

SAMPLE ACCEPTABLE IRREVOCABLE LETTER OF CREDIT FORMAT

(Note: LOC does not have to be in this exact format. Provided the LOC contains each of the following general items, including automatic renewal and ability to make full and/or partial draws by fax or in person, the applicable issuer's "standard" form may be acceptable.

< DATE >
OUR L/C NO.: XXXX-XXXXXX

TO:
CITY OF LONE TREE
9220 KIMMER DRIVE, SUITE 100
Lone Tree, CO 80124

APPLICANT:

WE HAVE ESTABLISHED OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR AS DETAILED HEREIN SUBJECT TO ISP98

DOCUMENTARY CREDIT NUMBER: **XXXX-XXXXXX**

FURTHER IDENTIFICATION: ISSUE

DATE OF ISSUE: < DATE >

BENEFICIARY: CITY OF LONE TREE
9220 KIMMER DRIVE, SUITE 100
LONE TREE, CO 80124

APPLICANT: _____

DATE AND PLACE OF EXPIRY: _____, 20____
AT OUR COUNTER

DOCUMENTARY CREDIT AMOUNT: **USD \$** _____.

AVAILABLE WITH: _____ (name of bank)
_____ (bank address)
BY PAYMENT

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ADDITIONAL 12 MONTH PERIODS FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE, UNLESS AT LEAST 90 DAYS PRIOR TO THE CURRENT EXPIRY DATE WE NOTIFY YOU IN WRITING BY REGISTERED MAIL OR EXPRESS COURIER AT THE ABOVE ADDRESS THAT WE ELECT NOT TO AUTOMATICALLY EXTEND THIS LETTER OF CREDIT FOR ANY ADDITIONAL PERIOD. UPON SUCH NOTICE TO YOU, YOU MAY DRAW ON US AT SIGHT FOR AN AMOUNT NOT TO EXCEED THE BALANCE REMAINING IN THIS LETTER OF CREDIT WITHIN THE THEN-APPLICABLE EXPIRY DATE, BY YOUR SWIFT OR PRESENTATION OF YOUR DRAFT AND DATED STATEMENT PURPORTEDLY SIGNED BY THE LONE TREE CITY MANAGER OR ASSISTANT CITY MANAGER, READING AS FOLLOWS:

QUOTE
THE AMOUNT OF THIS DRAWING USD \$ _____ UNDER <NAME OF BANK>,
LETTER OF CREDIT NUMBER **XXXX-XXXXXX** REPRESENTS FUNDS DUE US AS WE HAVE
RECEIVED NOTICE FROM <NAME OF BANK>, OF THEIR DECISION NOT TO
AUTOMATICALLY EXTEND LETTER OF CREDIT NUMBER XXXX-XXXXXX AND THE
UNDERLYING OBLIGATION REMAINS OUTSTANDING.
UNQUOTE

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IN THE EVENT THIS LETTER OF CREDIT IS SUBSEQUENTLY AMENDED BY US TO EITHER:
I) RESCIND A NOTICE OF NON-EXTENSION AND TO EXTEND THE EXPIRY DATE HEREOF TO A FUTURE DATE, OR
II) EXTEND THE EXPIRY DATE TO A DATE THAT IS AFTER THE STATED FINAL EXPIRY DATE HEREOF,
SUCH EXTENSION SHALL BE FOR THAT SINGLE PERIOD ONLY AND THIS LETTER OF CREDIT WILL NOT BE SUBJECT TO ANY FUTURE AUTOMATIC EXTENSIONS UNLESS OTHERWISE STATED.

ADDITIONAL DETAILS:

RE: _____ (**1**)

FUNDS UNDER THIS CREDIT ARE AVAILABLE AGAINST PRESENTATION OF THE BENEFICIARY'S SIGNED AND DATED STATEMENT REFERENCING OUR LETTER OF CREDIT NO. XXXX-XXXXXX, STATING THE AMOUNT OF THE DEMAND AND READING AS FOLLOWS:

" _____ (CUSTOMER) HAS FAILED TO MEET ITS OBLIGATIONS UNDER THE TERMS OF _____ (**1**). THEREFORE CITY OF LONE TREE DEMANDS PAYMENT OF U.S. \$ _____ UNDER _____ <NAME OF BANK> _____ STANDBY LETTER OF CREDIT NO. XXXX-XXXXXX."

DRAWINGS PRESENTED BY TELEFACSIMILE ("FAX") TO FAX NUMBER _____, OR ALTERNATELY TO FAX NUMBER _____ ARE ACCEPTABLE, UNDER TELEPHONE PRE-ADVICE TO _____, PROVIDED THAT SUCH FAX PRESENTATION IS RECEIVED ON OR BEFORE THE EXPIRY DATE ON THIS INSTRUMENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, IT BEING UNDERSTOOD THAT ANY SUCH FAX PRESENTATION SHALL BE CONSIDERED THE SOLE OPERATIVE INSTRUMENT OF DRAWING, NOT CONTINGENT UPON PRESENTATION OF THE ORIGINAL LETTER OF CREDIT OR ORIGINAL DOCUMENTS WITH RESPECT THERETO.

THIS LETTER OF CREDIT MAY BE CANCELLED PRIOR TO EXPIRATION PROVIDED THE ORIGINAL LETTER OF CREDIT (AND AMENDMENTS, IF ANY) ARE RETURNED TO _____ <NAME OF BANK> _____ WITH A STATEMENT SIGNED BY THE BENEFICIARY STATING THAT THE ATTACHED LETTER OF CREDIT IS NO LONGER REQUIRED AND IS BEING RETURNED TO THE ISSUING BANK FOR CANCELLATION.

WE ENGAGE WITH YOU THAT PRESENTATIONS MADE UNDER AND IN CONFORMITY WITH THE TERMS AND CONDITIONS OF THIS CREDIT WILL BE DULY HONORED ON PRESENTATION IF PRESENTED ON OR BEFORE THE EXPIRATION AT _____ . ALL PAYMENTS DUE HERERUNDER SHALL BE MADE BY WIRE TRANSFER TO THE BENEFICIARY PER THEIR INSTRUCTIONS. THE ORIGINAL LETTER OF CREDIT MUST ACCOMPANY THE DOCUMENTS REQUIRED UNDER THIS CREDIT FOR ENDORSEMENT.

****1****

One of the following, as applicable

- **GESC PERMIT # _____**
- **Subdivision Improvements Agreement (SIA)**
- **Site Improvements Plan Improvements Agreement (SIPIA)**
- **Public Improvements Agreement (PIA)**
- **Right-of-Way Use/Construction Permit**