**IRREVOCABLE STANDBY LETTER OF CREDIT**

**[*All instructions in red font and comments must be deleted prior to signing.*]**

**ISSUER: APPLICANT:**

[Name of financial institution issuing ILOC] [Insert name of the party providing security]

[Address of financial institution for notices](the “**Issuer**”)[Insert Address] (the “**Applicant**”)

**BENEFICIARY:**

**BC Energy Regulator (**the **“Beneficiary”)**

**2950 Jutland Rd.**

**Victoria, BC, V8T 5K2**

**DATE OF ISSUE:** [Month] [Date], [Year] **INITIAL EXPIRY DATE:** [Month] [Date], [Year]

**LETTER OF CREDIT NUMBER:** [Issuer to Insert Number] **AMOUNT:** $CAD [Insert Amount]

At the request of the Applicant, the Issuer hereby issues this Irrevocable Letter of Credit in favour of the Beneficiary on the following terms and conditions:

1. This Irrevocable Standby Letter of Credit shall automatically extend without amendment for successive and consecutive periods of one year from the Initial Expiry Date listed above, or any future expiration date, unless, at least 90 days prior to the prevailing expiry date, the Issuer provides notice of non-extension to the Beneficiary.
2. The Beneficiary may cancel its rights under this Irrevocable Standby Letter of Credit at any time by providing written notice to the Issuer of its consent to cancel, accompanied by a copy of this Irrevocable Standby Letter of Credit.
3. Any notice provided by the Issuer or the Beneficiary under this Irrevocable Standby Letter of Credit (including notice of non-extension, cancellation or change of address) must be in writing and delivered by registered mail or courier to the address of the Issuer or Beneficiary provided above (or any substitute address, provided that notice of such change of address has been provided in advance) and must reference the Letter of Credit number indicated above.
4. Funds are immediately payable to the Beneficiary under this Irrevocable Standby Letter of Credit upon:
	1. delivery of a written demand for payment referencing the Letter of Credit number indicated above and signed by a representative of the Beneficiary (a “**Demand**”) accompanied by a copy of this Irrevocable Standby Letter of Credit,
	2. which delivery may be made, at the Beneficiary’s discretion, either in person, or by registered mail or courier, to the Issuer’s offices located at [insert branch address for delivery of demand].
5. The Issuer shall honour any Demand presented in compliance with the terms of this Irrevocable Standby Letter of Credit without inquiring whether the Beneficiary has the right to make a demand under this Irrevocable Standby Letter of Credit and without recognizing any claim of the Applicant or any other party.
6. Partial and multiple drawings are permitted under this Irrevocable Standby Letter of Credit. Payment(s) shall be made to the Beneficiary in the amount(s) specified in a Demand, but shall not exceed, in the aggregate, the Amount indicated above.
7. The Beneficiary will not be responsible or required to:
	1. pay any charges for fees and costs associated with this Irrevocable Standby Letter of Credit; or
	2. indemnify the Issuer for any reason related to this Irrevocable Standby Letter of Credit.

This Irrevocable Standby Letter of Credit is subject to the International Standby Practices 1998 (“**ISP98**”) and will be governed by the laws applicable in the province of British Columbia (“**BC Laws**”). If there is a conflict between BC Laws and ISP98, BC Laws will prevail. If there is a conflict between ISP98 and the terms of this Irrevocable Standby Letter of Credit, the terms of this Irrevocable Standby Letter of Credit will prevail.

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

Authorized signatory for the Issuer Authorized counter-signatory for the Issuer

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

Name and Title of signatory for the Issuer Name and Title of the counter-signatory for the Issuer