

Ohio Bureau of Workers' Compensation

Model Letter of Credit Form

For

Professional Employer
Organization Premiums

NOT TO BE USED FOR LETTERS OF CREDIT
ISSUED TO SECURE OBLIGATIONS OF
SELF-INSURED EMPLOYERS

BWC PEO LOC (revised August 2008)

WE HEREBY ENGAGE WITH DRAWERS, ENDORSERS, AND BONA FIDE HOLDERS THAT ALL DRAFTS DRAWN IN COMPLIANCE WITH THE TERMS OF THIS CREDIT SHALL BE DULY HONORED UPON PRESENTATION AND DELIVERY OF THE DOCUMENTS EACH DRAWN AND NEGOTIATED ON OR BEFORE _____.

IT IS A CONDITION OF THE LETTER OF CREDIT THAT IT SHALL BE EXTENDED FOR AN ADDITIONAL PERIOD OF ONE (1) YEAR FROM THE PRESENT OR FUTURE EXPIRATION DATE HEREOF, UNLESS THIRTY (30) DAYS PRIOR TO SUCH DATE WE NOTIFY YOU IN WRITING BY REGISTERED MAIL TO THE PEO UNIT, EMPLOYER SERVICES DIVISION, BUREAU OF WORKERS' COMPENSATION, 30 WEST SPRING STREET L22, COLUMBUS, OHIO 43215-2256, THAT WE ELECT NOT TO SO RENEW THIS LETTER OF CREDIT. UPON RECEIPT BY YOU OF SUCH NOTICE, YOU MAY DRAW HEREUNDER BY MEANS OF YOUR DRAFTS ON US, AT SIGHT, YOUR WRITTEN CERTIFICATION THAT THE PROCEEDS OF YOUR DRAFT WILL BE USED BY YOU TO MEET THE EVENTUAL PAYMENTS OF WORKERS' COMPENSATION PREMIUMS OF THE CUSTOMER, AND FURTHER THAT YOU WILL REFUND TO US THE AMOUNT PAID, LESS ANY PREMIUMS WHICH MAY BE RECOVERED FROM THE CUSTOMER.

IT IS A FURTHER CONDITION OF THIS LETTER OF CREDIT THAT IT COVER ALL WORKERS' COMPENSATION PREMIUMS INCURRED IN ANY PERIOD PRIOR TO AND/OR DURING THE PRESENT TERM.

EXCEPT AS OTHERWISE STATED ABOVE, THIS CREDIT IS SUBJECT TO THE *UNIFORM CUSTOMS AND PRACTICES FOR DOCUMENTARY CREDITS* OF THE INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 600 (2007 REVISION).

VERY TRULY YOURS,

BY: _____