

# For-Hire Operating Authority Certificate or License Irrevocable Letter of Credit

Broker for the Transportation of Passengers       Passenger Carrier

1. \_\_\_\_\_ ,  
*Financial Institution*  
being authorized to conduct business in the Commonwealth of Virginia, hereby establish as an Irrevocable Letter of Credit ( \_\_\_\_\_ ) in favor of persons described in Paragraph 2, providing written notice of a final judgment, to pay any liabilities up to an aggregated amount of twenty five thousand dollars (\$25,000) hereafter found to be due from \_\_\_\_\_ under Chapter 20 of Title 46.2 of the *Code of Virginia*, as the same may be from time to time amended, modified, recodified, or otherwise rewritten. By these presents, Financial Institution firmly binds itself, its heirs, administrators, successors and assigns to make effective payment due from Principal as to fraudulent practices or representations, or loss or damage resulting from a breach of contract, or violations of any provision of Chapter 20 of Title 46.2 of the *Code of Virginia* occurring on or after the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ , hereafter referred to as the effective date.  
*number*  
*Principal -- Legal Entity*  
*Year*

2. Said payment shall be made upon written notice of final judgment from a court of competent jurisdiction against the Principal for fraudulent practices or representations, or loss or damage from a breach of contract, or violations of any provision of Chapter 20 of Title 46.2 of the *Code of Virginia*. Any demand or presentment made under and in compliance with the terms of this letter of credit shall be duly honored by the Financial Institution, as specified, covering fraudulent practices or representations, or loss or damage from a breach of contract, or violations of any provision of Chapter 20 of Title 46.2 of the *Code of Virginia* occurring on or after the above stated effective date and on or before the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ hereinafter referred to as the expiration date, or any extended expiration date of this Irrevocable Letter of Credit as set forth below.  
*Year*

3. This Irrevocable Letter of Credit shall be deemed automatically extended annually without amendment for a period consistent with the letter of credit requirements delineated in Chapter 20 of Title 46.2 of the *Code of Virginia*, with approval of the Commissioner of the Department of Motor Vehicles for an additional period of one year from the above or any extended expiration date unless the Financial Institution shall notify the Commissioner, by registered mail postmarked sixty (60) days prior to such expiration date or from any future expirations date, that the Financial Institution elects not to renew this Irrevocable Letter of Credit for such additional period. Such annual election shall not relieve, release, or discharge the Financial Institution from any obligation under this Irrevocable Letter of Credit for any loss or

damages caused to a person by reason of fraudulent practices or representations, breach of contract, or violations of Chapter 20 of Title 46.2 of the *Code of Virginia* in connection with the Principal's transportation service on or after the effective date and prior to or on the expiration date or any extended expiration date, and with respect to any such loss or damages, this Irrevocable Letter of Credit shall remain in effect. If, for any reason, this Irrevocable Letter of Credit is not renewed, any person suffering loss or damage will have the right to draw from the Irrevocable Letter of Credit (prior to its expiration date) any outstanding balance which pertains to the loss or damages.

4. The Financial Institution hereby engage with the drawer of drafts drawn under and in compliance with the terms of the letter of credit that such drafts will be duly honored upon presentation of drafts and documents to the Financial Institution on or before the release date of the Irrevocable Letter of Credit.

5. The Financial Institution shall accept demand by any person suffering loss or damage in compliance with the terms of this Irrevocable Letter of Credit on its face, and the Financial Institution shall have no duty, responsibility, or liability to the Principal with respect to the underlying validity of said demand.

This \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Year

\_\_\_\_\_  
Name of Financial Institution (Seal)

By: \_\_\_\_\_  
Institution's Officer (Print Name) (Title)

\_\_\_\_\_  
Signature

### Affidavit and Acknowledgment of Authority

I, \_\_\_\_\_, a notary public in and for the State/Commonwealth of \_\_\_\_\_, do certify that \_\_\_\_\_  
Institution Officer personally appeared before me and made oath that he/she is \_\_\_\_\_  
Title of \_\_\_\_\_; and that he/she is duly authorized to execute the foregoing  
Name of Company Irrevocable Letter of Credit as a legally binding document.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Year

\_\_\_\_\_  
Notary Public Signature and Seal

My commission expires \_\_\_\_\_, \_\_\_\_\_  
Year . My Registration Number is \_\_\_\_\_ .