

# IMPORTANT NOTES RELATED TO LETTERS OF CREDIT

## ADMINISTRATIVE FEES REQUIRED (Non-refundable)

\$200 for initial or replacement letter of credit  
\$100 for any amendment or extension thereof

## LOCAL BANK

Letter of Credit must be drawn on a bank in the St. Louis metropolitan area of the State of Missouri

## EXPIRATION DATES

PURPOSE	INITIAL TERM	FULL AND FINAL EXPIRATION
GRADING SURETY	<i>2 years from date Letter of Credit is issued</i>	<i>3 additional years</i>
LANDSCAPE SURETY	<i>4 years from anticipated date of Landscape Plan approval</i>	<i>1 additional year</i>
PAVEMENT RESTORATION SURETY	<i>2 years from date Letter of Credit is issued</i>	<i>3 additional years</i>
SUBDIVISION CONSTRUCTION DEPOSIT	<i>2 years from anticipated date of Council approval of record plat</i>	<i>3 additional years</i>
SUBDIVISION MAINTENANCE DEPOSIT	<i>2 years from anticipated date of Council approval of record plat</i>	<i>4 additional years</i>
TREE PRESERVATION SURETY	<i>2 years from date of Site Development Plan approval</i>	<i>3 additional years</i>
COMBINATION OF ABOVE	<i>Longest term required</i>	

## EXHIBITS

It is not necessary for the issuing bank to complete the exhibit forms for the specific project; however, it is acceptable for the issuing bank to complete the exhibit forms.

STANDARD FORM OF  
LETTER OF CREDIT

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, 20\_\_

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_

City of Chesterfield  
690 Chesterfield Parkway West  
Chesterfield, Missouri 63017

Dear Sir:

We hereby establish in favor of the CITY OF CHESTERFIELD, upon the application of and for the account of \_\_\_\_\_, \_\_\_\_\_ (the "Account Party") our transferable irrevocable standby letter of credit (the "Letter of Credit") in the amount of \$ \_\_\_\_\_ (the "Maximum Available Credit"), subject to the reduction as hereinafter set forth.

For information only: This letter of credit is issued with respect to: (check all that apply)

- |                                                           |                                                          |
|-----------------------------------------------------------|----------------------------------------------------------|
| <input type="checkbox"/> Grading Surety                   | <input type="checkbox"/> Subdivision Maintenance Deposit |
| <input type="checkbox"/> Landscape Surety                 | <input type="checkbox"/> Tree Preservation Surety        |
| <input type="checkbox"/> Pavement Restoration Surety      | <input type="checkbox"/> Other _____                     |
| <input type="checkbox"/> Subdivision Construction Deposit |                                                          |

as detailed on the accompanying agreements for \_\_\_\_\_  
<<subdivision/development name>>, approval of same issued by you for the benefit of the Account Party (the "Approval").

Subject to all of the terms and conditions of this Letter of Credit, the Maximum Available Credit shall be made available by your draft(s) at sight drawn on us accompanied by this Letter of Credit and any amendments thereto for presentation and by the following documents:

1. Your signed certificate, in the form attached hereto as Exhibit A, dated not more than ten days prior to its presentation to us; or
2. Your signed certificate, in the form attached hereto as Exhibit B, dated not more than ten days prior to its presentation to us.

\*No draft will be paid if the amount thereof is in excess of the Maximum available Credit hereunder as of the date such draft is to be paid.

Multiple drawings may be presented under this Letter of Credit, which, in the aggregate and subject to the limitations set forth herein, shall not exceed the Maximum Available Credit then in effect and each such drawing honored by us hereunder shall reduce the Maximum Available Credit by the amount of such drawing. The draft(s) drawn under this Letter of Credit must be drawn and presented to our offices at \_\_\_\_\_

Attention: \_\_\_\_\_ (or such other officer, department or address designated in writing by us to you at your address shown above or at such other address as you shall advise us of in writing) by hand delivery or by delivery by courier between 9:00 a.m. and 4:30 p.m. (St. Louis, Missouri time) on a Business day (as defined below). As used in this Letter of Credit, "Business day" shall mean any day other than a Saturday, Sunday or a day on which banking institutions in the State of Missouri are authorized or required by law to close.

We hereby agree that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored by us upon delivery of any of the certificate(s) specified above and if presented at our aforesaid office on or before the Expiration date (as defined below).

If demand for payment is made hereunder in strict conformity with the terms and conditions of this Letter of Credit before 11:00 a.m. (St. Louis, Missouri time) on any Business day, payment of the amount demanded shall be made in immediately available funds not later than 1:00 p.m. (St. Louis, Missouri time) on the next succeeding Business day.

Payment under this Letter of Credit to you shall be made by wire transfer or as agreed by the Chesterfield Department of Finance of immediately available funds per your instructions.

Only you or a transferee may make drawings under this Letter of Credit. Upon payment as provided above of the amount specified in a sight draft drawn hereunder, the Maximum Available Credit of the Letter of Credit shall be reduced by the amount of the payment.

