

EXAMPLE LETTER OF CREDIT FORM

BENEFICIARY

The Corporation of the City of Cambridge
50 Dickson Street
P O Box 669
Cambridge, ON, N1R 5W8

(Letter of Credit Number)
(Date of Issue)

Dear Sirs/Madames:

Re: Letter of Credit for Site Works
(Name of Owner)
(Street Address of Owner)
(Legal Description of Property)
(Site Plan Agreement Number)

Pursuant to the request of our customer,we the undersigned, The Bank of.....hereby establish an irrevocable letter of credit in your favour in the total amount of
(\$.....) which may be drawn on by you to the extent required at the discretion of the Corporation of the City of Cambridge for the proper completion of the Site Plan Control Agreement between.....and the Corporation of the City of Cambridge, according to the terms and conditions of said agreement covering a site situated on(street address if available and legal description of property),... and known as Site Plan no. SP.....

Drawings under this letter of credit shall be in the form of a written demand for payment by the Corporation of the City of Cambridge.

The amount of this credit may be reduced from time to time, as advised by notice in writing given to the undersigned from time to time, by the Corporation of the City of Cambridge.

It is understood that this obligation is between The Bank of.....and the Corporation of the City of Cambridge and any notice referred to in the preceding paragraph shall not be used for any other purpose than herein set forth.

This letter of credit will continue to....., and will expire on that date and you may call for payment of the full amount outstanding under this letter of credit at any time up to the close of business on that date. It is a condition of this letter of credit that it shall be deemed to be automatically extended for one year from the present or any future expiration date hereof, unless sixty days prior to any such date, we shall notify you in writing by registered mail that we elect not to consider the letter of credit renewed for any such additional period.

Upon receipt by you of such notice, you may draw hereunder by means of your demand accompanied by your written certification that the amounts drawn will be retained and used by you to meet obligations incurred or to be incurred in connection with the above agreement; further, that you will release any amount not required by you to.....

For the Bank of..

(Authorized Signature)