

**SAMPLE - PLACE ON BANK LETTERHEAD**

County of Chesterfield  
Environmental Engineering Department  
9800 Government Center Parkway  
P. O. Box 40  
Chesterfield, Virginia 23832

RE: Irrevocable Letter of Credit # \_\_\_\_\_  
Date: \_\_\_\_\_

Gentlemen:

We hereby open our irrevocable letter of credit # \_\_\_\_\_ effective on \_\_\_\_\_ Date \_\_\_\_\_, in your favor for the account of \_\_\_\_\_ (Owner/Developer) (the "Customer"), for a sum not to exceed \_\_\_\_\_ (E. C. Bond Amount) available by your sight drafts on the \_\_\_\_\_ (Bank) Bank, \_\_\_\_\_ (Address of Bank) (the "Issuing Bank"). [This letter of credit must provide an address within the State of Virginia, and within the Central Virginia area if the Bank maintains offices there, where drafts and documents may be presented]

The purpose of this letter of credit is to furnish the County of Chesterfield ("County") with surety for the installation and maintenance of certain erosion and sediment control improvements (the "Improvements") as shown on a set of plans (the "Plans") prepared by \_\_\_\_\_ (Eng. Firm) dated \_\_\_\_\_ (Date), and any further revisions to the plans, whether made before or after the date of this irrevocable letter of credit for a certain development known as \_\_\_\_\_ (Subdivision/Commercial Site), \_\_\_\_\_ (Section), and drafts hereon shall be promptly honored when accompanied by documents specified below:

1. A certified statement signed by an official designated by the County stating that the Customer has not satisfactorily installed and maintained the Improvements as required by the Chesterfield County Erosion and Sediment Control Ordinance (the "Ordinance") and the Plans.
2. A certified statement signed by an official designated by the County to the effect that the drawing is for the explicit purpose of providing for the installation and/or maintenance of the Improvements pursuant to the Ordinance and the Plans.
3. All drafts must bear the clause drawn under the \_\_\_\_\_ (Bank) Bank, Letter of Credit # \_\_\_\_\_, dated \_\_\_\_\_.

We hereby engage with drawers, endorsers, and bona fide holders that all drafts drawn in compliance with the terms of this credit shall be duly honored upon presentation and delivery of the documents. Bank will accept facsimile copy of draft and original letter of credit for draw request, with original documents to be sent overnight to bank upon facsimile request. Bank will accept and honor facsimile copy of draft and facsimile copy of original letter of credit, if sent by facsimile to (area code and telephone number) and if original documents are sent to Bank by overnight mail or commercial express mail service, after facsimile transmission (all transmissions to the attention of name and title of bank official). This irrevocable letter of credit shall remain in full force and effect for an initial period of: (Choose one)

1. One (1) year from the effective date of the letter of credit (ending at \_\_\_\_\_ a.m./p.m. on \_\_\_\_\_); or

2. \_\_\_\_\_ days from the effective date of this letter of credit, ending at ending at \_\_\_\_\_ a.m./p.m. on \_\_\_\_\_, which is the proposed completion date of the improvements.

This irrevocable letter of credit shall automatically renew itself from year to year thereafter unless and until the Issuing Bank gives ninety (90) days prior written notice to the county's Department of Environmental Engineering, by certified mail, return receipt requested, of its intent to terminate the letter of credit at the expiration of the ninety-day period. During the last thirty (30) days during which the letter of credit is in full force and effect, the County may draw up to the full amount of the letter of credit when the draft is accompanied by a document certifying that (i) the Customer has not completed the Improvements and not provided the County with an acceptable substitute irrevocable letter of credit or (ii) the drawing is for the explicit purpose of guaranteeing and/or providing for the installation and/or maintenance of the required Improvements.

This irrevocable letter of credit shall terminate when the County's Environmental Engineer (or his appointed agent) provides the Issuing Bank with written release stating that the Customer has completed and maintained the Improvements as required by the Ordinance and the Plans.

This irrevocable letter of credit is non-transferable or assignable by the Issuing Bank, County or Customer.

This irrevocable letter of credit shall be construed according to the "Uniform Customs and Practices for Documentary Credits," promulgated by the XIII Congress of the International Chamber of Commerce (International Chamber of Commerce Publication No. 500, 1993 Revision) and the provisions of the Uniform Commercial Code - Letters of Credit, Title 8.5 of the Code of Virginia, 1950, as amended.

Very truly yours,

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

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

(President or Vice-President)

