



INTERNATIONAL BOND & MARINE BROKERAGE, LTD.

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www.intlbondmarine.com

Instructions on satisfying collateral requirements:

Should the principal choose to proceed, they may provide either a Letter of Credit or submit a cash deposit via wire transfer to satisfy the collateral requirement.

Irrevocable Standby Letter of Credit:

- The Letter of Credit must be drafted and prepared by an NAIC Approved bank. A list of approved banks has been provided in the attached document, "**NAIC Approved Banks**".
- The approved bank must utilize the provided document titled "**SOMPO ILOC format**" when drafting the Letter of Credit. The verbiage must be followed verbatim.
- A draft of the letter of credit should be emailed to IB&M for review and approval prior to the bank issuing the final copy.
- Once approved, we will advise that their bank may finalize and send the original copy to the beneficiary at the address listed on the Letter of Credit

Wire Transfer:

- Our bank instructions are provided in the attached document "**IB&M Wire Instructions**".
- The wire transfer has a **\$100 collateral processing fee** that needs to be included in the wire transfer.

Collateral Agreement:

The Collateral Agreement must be completed by the bond principal. This document needs to be completed by a corporate officer or authorized signer.

If they prefer to complete the document via DocuSign, please provide us with the name and email address for the corporate officer or authorized signer who will be signing.

Should there be any questions, do not hesitate to reach out to us at Bond@IntlBondMarine.com