If demand for payment does not conform to the terms and conditions of this Letter of Credit, we will promptly notify you thereof and of the reasons thereof, such notice to be promptly confirmed in writing to you, and we shall hold all documents at your disposal or return the same to you, if directed by you.

This Letter of Credit is effective immediately and expires on the earliest of (i) 4:00 p.m. (St. Louis, Missouri time) on \_\_\_\_\_, \_\_\_\_\_, except that unless such date may be extended as hereinafter provided, this letter of credit shall automatically and immediately be paid by wire transfer the balance of the Maximum Available Credit to the City of Chesterfield at the following account: to receiving bank Central Bank (ABA #081004601) for beneficiary City of Chesterfield, Account #129300337, or (ii) when you have drawn and we have paid to you the Maximum Available Credit of this Letter of Credit or (iii) the day on which this Letter of Credit is surrendered to us for cancellation (collectively, the "Expiration Date"); provided, however, notwithstanding the termination by expiration of this Letter of Credit, our payment obligation shall survive such expiration with respect to any sight drafts accompanied by a certificate in the form of Exhibits A, or B, as the case may be, presented to us for payment prior to the expiration of this Letter of Credit; **and/or further provided that upon such expiration, or if automatically extended upon expiration of the last extension, we shall automatically and immediately transfer the balance of the Maximum Available Credit to the City of Chesterfield at the account set forth above or such**

other account subsequently designated by you, unless you authorize in writing a release of our obligations under this Letter of Credit or authorize a replacement of the Letter of Credit. It is a condition of this Letter of Credit that it shall be deemed automatically extended, without amendment, for one year (or such other date as the City and Account Party may agree in writing) from the present or any future Expiration date hereof, unless at least 75 days prior to any such date, we shall send you, in the form attached hereto as Exhibit C, notice that we elect not to consider this Letter of Credit renewed for such additional one-year period. Notwithstanding any automatic extensions, this letter of credit shall expire fully and finally not later than \_\_\_\_\_.

Upon our receipt, from time to time, from you of a written reduction certificate in the form attached as Exhibit D, we are authorized to reduce the Maximum Available Credit hereunder by the amount stated in such certificate, any such reduction to be effective only at our close of business on the date on which we receive such written reduction certificate. Final reduction / release of the Letter of Credit shall be effective at our close of business on the date on which we receive a certificate in the form attached as Exhibit E.

This Letter of Credit shall be governed by the Uniform Customs and Practice for Documentary Credits, 2007 Revision, International Chamber of Commerce Commission Publication No. 600, but excluding the provisions of Article 32 thereof (the "UCPDC").

Any communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at \_\_\_\_\_,  
Attention: \_\_\_\_\_, specifically referring thereon to Irrevocable Letter of Credit No. \_\_\_\_\_.

You may transfer your rights under this Letter of Credit in their entirety (but not in part) to any transferee. Transfer of your rights under this Letter of Credit to any such transferee shall be effected only upon the presentation to us of this Letter of Credit accompanied by a transfer letter in the form attached hereto as Exhibit F, and we consent to such transfer without charges or fees of any kind. Upon such transfer, the transferee shall have no further rights to transfer this Letter of Credit.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Approval, but excluding the UCPDC), and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement. Exhibits A, B, C, D, E, F and G attached hereto are incorporated herein by reference as an integral part of this Letter of Credit.

Very truly yours,

\_\_\_\_\_  
By: \_\_\_\_\_  
Authorized signer

EXHIBIT A  
TO LETTER OF CREDIT  
FORM OF CERTIFICATE FOR "A" DRAWING

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

Attention: \_\_\_\_\_

Re: Your Letter of Credit No. \_\_\_\_\_  
In Favor of City of Chesterfield, Missouri

To Whom It May Concern:

The undersigned, a duly authorized official of City of Chesterfield, Missouri (the "Beneficiary"), hereby certifies to \_\_\_\_\_ (the "Bank"), with reference to Irrevocable Letter of Credit No. \_\_\_\_\_ (the "Letter of Credit"; any capitalized terms used herein and not defined shall have their respective meanings as set forth in the said Letter of Credit) issued by the Bank in favor of the Beneficiary, that:

1. The Account Party has failed to complete all of the required work or fulfill all obligations required by the City Code, permits, approved plans or agreements.
2. The draft in the sum of \$\_\_\_\_\_ accompanying this Certificate is not in excess of the Maximum Available Credit under the Letter of Credit and shall result in a reduction of the Maximum Available Credit under the Letter of Credit.

Transfer the funds as stated above to the credit of the City of Chesterfield, Missouri to

[INSERT BANK Account #\_\_\_\_\_, Attention: Director of Finance.

