

Letterhead Stationery of Bank

Irrevocable Letter of Credit
No. _____

City of Charlottesville
Attn: John C. Blair, II, City Attorney
P. O. Box 911
Charlottesville, VA 22902

Dear Mr. Blair:

We hereby establish our irrevocable letter of credit in your favor for the account of:

Up to an aggregate amount of U.S. \$ _____ available by your drafts at sight.

All drafts must be accompanied by the following documents: The beneficiary's signed statement that _____ has failed to perform in accordance with the Planning Department requirements of the _____ (e.g., *soil erosion, site, landscaping, public improvements*) Plan dated _____, 20____, for the project at _____.

All drafts drawn under this letter of credit must be marked, "Drawn under _____ (name of bank) _____ Letter of Credit No. _____ dated _____.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this letter of credit shall be met with due honor if presented to us at the office specified above on or before _____ p.m. (prevailing Charlottesville, Virginia time) on ("the expiration date"), unless renewed pursuant to the terms and conditions hereof.

The Bank shall renew this Letter of Credit by renewal thereof for one year periods from the present or any future expiry date unless: (1) at least thirty (30) days prior to the Expiration Date, the Bank sends the City notice at the above-stated address that the Bank elects not to renew the Letter of Credit for additional terms; or (2) prior to the Expiration Date, you have surrendered to us this Letter of Credit for cancellation, or (3) we have honored your draft presented hereunder, in which event this Letter of Credit shall automatically terminate. If we fail to renew this Letter of Credit as provided above, you shall have the right to draw hereunder.

Except as otherwise stated, this credit is subject to the "Uniform Customs and Practice for Documentary Credits" (1993 Revision) International Chamber of Commerce, Publication No.500.

Sincerely yours,

BANK OFFICIAL