

City of Suffolk, VA

IRREVOCABLE LETTER OF CREDIT

Date: _____

LETTER OF CREDIT NO. _____

AMOUNT U.S. \$ _____

DATE OF ISSUE _____

APPLICANT:

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

PHONE: _____

TAX ID #: _____

BENEFICIARY:

City of Suffolk
c/o Public Works Department
Engineering Division
440 Market Street, 2nd Floor
Suffolk, VA 23434

RE: *(Type of Improvements-Project Name and Location)*

At the request of and for the account of the Applicant, _____ (hereinafter, "Customer"), (name of banking institution) ("Issuing Bank") hereby issues this Irrevocable Letter of Credit, number _____, in favor of the City of Suffolk ("Beneficiary") for a sum not exceeding _____ U.S. Dollars (\$ _____) (the "Credit Amount") available by sight draft on the above stated Issuing Bank accompanied by the document specified below:

A signed written statement from the **Director of the Department of Public Works of the City of Suffolk** certifying that: (Developer's Name) has failed to satisfactorily perform, prior to the expiration of the Letter of Credit, all or part of the terms and conditions of the above-mentioned project or any plans approved by and on file with the City of Suffolk, and the City of Suffolk is, in consequence, entitled to the amount sighted.

We hereby engage with drawers, endorsers and bona fide holders that all drafts drawn in compliance with the terms of this Letter of Credit shall be duly honored upon presentation and delivery of this document. This Irrevocable Letter of Credit shall remain in full force and effect for a period of two (2) years from the date hereof and shall automatically renew itself for three (3) additional periods of one year each from the initial and each future expiration date unless and until we notify you and the Customer via certified mail, return receipt requested, at least ninety (90) days prior of our intent not to renew the Letter of Credit. During said ninety (90) day notice period, this Irrevocable Letter of Credit shall remain in full force and effect. This credit shall be terminated upon the Director giving written release stating that the terms and conditions of the above-mentioned project have been completed and accepted by the City of Suffolk.

If any expiration date specified herein shall fall upon a day other than a regular business day of the Issuing Bank, the expiration date shall *ipso facto* be extended to the close of business on the next successive business day of the Issuing Bank.

The issuing Bank shall give prompt notice to the Customer and the Beneficiary of any notice received or action filed alleging the insolvency or bankruptcy of the Issuing Bank, or alleging any violations or regulatory requirements which could result in the suspension or revocation of the Issuing Bank's charter or license to do business.

This Letter of Credit is subject to the "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS PUBLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE IN EFFECT ON DATE OF ISSUANCE AND THE LAWS OF THE STATE OF VIRGINIA"

ISSUING BANK:

By: _____

Title: _____