IRREVOCABLE STANDBY LETTER OF CREDIT

DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 201\_\_

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_\_\_\_

BANK NAME AND ADDRESS:

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

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

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

ATTN: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BENEFICIARY:

CITY OF CASTLE PINES

360 VILLAGE SQUARE LANE, SUITE B

CASTLE PINES, CO 80108

ATTN: PUBLIC WORKS DIRECTOR

CUSTOMER:

[Insert Name and Address]

EXPIRATION DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 201\_\_ (no less than one year from date of LOC)

RE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [insert name of development/plat reference] – TO SECURE PERFORMANCE OF GRADING, EROSION CONTROL, AND SEDIMENT CONTROL (GESC) REQUIREMENTS

DEAR SIR OR MADAM:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“BANK”) HEREBY ESTABLISHES IN FAVOR OF THE CITY OF CASTLE PINES, COLORADO ("BENEFICIARY"), AT THE REQUEST OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“CUSTOMER”), AN IRREVOCABLE LETTER OF CREDIT IN THE AMOUNT OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ U.S. DOLLARS ($\_\_\_\_\_\_\_\_\_\_\_\_\_.00) AVAILABLE BY IMMEDIATE PAYMENT UPON PRESENTATION AT BANK'S OFFICE AT \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ATTN: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ OF BENEFICIARY'S SIGHT DRAFT(S) IN AN AMOUNT NOT EXCEEDING THE AVAILABLE AMOUNT, AND EACH SIGHT DRAFT MUST BEAR THE REFER­ENCE: "DRAWN ON \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [INSERT BANK NAME]. IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_\_\_\_, DATED \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_."

IN ADDITION, BENEFICIARY'S SIGHT DRAFT(S) MUST BE ACCOMPANIED BY A COPY OF THIS IRREVOCABLE LETTER OF CREDIT, CERTIFIED BY THE CITY CLERK OR DEPUTY CITY CLERK TO BE A TRUE AND COMPLETE COPY OF THIS LETTER OF CREDIT AND AN AFFIDAVIT OF CERTIFICATION IN THE FORM ATTACHED HERETO AS EXHIBIT 1 (THE "AFFIDAVIT"). THE AFFIDAVIT SHALL REFERENCE THE CITY’S GESC MANUAL, ACCEPTED GESC PLAN AND THE GESC PERMIT ISSUED TO CUSTOMER FOR THE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [insert name of development/plat reference] (COLLECTIVELY, THE “GESC REQUIREMENTS”). UPON PRESENTATION OF SUCH AFFIDAVIT IN COMPLIANCE WITH THE TERMS CONTAINED HEREIN, BANK SHALL HONOR THE ACCOMPANYING SIGHT DRAFT(S) AND SHALL NOT BE REQUIRED TO DETERMINE QUESTIONS OF FACT OR LAW BETWEEN BENEFICIARY AND CUSTOMER.

THIS IRREVOCABLE LETTER OF CREDIT SETS FORTH THE FULL UNDERSTANDING OF THE PARTIES HERETO AND BANK HEREBY PROMISES TO BENEFICIARY THAT ANY DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS IRREVOCABLE LETTER OF CREDIT WILL BE DULY HONORED IF PRESENTED TO BANK ON OR BEFORE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 201\_\_ (THE “EXPIRATION DATE”), OR ANY AUTOMATICALLY EXTENDED EXPIRATION DATE.

THIS IRREVOCABLE LETTER OF CREDIT IS NONTRANSFERABLE.

PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED UNDER THIS LETTER OF CREDIT.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ADDITIONAL PERIODS OF ONE YEAR FROM THE PRESENT OR ANY AUTOMATICALLY EXTENDED EXPIRATION DATE THEREOF, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY SUCH DATE WE SHALL SEND NOTICE OT YOU BY REGISTERED MAIL OR COURIER OR HAND DELIVERED NOTIFICIATION AT THE ABOVE ADDRESS THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR ANY SUCH ADDITIONAL PERIOD.

