

**SAMPLE LETTER OF CREDIT**  
(Completed on bank letterhead)

Date: \_\_\_\_\_

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_

Texas Department of Licensing & Regulation  
P. O. Box 12157  
Austin, TX 78711  
(512) 463-6599  
(512) 463-5984 FAX

Account Party: (Name & Address of Applicant)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Gentlemen:

We hereby open our irrevocable letter of credit in your favor for the sum not to exceed a total of \_\_\_\_\_ (dollars) (\$ \_\_\_\_\_), to be made available by your request for payment at sight upon the presentation of your draft accompanied by the following:

1. A statement that the Texas Department of Licensing and Regulation is authorized to draw upon this credit funds that are due as a result of a violation or default by the Account Party of any provision of the Professional Employer Organization Act, Title 2, Labor Code, Subtitle E. Regulation of Certain Occupations, Chapter 91, and the rules promulgated thereunder.
2. Letter from the Director of the Texas Department of Licensing and Regulation stating that the Account party has failed to honor the obligations of its license or has ceased to exist.
3. This original letter of credit.

This irrevocable letter of credit shall be in effect for a period of Twenty-four months (24) months, beginning on:

\_\_\_\_\_.

(Name of Bank)

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name & Title