

Sample Irrevocable Letter of Credit
With Automatic Renewal Provision

BANK LETTERHEAD

Date

Beneficiary:
City of Durham
101 City Hall Plaza
Durham, NC 27701

Applicant:
Name
Address
Phone Number
City, State

Attn: Development Review Group Manager, Storm Water Services

Irrevocable Letter of Credit

We hereby open our Irrevocable Standby Letter of Credit in the amount of \$ (amount, words and numerals) U. S. Dollars in your favor, 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 relating to its obligations as required by Stormwater Facility Agreement and Covenants, recorded with the Durham County Register of Deeds Office, BK _____ and PG _____, between the City of Durham and (Owner name) for the stormwater facility located _____.

The documents to be produced are:

1. Beneficiary's signed statement that the funds are due you because (Name of Owner) failed to comply with all of its obligations to the City of Durham under the Stormwater Facility Agreement and Covenants, including the obligation to complete construction of the stormwater facility, between the City of Durham and (Owner name) for the stormwater facility located at _____.
2. A photocopy of the Original Letter of Credit.

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, along with a copy of the Letter of Credit, and all amendments, if any, 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 of **(date)**. On or before **(date)**, the City of Durham shall make a demand upon this Letter of Credit or this Letter of Credit will become automatically renewable for one (1) year periods from the original expiration date, unless we notify you thirty (30) days prior to the current expiration date that the Letter of Credit will not be extended. Notification shall be sent by Registered/Courier Mail to the following:

Manager, Stormwater Services, City of Durham, 101 City Hall Plaza, Durham, NC 27701

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, presentation of original documents is not required.

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