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this certificate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF CHESTERFIELD, MISSOURI

By: \_\_\_\_\_  
Director of Planning

EXHIBIT B  
TO LETTER OF CREDIT  
FORM OF CERTIFICATE FOR "B" DRAWING

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attention:

Re: Your Letter of Credit No. \_\_\_\_\_ in Favor of City of Chesterfield,  
Missouri

To Whom It May Concern:

The undersigned, a duly authorized official of City of Chesterfield, Missouri (the "Beneficiary"), hereby certifies to \_\_\_\_\_ (the "Bank"), with reference to Irrevocable Letter of Credit No. \_\_\_\_\_ (the "Letter of Credit"; any capitalized terms used herein and not defined shall have their respective meanings as set forth in the said Letter of Credit) issued by the Bank in favor of the Beneficiary, that:

1. Funds in the amount of the accompanying draft are now due for deposit in a special transit account for the payment per Work completion.
2. The draft in the sum of \$\_\_\_\_\_ accompanying this Certificate is not in excess of the Maximum Available Credit under the Letter of Credit and shall result in a reduction of the Maximum Available Credit under the Letter of Credit.

Transfer the funds as stated above to the credit of the City of Chesterfield, Missouri to

[INSERT BANK Account # \_\_\_\_\_], Attention: Director of Finance.

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this certificate this  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF CHESTERFIELD, MISSOURI

By: \_\_\_\_\_  
Director of Planning

EXHIBIT C  
TO LETTER OF CREDIT  
FORM OF NOTICE OF EXPIRATION

\_\_\_\_\_

City of Chesterfield  
690 Chesterfield Parkway W  
Chesterfield, Missouri 63017

Attention: Director of Planning

Re: Our Letter of Credit No. \_\_\_\_\_ in Favor of City of Chesterfield,  
Missouri

Amount: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

To Whom It May Concern:

Please consider this letter as the Bank's notification that the Bank does not intend to renew the above-reference letter of credit and, therefore, it will expire in full and finally on the above-mentioned date. All remaining amounts under the Letter of Credit shall be transferred to the City of Chesterfield per the terms of the Letter.

Very truly yours,

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

cc: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT D  
TO LETTER OF CREDIT  
FORM OF REDUCTION CERTIFICATE

City of Chesterfield  
690 Chesterfield Parkway West  
Chesterfield, Missouri 63017

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attention:

Re: LETTER OF CREDIT NUMBER: \_\_\_\_\_

IN ORIGINAL AMOUNT OF: \$ \_\_\_\_\_

To Whom It May Concern:

This certificate authorizes reduction in the amount of \$\_\_\_\_\_ of the above letter of credit.  
The remaining maximum available credit for this letter of credit is \$ \_\_\_\_\_.

CITY OF CHESTERFIELD, MISSOURI

By: \_\_\_\_\_  
Director of Planning

cc \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



EXHIBIT E

TO LETTER OF CREDIT

FORM FOR FULL REDUCTION / RELEASE OF LETTER OF CREDIT

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Attention:

Re: LETTER OF CREDIT NUMBER: \_\_\_\_\_

IN ORIGINAL AMOUNT OF: \$ \_\_\_\_\_

FINAL REDUCTION

To Whom It May Concern:

The City of Chesterfield hereby authorizes the final reduction of the letter of credit established for \_\_\_\_\_ . The letter of credit referenced above is hereby being surrendered.

Should you desire additional information, please contact \* \_\_\_\_\_\* .

By: \_\_\_\_\_  
Director of Planning

Enclosures: Letter of Credit

cc \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT F  
TO LETTER OF CREDIT  
FORM FOR FULL TRANSFER OF LETTER OF CREDIT

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

Attention:

Re: Your Letter of Credit (“Letter of Credit”) No. \_\_\_\_\_ in favor of City of  
Chesterfield, Missouri

To Whom It May Concern:

The undersigned, City of Chesterfield, Missouri (“Transferor”) has transferred and assigned (and hereby confirms said transfer and assignment) all of its rights in and under the Letter of Credit to [\_\_\_\_\_] (“Transferee”). Transferor confirms that it no longer has any rights under or interest in the Letter of Credit and that you shall have no further responsibility to make payment under the Letter of Credit to Transferor.

Transferor hereby surrenders the Letter of Credit subject to the transfer to you and requests that you note the transfer of the Letter of Credit and deliver the Letter of Credit, amended or endorsed to reflect said transfer, to Transferee.

CITY OF CHESTERFIELD, MISSOURI [\_\_\_\_\_]

CITY OF CHESTERFIELD, MISSOURI

By: \_\_\_\_\_  
Director of Planning

Enclosures: Letter of Credit, if applicable

cc \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT G  
TO LETTER OF CREDIT  
SIGHT DRAFT

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

Attention:

Re: Your Letter of Credit ("Letter of Credit") No. \_\_\_\_\_ in favor of City of  
Chesterfield, Missouri

To Whom It May Concern:

Pay on demand to \_\_\_\_\_ the sum of U.S. \$ \_\_\_\_\_. This  
draft is drawn under your Irrevocable Letter of Credit No. \_\_\_\_\_.

CITY OF CHESTERFIELD, MISSOURI

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

-or-

\_\_\_\_\_  
*[Insert Lender's name]*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_