

(Standard wording required by Town of Midland – required to be on Bank letterhead)

**IRREVOCABLE STANDBY LETTER OF CREDIT**

FINANCIAL INSTITUTION

\_\_\_\_\_

Issued on: \_\_\_\_\_ (date)

In the amount of: \$XXX,XXX.XX

BENEFICIARY

The Corporation of the Town of Midland  
575 Dominion Avenue  
Midland, Ontario  
L4R 1R2

APPLICANT: (Developer)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

IRREVOCABLE STANDBY LETTER OF CREDIT NO. (Reference # as provided by Bank)

**WE HEREBY AUTHORIZE YOU TO DRAW ON THE** \_\_\_\_\_ (Name of Bank)

for the account of \_\_\_\_\_ (Applicant)

**UP TO AN AGGREGATE AMOUNT OF CAD** \_\_\_\_\_

Dollars \$XXX,XXX.00 available on demand.

**PURSUANT TO THE REQUEST OF** our customer: \_\_\_\_\_ (Applicant)

we the \_\_\_\_\_ (Bank) \_\_\_\_\_ hereby establish and give you an

Irrevocable Letter of Credit in your favour in the above amount which may be drawn on by you at any time and from time to time, upon written demand for payment made upon us by you which demand we shall honour without enquiring whether you have the right as between yourself and the said customer to make such demand, and without recognizing any claim of our said customer, or objection by it to payment by us.

**DEMAND** shall be by way of Letter signed by the Treasurer of the Municipality under the corporate seal attached to which shall be the original Letter of Credit. Presentation shall be made to the bank at: \_\_\_\_\_ (Bank Address).

**THE LETTER OF CREDIT** we understand relates to those Municipal services and financial obligations set out in an Agreement between the customer and the Municipality and referred to as \_\_\_\_\_ (project/agreement reference (by-law #), or property address, or site description – as approved by Engineering Dept).

**THE AMOUNT** of this Letter of Credit may be reduced from time to time as advised by notice in writing to the undersigned by the Treasurer of the Corporation of the Town of Midland.

**THIS LETTER OF CREDIT** will continue in force for a period of one year, but shall be subject to the condition hereinafter set forth.

**IT IS A CONDITION** of this Letter of Credit that it shall be deemed to be automatically extended without amendment from year to year from the present or any future expiration date hereof, unless at least (30) days before any such date we notify the Treasurer in writing by

courier or registered mail that we elect not to consider this Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw by means of your demand accompanied by your written certification, that the amount drawn will be retained and used by you to meet obligations incurred or to be incurred in connection with the agreement.

This Letter of Credit is Issued subject to the Uniform Customs and Practices for Documentary Credits, (2007 REVISION), being ICC Publication UCP No. 600

DATED at \_\_\_\_\_, \_\_\_\_\_ this the \_ day of \_\_\_\_\_, 20\_\_.

COUNTERSIGNED BY:

NAME OF BANK

Per:

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This Document consists of 2 pages.