

[NAME AND ADDRESS OF ISSUER]

ATTN: Sussex Conservation District
23818 Shortly Road
Georgetown, DE 19947

RE: IRREVOCABLE COMMERCIAL LETTER OF CREDIT NO.
_____ **(PERFORMANCE LOC)**

AGREEMENT NO. _____

AGREEMENT NAME: _____

To Whom it May Concern:

We hereby establish our Irrevocable Commercial Letter of Credit ("Letter of Credit") in favor of Sussex Conservation District, a governmental subdivision of the State of Delaware ("District"), as beneficiary, at the request of _____, of _____ ("Principal"), for an amount(s) not to exceed _____ Dollars (\$_____) (the "Credit"), to be accepted by your signed statement that drawing is due to the default or failure to perform by the Principal the obligations contained in the above-referenced Agreement.

This Letter of Credit is subject to the following terms and conditions.

1. Effective Date: _____.
2. Expiration Date: _____. THE EXPIRATION DATE OF THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY EXTENDED FOR ADDITIONAL ONE (1) YEAR PERIODS BEGINNING WITH THE EXPIRATION DATE AND EACH ANNIVERSARY OF SUCH DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO SUCH EXPIRATION DATE OR ANNIVERSARY OF SUCH DATE, AS THE CASE MAY BE, WE NOTIFY DISTRICT, IN WRITING, BY CERTIFIED MAIL OR OVERNIGHT COURIER, ADDRESSED TO THE DISTRICT AT 23818 SHORTLY ROAD GEORGETOWN, DE 19947, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT.
3. This Credit is to be available by sight draft being presented to _____ (NAME OF BANK) at its main office at _____. All drafts so drawn must bear the clause "Drawn under _____ (NAME OF BANK) letter of credit number _____, dated _____."

4. Principal is responsible to complete, in a manner satisfactory to District, the improvements, as defined by the Agreement between the parties and as defined in the submitted plans and specifications.

5. The sight draft must be signed by an authorized representative of the District stating, “_____ (PRINCIPAL) has failed to complete the improvements as defined by the Agreement, plans and specifications to a point of acceptance by District under Agreement No. _____ covering the materials, construction, construction administration and construction inspection for drainage construction, stormwater construction, and other improvements deemed necessary by the District. Demand is hereby made in the amount of the _____ enclosed draft.”

6. Except as otherwise stated herein, no modifications or revocations may be made by the undersigned to the irrevocable credit created hereby, without the express written approval of District.

7. Drafts drawn in favor of District shall not relieve Principal of any other liability it may have for the satisfactory completion of the improvements called for under the Agreement or otherwise required.

8. Except insofar as otherwise expressly stated, this Letter of Credit is to be governed and construed in accordance with Delaware law, and to the extent not inconsistent therewith, the Uniform Customs and Practices for Documentary Credits, 2007 Revision, ICC Publication no. 600.

Very truly yours,

Witness

Bank