

BANK LETTERHEAD

Must include: mailing address, street address, telephone number, fax, e-mail, contact person

Date

Beneficiary

City of Durham
Department of Public Works
101 City Hall Plaza
Durham, NC 27701

Applicant

[Name of applicant (Developer)]
[First line of address]
[Second line of address]
[City and State]
RE: [Name of Project Subdivision]

ATTN: Stormwater Development Review Group Manager, Public Works Department

Irrevocable Letter of Credit # _____

Name of Development (the "Project"):

Name of Approved Construction Drawings:

Date of Construction Drawing Approval: _____

Recorded Stormwater Facility Agreement and Covenants ("SWFA"): DB: ___ PG: ___

Date SWFA Recorded: _____

Among other things, the SWFA requires the construction of stormwater facilities that are specified in the SWFA ("Required SWF").

Required SWF Completion Date ("Completion Date"): _____

*Completion Date must be set prior to the Expiration Date of this Letter of Credit.

We hereby establish our Irrevocable Standby Letter of Credit in your favor and authorize you to draw on us, for the account of (Name of Applicant) _____ in the amount of _____ U.S. Dollars if the Required SWF is not completed by the Completion Date. The Required SWF must be completed to the City's satisfaction in accordance with the requirements of the Durham City Charter, the City of Durham Unified Development Ordinance, the Durham City Code of Ordinances, Durham's Reference Guide for Development, construction standards, the approved site plan and Construction Drawings, and the SWFA (collectively "City

Requirements”), including all revisions and amendments to said approved plans, drawings, specifications, or the SWFA by the Completion Date.

Payment under this Letter of Credit is available by your drafts on us at sight for 100 percent of the drawing bearing the clause “Drawn Under **[Name of Bank]** Bank Letter of Credit Number _____” dated _____ accompanied by the following documents:

1. The original Letter of Credit or a photocopy of the original Letter of Credit sent by either fax presentation to **[Bank fax number]**, (or such other fax number as **[Name of Bank]** may identify in a written notice to you), courier presentation, or at our counters on or before the expiry date.
2. Beneficiary’s signed statement certifying that: **“Applicant has failed to complete the Required SWF by the Completion Date.”**

We hereby agree with you that draft(s) drawn under and in compliance with terms and conditions of the Letter of Credit shall be duly honored if presented together with document(s) as specified.

To the extent presentation is made by facsimile transmission, you must provide telephone notification thereof to **[Name of Bank]** at telephone number **[Bank telephone number]** prior to or simultaneously with the sending of such facsimile transmission.

However, the absence of such telephone confirmation as described above does not affect our obligation to honor such drawing, if such drawing is otherwise in compliance with the terms and conditions of this Letter of Credit.

If demand for payment is made by fax or photocopy of the original Letter of Credit, presentation of original documents is not required, except that the Beneficiary must surrender the original Letter of Credit to **[Name of Bank]** within 20 days of payment.

This Letter of Credit is valid until **[Expiration Date]** and drafts drawn hereunder, if accompanied by documents as specified above, will be honored if presented to **[Name of Bank]** on or before that date. This Letter of Credit shall be deemed automatically extended without amendment for one (1) year periods from the original expiration date, unless we notify you sixty (60) days prior to any expiration date that the Letter of Credit will not be extended for such additional period. Notification shall be sent by certified mail/overnight courier Mail to the following:

Attn: Stormwater Development Review Group]

City of Durham
Department of Public Works
101 City Hall Plaza, 3rd Floor (West Wing)
Durham, NC 27701

Re: [Name of Project Subdivision]

Please address all correspondence and any drawings hereunder to the attention of the Standby Letter of Credit Department, [Address of Bank], being sure to reference the above mentioned Letter of Credit number. For assistance, please contact the Standby Letter of Credit Department at [telephone number].

This letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) International Chamber of Commerce Brochure No. 600. This Letter of Credit shall be governed by and construed in accordance with the laws of North Carolina. The Beneficiary and **[Bank Name]** agree to exclusive forum and venue of all actions arising out of this Letter of Credit shall be the North Carolina General Court of Justice, Durham County, North Carolina.

Proper Bank Official, printed name, signature, date
