



IRREVOCABLE LETTER OF CREDIT
Utility Permit Bonding)

Date	Initials
Received: _____	By: _____
Reviewed: _____	By: _____
Accepted: _____	By: _____
Released: _____	By: _____

TO THE CITY COUNCIL OF THE CITY OF EFFINGHAM, ILLINOIS:

1. Upon the request of _____, (hereinafter referred to as the "Permitee"), we, _____ (hereinafter referred to as the "Bank") hereby establish our Irrevocable Letter of Credit, (hereinafter referred to as "Credit") in favor of the City of Effingham, Illinois, an Illinois municipal corporation, (hereinafter referred to as the "City") in the amount of _____ dollars, (\$ _____). This credit is irrevocable. This irrevocable letter of credit is issued in connection with certain work to be constructed in accordance with a Utility Permit within the Public Right of Way under the jurisdiction of the City of Effingham, (hereinafter referred to as the "Project") identified as:
 - A. _____ Project
 - B. Located at: _____
2. Said Project includes, but is not limited to installation of public utilities on public right of way and easements and restoration of the public right of way and easement areas as identified in the Project plans and specifications. The Project shall be completed sixty (60) days before the expiration date. Said Project shall be inspected after completion by, but not limited to the City of Effingham Director of Public Works or his designee. Any deficiencies shall be noted (and shall be designated the punch list) and directed to the Permitee for correction. After the deficiencies have been corrected and the Permitee has submitted all Project closeout documentation as required in the specifications, the City of Effingham Director of Public Works shall recommend the Project for acceptance by the City Council and upon approval, the bonding will be released.
3. This irrevocable letter of credit shall be in force and effect until _____. Sixty (60) days prior to the expiration date of this irrevocable letter of credit, the Bank shall notify the City of Effingham Director of Public Works, by certified letter return receipt requested of the impending expiration. This irrevocable letter of credit shall not expire without such notice but shall continue in full force and effect. In Addition, the Permitee and Bank agree that if this irrevocable letter of credit is not released in writing by Resolution of the City Council of the City of Effingham within the sixty (60) days, the irrevocable letter of credit shall automatically continue in full force and effect. The Permitee and Bank further agree that this irrevocable letter of credit may not be cancelled, reduced, released or otherwise diminished or terminated without the express written consent of the City Council of the City of Effingham. The written consent shall be in the form of a Resolution passed, adopted and approved by the City Council of the City of Effingham.
4. If the work, including submission of all Project closeout documentation, covered by this irrevocable letter of credit is not completed within sixty (60) days prior to the expiration date as stated in paragraph 3 above, the City of Effingham may call this irrevocable letter of credit upon serving the Permitee and the Bank a Notice of Default. The Notice of Default shall specify the manner of the default and specify the time provided to cure the default. If the default is not cured, this irrevocable letter of credit shall be available to the City of Effingham, and the Bank shall honor all drafts presented to it at any time upon presentation of:
 - A. Resolution of the City Council of the City of Effingham, Illinois stating that the Permitee has failed to satisfactorily complete or carry on the Project or has failed to pay material suppliers, subcontractors or others whom any money may be due; and,
 - B. The affidavit of the City of Effingham Director of Public Works stating that all drafts will be made for the purposes of paying consulting engineers, surveyors, materialmen, contractors, and subcontractors for the completion of the Project.

This Irrevocable Letter of Credit is hereby issued this _____ day of _____, _____.

BANK (must be executed by 2 officers)

By: _____

By: _____

_____, its _____

Printed Name

_____, its _____

Printed Name

PERMITEE

The undersigned hereby consents to the terms and conditions stated above this _____ day of _____, _____.

(If an individual)

Signature _____

Name _____

Address _____

(If a partnership)

Signature _____

Title _____

Firm Name _____

Address _____

Name and Address of all Partners (add pages if necessary)

Name _____

Address _____

Name _____

Address _____

Name _____

Address _____

Name _____

Address _____

(If a corporation) Corporate Name _____

ATTEST:

Signature _____

Name _____

Title _____

Signature _____

Name _____

Title _____

Business Address _____

Names of Officers

President _____

Vice President _____

Secretary _____

Treasurer _____

CITY OF EFFINGHAM

This Irrevocable Letter of Credit is hereby accepted this _____ day of _____, _____, by the City of Effingham

By: _____
Mayor / City Administrator / Director of Public Works

The Improvements are accepted and this Irrevocable Letter of Credit is hereby released by adoption of Resolution No. _____, by the City Council of the City of Effingham this _____ day of _____, _____.

By: _____
Mayor / City Administrator / Director of Public Works