## SAMPLE LETTER OF CREDIT

## BANK LETTERHEAD

DATE

To:	Planning Director Hanover County Planning Department P. O. Box 470					
			nia 23069			
		Re:	Zoning Ordinance Performance Agreement Irrevocable Letter of Credit No Name of Development:			
(in alud			n our Irrevocable Letter of Credit No("the Letter of Credit"), effective on, 20, in your favor for the account of [name and address dress, if P.O. Box address is also provided)] ("the Customer"), for an amount not to			
			, available by your sight drafts on theBank ("the Bank").			
Perforn	satisfa nance A	ction of greemer _ by and	this Letter of Credit is to furnish Hanover County, Virginia ("the County") with surety all obligations (including the construction of all improvements) of the Zoning [name of development] dated between the Customer and the County ("the Agreement") and all requirements of the promptly honored when accompanied by the following			
	1.	stating	fied statement signed by the Hanover County Director of Planning ("the Director") that the Customer has not satisfactorily complied with the obligations of the nent and the requirements of the Hanover County Code;			
	2.	providi	fied statement signed by the Director to the effect that the demand is for the purpose of ng for the performance of the obligations described in the Agreement and required the Hanover County Code.			
	3.	All dra	fts must bear the clause "Drawn under the [name of bank] bank of Credit No dated"			
			esented at [Name of bank and address ( <b>Note:</b> These drafts bank located in the Commonwealth of Virginia)].			
	We fur	ther agre	ee that:			
Letter days produced of the rand eff by a do	of Credition write by regist of the control of the	ive date t shall the ten notice ered or 00) day p County certifyi	etter of Credit shall remain in full force and effect for an initial period of two years of the letter of credit (ending at: a.m./p.m. on, 20). This nen renew automatically from year-to-year unless and until the Bank gives ninety (90) to the Hanover County Planning Director, P. O. Box 470, Hanover, Virginia 23069-certified mail, return receipt requested, of its intent to terminate same at the expiration period. During the last thirty (30) days during which the Letter of Credit is in full force may draw up to the full amount of the Letter of Credit when the draft is accompanied ing that (i) the Customer has not complied with the obligations of the Agreement and Hanover County Code and has not provided the County with an acceptable substitute			

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This is an integral part of Letter of Credit No	dated	, 20	
irrevocable letter of credit or (ii) the drawing completion of all obligations of the Agreement			the
2. This Letter of Credit shall te Hanover County provides the Bank with writte of the Agreement and the requirements of the I	en release stating that the	ctor (or designee) or other official e Customer has fulfilled all obligation	
3. Funds available under this Letimes as determined by the Director, in his so the amount specified above. Checks shall be of the Director or the designee referenced in page 1.	le discretion, provided the made payable to "County		eed
4. The Bank shall have no right, on non-performance of the underlying Agreement	• •	nsibility to evaluate the performance and the County.	or
5. No change, extension of time, and specifications relating to the same, shall in we waive notice of any such change, extension such change, extension of time, alteration, or Letter of Credit.	n any way affect our obli on of time, alteration, or	addition, on the understanding that	nd no
6. This Letter of Credit is non-tra	nsferable by the Bank, th	e County, or the Customer.	
7. Except as otherwise expressly and Practice for Documentary Credits, Interna and the provisions of the Uniform Commercia 1950, as amended.	tional Chamber of Com		nce
8. Approval of this Letter of Cre notice to the Bank or any other party.	edit by the County shall	be deemed acceptance without furth	her
9. The proper forum for trial of a Credit shall lie in the Hanover County Circuit	•	liability to the County on this Letter.	of
	Very truly yours,		
[Corporate Seal]	[Name of Bank] [Authorized Bank Offi [Title of Authorized Bank]	=	
COMMONWEALTH OF VIRGINIA, COUNTY OF, to-wit:	[Title of Flamonized Bo	ank officer;	
The foregoing instrument was acknowledged			by el
for[name of Bank].	_[],		-1,
		Notary Public	
My commission expires:			
Registration number:			

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