

IRREVOCABLE LETTER OF CREDIT

Date of this Irrevocable Letter of Credit ___ day of _____, 20____

FROM the following **Financial Institution** (enter full name and address below)

REGARDING the following **Customer** of the Financial Institution (enter full name and address of Customer Brokerage below)

TO the Real Estate Council of Alberta

Amount

This irrevocable letter of credit is issued to the Real Estate Council of Alberta and authorizes them to draw from the Financial Institution under the account of our Customer up to an aggregate amount of **\$350,000**.

Demand for Payment

This credit is available on demand by the Executive Director, of the Real Estate Council of Alberta.

A demand must

- be written
- be delivered to the Financial Institution at the address above and
- contain the Executive Director's confirmation that the money demanded will only be retained and used to meet the Customer's obligations under Rule 31 of the *Real Estate Act* Rules made under the *Real Estate Act*, RSA 2000, ch R-5.

A demand may be made for the entire amount or part amount at any time and from time to time during the term of this credit up to the aggregate amount.

The Financial Institution will honour any demand without enquiring whether the Real Estate Council of Alberta has a right to make such demand and without recognizing any claim of the Customer.

Amendment to the Amount

The Executive Director of the Real Estate council of Alberta may reduce the amount of this credit from time to time by delivering written notice to the Financial Institution.

Termination of the Credit

This irrevocable letter of credit is deemed to be renewed each anniversary of its execution until 3 years after the Customer ceases acting as a brokerage trading in real estate or dealing in mortgages as defined in the *Real Estate Act*.

The Customer cannot revoke this credit.

The Financial Institution may revoke this credit by notice to the Real Estate Council of Alberta.

Notice by the Financial Institution of termination of this credit must be made in writing and delivered to the Real Estate Council of Alberta by registered mail at least 3 calendar months before the next anniversary of this credit in order to avoid the credit being deemed renewed for another calendar year.

Signature of Person Signing on Behalf of Financial Institution

Signature of Person Signing on Behalf of Financial Institution (Printed)

Position with Financial Institution

Signature of Person Signing on Behalf of Financial Institution

Signature of Person Signing on Behalf of Financial Institution (Printed)

Position with Financial Institution

DELIVER THIS SIGNED AND COMPLETED FORM TO THE REAL ESTATE COUNCIL OF ALBERTA

c/o Licensing Services
202, 1506 – 11 Avenue SW, Calgary, Alberta T3C 0M9
Or by email to brokerinfo@reca.ca