

Sample Letter of Credit

Name of Bank
Address
Telephone Number

Irrevocable Letter of Credit No. _____
Date _____

Public Water Supply District No. 2 of St. Charles County, Missouri
100 Water Drive
O'Fallon, MO 63368

Gentlemen:

We hereby open our Irrevocable Letter of Credit in favor of Public Water Supply District No. 2 of St. Charles County, Missouri for the account of (Name of Developer), available by your one or more drafts drawn at sight on (Name of Bank).

The terms of this irrevocable letter of credit are specifically defined as follows:

(Name of Bank) will honor any drafts for a sum not to exceed the aggregate amount of \$ _____ for twelve months from the date of this letter, terminating on _____.

Beginning _____, (Name of Bank) will honor any drafts for the sum not to exceed the aggregate amount of \$ _____ terminating on _____.

Furthermore, total drafts during the thirty six month term of this letter of credit will not exceed the aggregate amount of \$ _____.

Each draft so drawn must be marked "Drawn under (Name of Bank) Letter of Credit No. _____ and be accompanied by a signed statement of the Public Water Supply District No. 2 of St. Charles County, Missouri that (Name of Developer) has failed to honor his contractual agreement with the Public Water Supply District No. 2 of St. Charles County, Missouri.

This credit is subject to "The Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Publication No. 400.

Sincerely,

Name of Bank _____

Printed Name of Bank Officer _____

Title of Bank Officer _____

Signature of Bank Officer _____