

(Letterhead of a Bank, Savings and Loan or Mortgage House)

_____, 20__

Mayor and Aldermen
United City of Yorkville
651 Prairie Pointe Drive
Yorkville, IL 60560

Re: Development Name or Address
Letter of Credit No.
For Account of
Amount
Date

Dear Mayor and Aldermen:

The undersigned _____ by _____, its' duly
(name of financial institution) (name & title)

authorized agent, hereby establishes and issues this Irrevocable Letter of Credit in favor of the United City of Yorkville in the amount of \$_____, which represents 120% of the cost of the work described herein. Such credit is available to be drawn upon by said City upon presentation to this bank of your demand for payment.

This Letter of Credit is issued for the purpose of guaranteeing the public improvements and erosion and sediment control, and/or stabilization of disturbed areas in the aforesaid development:

Total engineer's estimate = _____

The costs of the foregoing work are detailed in the attached Engineer's Cost Estimate.
The development is legally described as follows:

See Attached Exhibit "A"

Said work shall be constructed by _____ our customer in accordance with the plans, specifications, completion schedules and cost estimates prepared by _____.

The undersigned agrees that this Irrevocable Letter of Credit shall remain in full force and effect and pertain to any and all amendments or modifications which may be made from time to time to the plans, specifications and cost estimated for said work.

This Irrevocable Letter of Credit shall expire on_____, 20_ provided, however, that the undersigned shall notify the City Clerk by certified or registered mail, return receipt requested, at least ninety (90) days prior to said expiration date, that said Letter of Credit is about to expire. In no event shall this Irrevocable Letter of Credit or the obligations contained herein expire except upon said prior written notice, it being expressly agreed by the undersigned that the above expiration date shall be extended as required to comply with this notice provision.

This Irrevocable Letter of Credit shall remain in effect until_____, 20_, without regard to any default in payment of money owed to the issuer by our customer and without regard to other claims which the Issuer may have against our customer, and in no event shall terminate without notice as specified above.

This Letter of Credit may be renewed by the Issuer or our customer prior to the above expiration date by submitting a new Letter of Credit to the same form and substance as this Letter of Credit to the City Clerk in an amount equal to 120% of the estimated cost to complete and pay for the above described improvements.

It is agreed that the following shall be considered a default by our customer and shall entitle the City to make demand on this Letter of Credit:

1. that said Letter of Credit will expire within thirty (30) days and has not been renewed; or
2. that the aforesaid improvements have not been completed by the owner at least thirty (30) days prior to the aforesaid expiration date; or
3. that the owner has failed to complete or carry on the work of the installation and construction of the required improvements in accordance with the schedule, or at a faster pace if the installation of the private improvements shall be completed before public improvements to service them are available; or
4. that the United City of Yorkville has determined that the owner has demonstrated that they will be unable to complete the improvement.

The Issuer's obligation to the City is based solely on this Irrevocable Letter of Credit engagement between this financial institution and the City and is not subject to instructions from our customer.

It is recognized that the City will issue a Permit to our customer to proceed with construction upon the guarantee of this irrevocable commitment. It is further acknowledged that the consideration for this irrevocable commitment is provided by agreements between this financial institution and our customer.

This Irrevocable Letter of Credit sets forth in full the terms of this undertaking between the Issuer and the City, and such undertaking shall not in any way be modified, amended, amplified, nor shall it

be limited by reference to any documents, instrument or agreement referred to herein, and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement.

Demands on this Letter of Credit shall be made by presenting the Issuer with a letter from the City Clerk of the United City of Yorkville demanding payment accompanied by the certificate of the City Clerk of the United City of Yorkville certifying the basis for the default and demand on this Letter of Credit.

The undersigned agrees that this Letter of Credit shall not be reduced or discharged except upon receipt of a certificate of the City Clerk of the United City of Yorkville certifying that this Letter of Credit may be reduced. Reductions to the Letter of Credit amount shall be in compliance with city resolution and/or policy in effect at the time of reduction.

All acts, requirements and other preconditions for the issuance of this Irrevocable Letter of Credit have been completed.

The undersigned further agrees and engages that it will be responsible and liable for attorney fees and court costs which may be incurred by the City in enforcing collection of this Letter of Credit in accordance with its' terms.

We hereby engage with you that all demands for payment in conformity with the terms of this Irrevocable Letter of Credit will be duly honored on presentation to us prior to expiration of this Letter of Credit.

Except as otherwise expressly stated herein, this Irrevocable Standby Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits, 2007 Revision, International Chamber of Commerce Publication No. 600.

BY: _____

ATTEST: _____

Name: _____

Name: _____

Title: _____

Title: _____

STATE OF ILLINOIS)

COUNTY OF _____) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that _____, personally known to me to be the _____ of the _____ (title) _____, and _____ personally known to me to be the (name of institution) _____ (title) of said institution, and who are personally known to me to be the same persons whose names are subscribed to the foregoing Letter of Credit as such _____ and _____ (title) (title) respectively, and caused the corporate seal of said _____ to be affixed thereto (name of institution) pursuant to authority given by the Board of Directors thereof as their free and voluntary acts and as the free and voluntary act and deed of said institution.

Given under my hand and official seal this ___ day of _____ 20_.

Notary Public