

SAMPLE COPY FOR LETTER OF CREDIT NEW SUBDIVISION

**MUST HAVE COMPLETION AND EXPIRATION DATES THREE (3) MONTHS APART
MUST BE ON BANK LETTERHEAD
MUST BE NOTARIZED
MUST BE IN FOLLOWING FORMAT**

Letter of Credit No.: _____ (if applicable)

Date: current month/day/year

Beneficiary: City of Dover, NH
Municipal Building
288 Central Avenue
Dover, NH 03820

Attn: Kenneth Mavrogeorge, P.E.
City Engineer

Account: (Developer)

To the above named Beneficiary:

We, **(BANK NAME)**, are required by the Planning Board of the City of Dover, New Hampshire, to issue this irrevocable Letter of Credit in your favor. Therefore, we hereby authorize you to draw upon us in the aggregate amount not to exceed **(AMOUNT)** for the account of **(DEVELOPER)**.

This irrevocable Letter of Credit is required to insure the satisfactory completion of the off-site and/or on-site improvements in accordance with a plan approved by the Dover Planning Board on **(APPROVAL DATE)**, said plan being entitled **(TITLE OF PLAN)** and in accordance with the conditions set forth in the final approval dated **(FINAL APPROVAL DATE)**.

All off-site and on-site improvements required shall be **COMPLETED BY: (See footnote #1)**

Except as hereinafter provided, this Letter of Credit **SHALL EXPIRE: (See footnote #2)**

If the Beneficiary determines that said improvements have not been completed by the completion date, the Beneficiary may notify the bank to advance all funds within the irrevocable Letter of Credit account into an escrow account; said funds to be used at the discretion of the Beneficiary for the purpose of completing said improvements. Notice of the Beneficiary's desire to advance said funds into such escrow account must be provided by written notice to **(BANK, BANK OFFICER, and ADDRESS)** at any time between the completion date and expiration date indicated above. The developer may extend the Letter of Credit if approval is given by the Beneficiary and the Bank to do so. All provisions necessary to extend the Letter of Credit must be complete prior the completion date.

In the event that the Beneficiary determines that **(DEVELOPER)** has failed to satisfactorily complete the off-site and/or on-site improvements referenced above, it may draw upon this irrevocable Letter of Credit for the purpose of accomplishing the completion of said improvements.

Letter of Credit No: _____ (if applicable)

Each draft must bear upon its face the notation “Drawn Under the Letter of Credit No. _____ of **(BANK)**,” showing in the space provided, the number of this Letter of Credit and shall be directed to **(BANK OFFICER)**. Partial drawings are permitted hereunder. In the event that this original Letter of Credit is presented in connection with a draft for less than the full amount when available hereunder, and if this Letter of Credit has not then expired as provided herein, we will return this original Letter of Credit to you, properly endorsed, and will honor upon presentation all drafts duly drawn thereafter under the terms of the credit. All requests for partial disbursements by the City of Dover must be signed and approved by either Kenneth Mavrogeorge, P.E. City Engineer, or by John B. Storer, Director of Community Services. All approved disbursements will be deducted from the original amount, **(AMOUNT)**, of this irrevocable Letter of Credit. The liability incurred by this irrevocable Letter of Credit shall not exceed **(ORIGINAL AMOUNT)**.

This Letter of Credit may not be transferred.

This Letter of Credit shall be valid and effective only upon its execution for the Bank by a duly authorized officer of the bank. Only the manually executed original shall constitute this Letter of Credit. No copy or counterpart shall be valid or effective for any purpose.

**BANK
BANK ADDRESS**

BY: DULY AUTHORIZED

(Print Name)

(Signature)

(Title)

NOTARY: MUST BE NOTARIZED AND SEALED

Footnotes:

1. INSERT A DATE THREE (3) MONTHS PRIOR TO EXPIRATION DATE
2. INSERT A DATE THREE (3) MONTHS AFTER COMPLETION DATE