

[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 in favor of The Sussex Conservation District, a governmental subdivision of the State of Delaware (hereinafter the "District"), as beneficiary, at the request of \_\_\_\_\_, of \_\_\_\_\_ (hereinafter "Principal"), for an amount or amounts not to exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_), 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 THE 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 \_\_\_\_\_ (BANK) at its main office at \_\_\_\_\_. All drafts so drawn must bear the clause "Drawn

under \_\_\_\_\_(BANK) letter of credit number \_\_\_\_\_, dated \_\_\_\_\_.

4. The Principal is responsible to complete, in a manner satisfactory to the 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 the 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 the District.

7. Drafts drawn in favor of the District shall not relieve the 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 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