

LETTER OF CREDIT

ISSUING BANK:

APPLICANT:

BENEFICIARY:

City of Greensboro  
300 West Washington Street  
Greensboro, North Carolina 27401  
Attn: Records Management

DATE OF ISSUE:

LETTER OF CREDIT NO: \_\_\_\_\_

EXPIRY DATE:

AMOUNT: \_\_\_\_\_

GENTLEMEN:

WE HEREBY OPEN OUR IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR, FOR THE ACCOUNT OF (COMPANY NAME & ADDRESS) IN THE AGGREGATE OF (AMOUNT) AVAILABLE BY PAYMENT OF YOUR DRAFT(S) AT SIGHT ON OURSELVES WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENT(S):

STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE CITY OF GREENSBORO STATING THAT "COMPANY" HAS FAILED TO COMPLY WITH THE COMPLETION OF CONSTRUCTION AND/OR INSTALLATION OF THE WATER SYSTEM, SEWER SYSTEM, EROSION CONTROL MEASURES, SIDEWALKS AND/OR STREETS AND STREET PAVING FOR (PROJECT NAME).

THIS IRREVOCABLE LETTER OF CREDIT SHALL REMAIN IN FULL FORCE FOR A PERIOD OF ONE (1) YEAR FROM THE EFFECTIVE DATE HEREOF AND **SHALL AUTOMATICALLY RENEW ITSELF FROM YEAR TO YEAR THEREAFTER UNLESS AND UNTIL THE (ISSUING BANK NAME) SHALL GIVE NINETY (90) DAYS PRIOR WRITTEN NOTICE TO THE CITY OF GREENSBORO, N.C., BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, OF ITS INTENT TO TERMINATE THE SAME AT THE EXPIRATION OF THE NINETY (90) DAY PERIOD. DURING THE LAST THIRTY (30) DAYS DURING WHICH THE LETTER OF CREDIT IS IN FULL FORCE AND EFFECT, THE CITY MAY DRAW UP TO THE FULL AMOUNT AVAILABLE UNDER THE LETTER OF CREDIT WITH A DRAFT-ACCOMPANIED BY A DOCUMENT STATING THAT (APPLICANT NAME) HAS NOT COMPLETED THE IMPROVEMENTS AND HAS NOT PROVIDED AN ACCEPTABLE SUBSTITUTE IRREVOCABLE LETTER OF CREDIT AND THAT THE DRAWING IS FOR THE EXPLICIT PURPOSE OF GUARANTEEING AND/OR PROVIDING FOR THE COMPLETION OF THE IMPROVEMENTS.**

THIS IRREVOCABLE LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. THIS UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, OR AMPLIFIED, BY REFERENCE TO ANY DOCUMENT OR CONTRACT REFERRED TO HEREIN.

DRAFT(S) DRAWN UNDER THIS CREDIT MUST STATE ON THEIR FACE  
“DRAWN UNDER (BANK NAME) IRREVOCABLE LETTER OF CREDIT NUMBER  
\_\_\_\_\_ DATED \_\_\_\_\_.”

WE HEREBY AGREE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT SHALL BE DULY HONORED IF PRESENTED, TOGETHER WITH DOCUMENT(S) AS SPECIFIED AND THE ORIGINAL OF THIS CREDIT, AT THIS OFFICE.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECTED TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, ESTABLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, AS IN EFFECT ON THE DATE OF ISSUANCE OF THIS CREDIT.

SINCERELY,

\_\_\_\_\_  
AUTHORIZED SIGNATURE

BANK NAME \_\_\_\_\_