and Practice for Documentary Credit (2007 revision) International Chamber of Commerce Publication No. 600, Wis. Stat. ch. 405 shall control.

Signed this _____ day of _____, 20_____.

_____
(Issuing Bank)

By _____
(Officer & Title)

TR-GR-16 (Rev. 12/2021)

The wording in this sample irrevocable letter of credit must be copied exactly. No alterations are permitted. The wording above applies ONLY to Grain Warehouse Keepers. Irrevocable letters of credit for Grain Dealers must contain different wording.