UPON RECEIPT BY YOU OF SUCH NOTICE OF NON-EXTENSION, YOU MAY DRAW ON US AT SIGHT FOR AN AMOUNT NOT TO EXCEED THE THEN AVAILABLE AMOUNT UNDER THE LETTER OF CREDIT WITHIN THE THEN-APPLICABLE EXPIRATION DATE, BY PRESENTATION OF YOUR SIGHT DRAFT ACCOMPANIED BY A COPY OF THIS IRREVOCABLE LETTER OF CREDIT, CERTIFIED BY THE CITY CLERK OR DEPUTY CITY CLERK TO BE A TRUE AND COMPLETE COPY OF THIS LETTER OF CREDIT AND AN AFFIDAVIT OF CERTIFICATION SIGNED BY AN AUTHORIZED OFFICER OF BENEFICIARY READING AS FOLLOWS:

“THE AMOUNT OF THIS DRAWING USD \_\_\_\_\_\_\_\_\_\_\_\_ UNDER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [INSERT BANK NAME] LETTER OF CREDIT NUMBER \_\_\_\_\_\_\_\_\_\_\_\_\_ REPRESENTS FUNDS DUE US AS WE HAVE RECEIVED NOTICE FROM \_\_\_\_\_\_\_\_\_\_\_\_\_ [INSERT BANK NAME] OF ITS DECISION NOT TO AUTOMATICALLY EXTEND LETTER OF CREDIT NUMBER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ AND THE UNDERLYING OBLIGATION OF CUSTOMER TO BENEFICIARY UNDER THE GESC REQUIREMENTS IS STILL OUTSTANDING.”

DEMANDS FOR PAYMENT BY THE BENEFICIARY UNDER THIS LETTER OF CREDIT SHALL BE DEEMED TIMELY MADE IF PRESENTED BY EXPRESS, CERTIFIED OR REGISTERED MAIL OR COURIER, TO THE BANK AT THE BANK’S ADDRESS SET FORTH ABOVE, OR BY HAND DELIVERY TO BANK AT OUR ABOVE ADDRESS ON OR BEFORE THE EXPIRATION DATE.

THIS IRREVOCABLE LETTER OF CREDIT IS GOVERNED BY THE LAWS OF THE STATE OF COLORADO AND THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION 600) (2007 REVISION) AND, IN THE EVENT OF ANY CONFLICT, THE LAWS OF THE STATE OF COLORADO WILL CONTROL.

THE EXCLUSIVE VENUE FOR ALL DISPUTES REGARDING THIS IRREVOCABLE LETTER OF CREDIT SHALL BE THE DISTRICT COURT FOR THE COUNTY OF DOUGLAS, STATE OF COLORADO.

VERY TRULY YOURS,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [INSERT BANK NAME]

TITLE

EXHIBIT 1 TO IRREVOCABLE LETTER OF CREDIT

DRAWN ON \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [INSERT BANK NAME] IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_

DATED \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

AFFIDAVIT OF CERTIFICATION

STATE OF COLORADO )

 ) SS.

COUNTY OF DOUGLAS )

 I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, BEING DULY SWORN, STATE AS FOLLOWS:

TITLE AND AUTHORITY OF AFFIANT. I AM \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ FOR THE CITY OF CASTLE PINES, COLORADO AND AM AUTHORIZED TO ACT ON BEHALF OF THE CITY OF CASTLE PINES, COLORADO IN THIS MATTER.

CERTIFICATION. UNDER PENALTY OF LAW, I HEREBY CERTIFY THAT THE CUSTOMER HAS FAILED TO COMPLY WITH ALL REQUIREMENTS OF THE CITY’S GESC MANUAL, ACCEPTED GESC PLAN AND THE GESC PERMIT ISSUED TO CUSTOMER FOR THE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [insert name of development/plat reference], AND THE CITY OF CASTLE PINES IS ENTITLED TO DRAW ON THIS IRREVOCABLE LETTER OF CREDIT.

 CITY OF CASTLE PINES

 BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 TITLE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 SUBSCRIBED AND SWORN TO BEFORE ME THIS \_\_\_\_ DAY OF\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_, BY \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

 WITNESS MY HAND AND OFFICIAL SEAL.

 MY COMMISSION EXPIRES: .

 NOTARY PUBLIC

[SEAL]