

## LETTER OF CREDIT

**The following information must be in *each* Letter of Credit:**

Beneficiary: CITY OF LEBANON

ENGINEERING DEPARTMENT  
200 North Castle Heights Avenue, Suite 300  
Lebanon, TN 37087  
ATTN: Mattie Neely

***The following statements are not required to be verbatim; however, verbiage must accurately reflect all significant elements of the statement:***

Expiration Date:

We hereby open our Irrevocable Letter of Credit in your favor for the account of \_\_\_\_\_  
\_\_\_\_\_ (Developer), \_\_\_\_\_  
(Address) for a sum not to exceed the aggregate amount of \$ \_\_\_\_\_ available by your  
one or more clean drafts drawn at sight on us.

Each draft so honored must be marked "Drawn under \_\_\_\_\_  
(Institution and address), Letter of Credit # \_\_\_\_\_" and be accompanied by a signed statement  
by the City of Lebanon that \_\_\_\_\_ (Developer) has failed to honor his/its  
obligations with the City of Lebanon its subsidiaries and affiliates for the construction of  
\_\_\_\_\_ for \_\_\_\_\_ (project name & phase).

Partial drawings are permitted.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without  
amendment for one year from the expiration date hereof, or any future expiration date, unless  
sixty (60) days prior to any expiration date we send notice to you by receipted registered mail or  
receipted overnight courier that we elect not to consider this Letter of Credit renewed for any  
such additional period. Upon receipt of such notification, Beneficiary has the right to draw on  
the full amount of the Letter of Credit. Letter of Credit non extension notice shall be sent to the  
beneficiary at the address as stated above, or as amended.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this  
credit will be duly honored if drawn and presented for payment to our (main) office, located at  
\_\_\_\_\_ (address).

***Additional requirements:***

- 1. Letter of Credit must be able to be drawn from a local bank (within one hour's driving distance MAXIMUM).**
- 2. Beneficiary information as listed at top must be on the Letter of Credit.**
- 3. The Letter of Credit must clearly state the name, address, and telephone number of the contact person from the bank itself.**

***Questions or Comments? Please contact Mattie Neely at 615-444-3647 ext. 2339***