**Procedure IV**

**Form A**

To: Caribbean Development Bank Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

P.O. Box 408 Loan No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Wildey, St. Michael Application Serial No. \_\_\_\_\_\_

**Barbados**

Dear**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_:**

Application for a Commercial Letter of Credit

Pursuant to the Loan Agreement dated between the Caribbean Development Bank (hereinafter called the Bank) and (hereinafter referred to as the undersigned) the undersigned hereby certifies and agrees as follows:

1. The undersigned hereby applies for the establishment of an irrevocable letter of credit in favour of for an aggregate amount of as set forth in Form B which forms an integral part of this application.

2. The undersigned hereby irrevocably authorises and requests the Bank to pay to the commercial bank from time to time as withdrawals from the loan account, such amounts as shall be requested by the commercial bank to reimburse it for payments which shall be made by it under the said letter of credit as the same shall be amended from time to time.

3. The undersigned has not heretofore withdrawn from the loan account or applied for the withdrawal from the loan account, of any amount for the purpose of reimbursing the undersigned for meeting such expenditure and has not obtained and will not obtain funds for such purposes out of the proceeds of any other loan, credit or grant available to it.

4. Such expenditure is incurred for the purposes specified in the said loan agreement, the goods to be purchased by means of this letter of credit are appropriate for such purposes; the cost and terms of purchase thereof are reasonable; and the undersigned hereby certifies that the expenditure is not from an ineligible source as stated in the loan agreement.

5. At the date of this application there is no existing default in the performance of any of the obligations of the undersigned under the said agreement; and to the best of the undersigned's knowledge and belief, of the Guarantor under the Guarantee Agreement (if any) referred to therein.

**Procedure IV**

**Form A**

6. The undersigned hereby agrees to reimburse the Bank for any charges incurred in connection with this credit.

**This application consists of this page and the attached Form B.**

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

(Borrower)

per: Authorised Representative

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

(Name in Block Capitals)

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

(Signature)