

IRREVOCABLE LETTER OF CREDITName & Address of Bank:Applicant:

Tel: _____

Letter of Credit No.: _____ Dated: _____

TO: Commissioner of Agriculture and Markets
 State of New York
 10B Airline Drive
 Albany, NY 12235-0001

We hereby establish our Irrevocable Letter of Credit (the "Credit") in your favor available by your drafts drawn on us at sight for any sum or sums not exceeding in total _____ U.S. Dollars (\$ _____) (the "Stated Amount") for the account of the above referenced Applicant. This Credit is effective immediately and expires at the close of business on the "Expiration Date".

The Credit covers all sums due or which shall become due to producers, cooperative associations, individual producer-members of cooperative associations, the Commissioner of Agriculture & Markets, any market administrator, or other duly constituted agent under any official milk marketing order for milk and/or cream sold and delivered by such producers, cooperative associations and/or individual producer-members of cooperative associations to said Applicant or received by the Applicant on consignment for the purpose of sale or manufacture.

Drafts, when presented for negotiation, must be accompanied by a certificate of the Commissioner of Agriculture and Markets of the State of New York stating the amount due, which amount shall be determined by such Commissioner in accordance with the procedures set forth in Section 258-b, subdivision 9, of the Agriculture and Markets Law for determining the amount due upon a Letter of Credit filed pursuant to subdivision 7 of such section, and the original of this Credit.

Each draft hereunder must bear upon its face "Drawn Upon Letter of Credit
 No: _____ dated _____ by,

{bank} _____

(continued on reverse side)

The Expiration Date of this Credit is the earliest of (i) the date on which the Stated Amount is reduced to zero by any drawing(s) under and in compliance with the terms and conditions of this Credit or (ii) the date upon which the above-referenced Applicant discontinues operation as a milk dealer, as defined in section 253 of the Agriculture and Markets Law, subject to the producer payment security provisions of section 258-b of such Law or (iii) _____(insert date).

This Credit shall be deemed automatically extended without amendment for one year from the Expiration Date thereof, or any future Expiration Date, unless ninety (90) days prior to any Expiration Date, we shall notify you by Registered Mail that we elect not to consider this Credit renewed for any such additional period. In the event this credit is not renewed, we will honor drafts presented against it for a period of six months from the expiration date, provided that such drafts are presented as set forth herein.

We hereby agree that all drafts drawn under and in compliance with the terms of this Credit will be duly honored by us upon delivery of the documents as specified if presented at this office located at _____

_____ within six months following the Expiration Date.

By _____
Authorized Signature
(print name below signature)

Title