

## IRREVOCABLE LETTER OF CREDIT

NO. \_\_\_\_\_

Gentlemen:

We hereby authorize you to draw upon us in your favor for the account of \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

(Name and Address)

up to an aggregate amount of \_\_\_\_\_ U.S. Dollars  
(\$ \_\_\_\_\_ ) available by your draft or drafts at sight accompanied by your signed statement certifying  
that \_\_\_\_\_ failed to complete or perform its obligations in accordance  
with:

A permit issued by the City on the \_\_\_\_\_ day of \_\_\_\_\_ to permit; and/or

An agreement dated \_\_\_\_\_ by and between \_\_\_\_\_  
and the City of Gaithersburg.

This letter of credit issued this \_\_\_\_\_ day of \_\_\_\_\_ is irrevocable, unconditional and  
remains in force until \_\_\_\_\_ and will be automatically extended without amendments  
for one year periods from the present or any future expiration dates, not to exceed five (5) years from the date of  
issuance, unless prior to such expiration we notify you that we do not elect to renew the letter of credit, in which  
case you may draw hereunder. Drafts drawn under the terms of this letter of credit will be duly honored if presented  
for payment at our main office at \_\_\_\_\_ , on or before the above date.

You may draw on this Letter of Credit if any obligations of the subject agreement and/or permit have not  
been completed. Funds available under this letter of credit shall be paid by us in such amounts and at such times as  
determined by the City Manager and the City of Gaithersburg, in his sole discretion, provided that the amount drawn  
shall not exceed the aggregate amount specified herein. We hereby agree that drafts drawn under and in compli-  
ance with this Letter of Credit will be honored upon presentation in accordance with the Terms and Conditions  
hereof.

*continued on reverse side*

Each draft must state that it is "DRAWN UNDER \_\_\_\_\_

\_\_\_\_\_  
(Name of Institution)

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_, DATED \_\_\_\_\_, and the amount of such draft must be endorsed on this Letter of Credit. This Letter must be attached to the draft when credit available hereunder is exhausted. This Letter of Credit is nontransferable.

Except as expressly provided for herein, this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1974 Rev.), International Chamber of Commerce Publication No. 290.

Sincerely yours,

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
(Bank's Name)

By: \_\_\_\_\_  
Title

\_\_\_\_\_  
SEAL

\_\_\_\_\_  
NOTARY