

STATE OF OREGON
STATUTORY IRREVOCABLE LETTER OF CREDIT
FOR SCHOOL AUTHORIZED TO CONFER DEGREE

Letter of Credit No. _____ Amounts \$ _____

At the request and for the account of _____ (School name, address, city, state, zip) (“School”) we _____ (bank name) (“Bank”) hereby establish, effective immediately, this Irrevocable Letter of Credit No. _____ (“Letter of Credit”) in favor of the State of Oregon Higher Education Coordinating Commission (HECC), in the amount of \$_____.

This Letter of Credit is being issued as the School wishes to confer degrees subject to ORS Chapter 348, and is required to obtain a Letter of Credit in the sum of \$_____ as required under ORS Chapter 348 to demonstrate the School is financially sound and capable of fulfilling its commitments to students.

The School is obligated to pay any bank charges, fees, or other costs required to maintain this Letter of Credit

This Letter of Credit is subject to the International Standby Practices 1998, International Chamber of Commerce Publication #590 and to the laws of the State of Oregon. In the event of a conflict, the laws of the State of Oregon will control.

This Letter of Credit shall be subject to the following:

1. The Letter of Credit shall be continuous until a written notification from HECC is received by the Bank.
2. HECC reserves the right to terminate this Letter of Credit at any time, by thirty (30) days prior written notice of such termination to Bank. Early termination by HECC shall not eliminate, alter, or otherwise affect any liability already incurred or accrued under this Letter of Credit.
3. The Bank may cancel this Letter of Credit and be relieved of further liability by giving sixty day’s written notice to the Office, at 3227 25th Street SE, Salem, OR 97302.
4. Drawings honored by the Bank under this Letter of Credit shall not, in the aggregate, exceed the total amount of credit set forth above, or as modified by accepted amendments. Each drawing honored shall reduce the amount set forth. Partial drawings are permitted.
5. For purposes of this Letter of Credit, an Oregon student or enrollee is defined as either a student residing in Oregon and enrolled in classes at any site of the school above, or a student residing outside of the State of Oregon, but enrolled in classes at the school’s Oregon site. Tuition and fees are considered unearned in total if instruction for the course for which the tuition and fees were paid was not completed and/or a grade was not assigned to the student.

6. Any student, enrollee, or person eligible under ORS Chapter 348 may present a claim against the Letter of Credit in his or her own name against the Letter of Credit for the recovery of the amount of unearned tuition and fees. The Bank agrees that drafts drawn under and presented with the terms of this document will be duly honored on presentation to us.
7. The School must provide education services without fraud or fraudulent representation and in compliance with ORS chapter 348 and any applicable rules adopted by HECC.

IN WITNESS WHEREOF, SIGNED, SEALED AND DATED this _____ day of _____, 20____.

Bank by:

Company Name

Signature

Title (e.g. Attorney-in-Fact)

Address

City State Zip

SEND LETTER OF CREDIT TO:

Higher Education Coordinating Commission
Office of Degree Authorization
3225 25th Street SE
Salem, OR 97302