

(PRINT ON BANK LETTERHEAD)

SAMPLE FOR SITE
IMPROVEMENT PLANS

Irrevocable Standby Letter of Credit

Letter of Credit No.: (1) _____ Issue Date: (2) _____

Expiration Date: (3) _____

Amount: (4) _____

Applicant: (5) _____

Beneficiary: Montgomery County Planning & GIS
Brea Hopkins, Planning & Zoning Administrator
755 Roanoke Street, Suite 2A
Christiansburg, Virginia 24073

Project Reference: (6) _____

Dear Montgomery County Zoning Administrator:

We hereby issue this Irrevocable Standby Letter of Credit No. (1) in your favor, for the account of (5), available by your drafts drawn at sight on us up to the aggregate amount of (4), each such draft accompanied by the following document:

Your written statement certifying that (5) has defaulted in the performance of the terms and conditions of (7) Agreement with you, dated this (8) day of _____, 20__, and that you are, in consequence, entitled to the amount of the accompanying draft.

All drafts drawn under this letter of credit must be marked "Drawn under (9) Letter of Credit No. (1) dated (2)".

This credit is valid until (3) or any extension thereof, and drafts drawn hereunder, if accompanied by documentation as specified above, will be honored if presented on or before that date to (10) at (11) or, if said bank is not doing business at such address, then to any other address or location of said bank or its successor. It is a condition of this Letter of Credit that it will be automatically extended without notification for successive one-year periods of time, unless at least sixty (60) days but not more than ninety (90) days prior to any expiration date, we send written notice by certified mail to the Zoning Administrator of Montgomery County, Virginia, which includes reference to the name of the Agreement, the amount of this Letter of Credit and (5), that we elect not to renew this Letter of Credit for such additional period of time. Upon receipt by the Zoning Administrator of such notice, you may draw upon us without regard for default by (5) by your draft at sight without other documentation, except as set forth above.

Except as otherwise expressly stated herein, this letter of credit is subject to the "Uniform Customs and Practice for Documentary Credits", established by the International Chamber of Commerce, as in effect on the date of issuance of this credit.

Respectfully,

(9)

By: _____ (12)
_____ (13)
_____ (14)

GUIDE:

- (1) Number assigned to letter of credit by bank
- (2) Date letter of credit issued
- (3) Expiration date of letter of credit
- (4) Amount of letter of credit written in words and numerals
EXAMPLE: Fifty thousand and no/100 dollars (\$50,000.00)
- (5) Name of person, corporation, or partnership submitting letter of credit – listing mailing address in top section only
- (6) Name of project – reference the following:
 - project title
 - approved site plans – county approval date
 - plans prepared by
- (7) Insert “his”, “her”, “its” or “their”, as appropriate
- (8) Date shown on agreement
- (9) Name of bank
- (10) Name and address of bank
- (11) Address of bank or branch thereof where letter of credit is to be presented. No letter of credit will be acceptable unless it may be presented at a bank office in the New River Valley or Roanoke Valley in Virginia.
- (12) Signature of authorized officer of bank
- (13) Printed name of authorized officer of bank
- (14) Title of authorized officer of bank

STEPS FOR THE OWNER:

1. Provide the county with an itemized estimate for the project cost.
2. Once the estimated cost is approved by the county, provide a draft copy of the letter of credit for the county attorney to review and approve.
3. Once the county attorney approves the letter of credit, finalize the letter of credit with the bank acquiring the necessary signatures and provide the county with the original letter of credit on bank letterhead.
4. Upon project completion and final inspection, the county will release the letter of credit back to the bank.