

## VILLAGE OF ORLAND PARK - SAMPLE LETTER OF CREDIT

\* Note: Letters of Credit submitted to the Village should be submitted by a Bank with an office licensed and located within the State of Illinois.

Irrevocable Letter of Credit No. \_\_\_\_\_

Applicant: name and address

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

Beneficiary: Village of Orland Park  
14700 S. Ravinia Avenue  
Orland Park, Illinois 60462

Expiration date: (insert date two years after issuance)

Amount:

Ladies and Gentleman:

We hereby establish in your favor our Irrevocable Letter of Credit No. \_\_\_\_\_ in the amount of \_\_\_\_\_ dollars available for negotiation of your drafts at sight drawn on the \_\_\_\_\_ Bank for the account of \_\_\_\_\_.

We engage with you that any draft at sight drawn under and in compliance with the terms of this Letter of Credit will be fully honored by us provided that:

1. It is presented at this office (insert address of Bank if not listed on letterhead) on or before \_\_\_\_\_.
2. It is accompanied by the original of this Letter of Credit;
3. It is accompanied by a statement signed by the Director of Development Services and the Village Manager of the Beneficiary, that the funds are drawn under Letter of Credit No. \_\_\_\_\_ in accordance with the specifications and final engineering drawings titled \_\_\_\_\_ dated \_\_\_\_\_ as reviewed by the Village of Orland Park for purposes of establishing this Letter of Credit and shall include all Village-approved subsequent revisions thereto and the Development Agreement or Annexation Agreement as approved by the Beneficiary's Board of Trustees.

The Beneficiary's authority to draft under this Letter of Credit shall be reduced by the exact amount of any payment or payments made by the Bank as a result of a previous draw on this Letter of Credit authorized and approved by the Director of Development Services and the Village Manager of the Beneficiary in accordance with their written direction to the Bank.

The amount of this Letter of Credit may be reduced, from time to time, at the discretion of the Finance Director of the Beneficiary upon completion by the Applicant and approval thereof by the Beneficiary of a portion of the improvements required to be completed by the Applicant. The Finance Director will provide written notice to the Bank if the amount of the Letter of Credit is to be reduced and of the amount of the reduction.

This Letter of Credit expires on \_\_\_\_\_, provided, however, that the Bank shall notify the Finance Director by certified mail, return receipt requested, of such expiration at least 30 days prior to said expiration date. In no event shall this Letter of Credit or the obligations contained herein expire except upon such prior written notice, it being expressly agreed by the Bank that the expiration date of \_\_\_\_\_ shall be extended as shall be required to comply with this notice provision.

Drafts under this Letter of Credit shall bear upon their face the words "Drawn under Letter of Credit No. \_\_\_\_\_ dated \_\_\_\_\_." The amount of any draft shown under this credit must be endorsed on the reverse side hereof, and this Letter of Credit shall be promptly returned to the Beneficiary after presentation of any draft which does not exhaust the amount of this Letter of Credit.

This documentary Letter of Credit is subject to the "International Standby Practices" (ISP 1998), International Chamber of Commerce (Publication No. 590).

Any reference in this Letter of Credit to an Annexation or Development Agreement is for identification purposes only and such Agreement does not form a part of this Letter of Credit.

This Letter of Credit is not transferable.

Sincerely,

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