

IRREVOCABLE LETTER OF CREDIT

(Must be from an FDIC Insured Local Bank)

(Insert Name of Plat or Development Here)

No. _____

Date: _____

TO: City of Burnsville

Dear Sir or Madam:

We hereby issue, for the account of _____ and _____
(Name of Developer) (Name of Development/Project)

and in your favor, our Irrevocable Letter of Credit for:

- ☐ Development Improvements: ☐ Landscaping: ☐ Paving/Curb & Gutter
- Streets (public & private), Sidewalks, Trails
 - Lot Corners/Iron Monuments (30D)
 - Developer's Record Drawings (0.5%)
 - Berm / Screening
 - Tree Preservation

☐ Other _____
(Specify what the Letter of Credit is For Here if Not Listed Above)

in the amount of \$_____, available to you by your draft drawn on sight on the undersigned bank.

The draft must:

a) Bear the clause, "Drawn under Letter of Credit No. _____, dated _____, 2_____, of _____";
(Name of Bank)

b) Be accompanied by an affidavit signed by the Mayor or City Manager of the City of Burnsville certifying that (Name of Developer) is in default of the Development Contract with the City of Burnsville and that five (5) business days prior written notice has been given by the City to the Developer with respect to the existence of such default, and such default has not been cured.

c) Be presented for payment at _____, on or before 4:00 p.m. on November 30, 2_____.
(Address of Bank)

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Burnsville City Manager that it intends to modify the terms of, or cancel, this Letter of Credit. Written notice is effective if sent by certified mail, postage prepaid, and deposited in the U.S. Mail, at least forty-five (45) days prior to the next annual renewal date addressed as follows: Burnsville City Manager, Burnsville City Hall, 100 Civic Center Parkway, Burnsville, MN 55337, and is actually received by the City Manager at least thirty (30) days prior to the renewal date.

This Letter of Credit sets forth in full our understanding which shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement, whether or not referred to herein. This Letter of Credit is not assignable. This is not a Notation Letter of Credit. More than one draw may be made under this Letter of Credit.

This Letter of Credit shall be governed by the most recent revision of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 500. This agreement shall be construed and interpreted under Minnesota Law.

We hereby agree that a draft drawn under and in compliance with this Letter of Credit shall be duly honored upon presentation.

BY: _____

Its _____