

SAMPLE

Minimum Requirements for Standby Letters of Credit issued
to the City of Warren Planning Commission

FINANCIAL INSTITUTION LETTERHEAD and ORIGINAL DOCUMENT
No Photocopies are accepted

IRREVOCABLE STANDBY LETTER OF CREDIT # _____

Issue Date: _____

Expiration Date: _____

Project: _____ (example: Site Plan for Building Addition and Parking Lot
Expansion to Existing Warehouse)

Petitioner: _____

City of Warren Planning Commission
One City Square Suite 315
Warren, MI 48093

We hereby issue our Irrevocable Letter of Credit No. _____ in your favor on behalf of
_____ located at _____,
hereinafter known as the Petitioner, for a sum of \$ _____, (_____ -
_____ and no/100 dollars), available by your drafts at sight drawn on our institution, (name and
address of financial institution)

Drafts must be marked "Drawn under (name of financial institution) _____
Letter of Credit No. _____." We are a bank or financial institution which has the authority to issue
Letters of Credit. Our Letter of Credit operations are regulated and examined by
_____.

This letter of Credit is irrevocable and transferable without charge upon receipt of your written
instructions.

This letter is issued to provide financial assurance to the City of Warren Planning Commission for the
compliance of the above stated project pursuant to authority granted by Act 33 of the Public Acts of
2008, as amended, and the Code of Ordinances of the City of Warren.

It is a condition of this Letter of Credit that it shall be automatically extended, without amendment, for
one year from the present or any future expiration date, unless one hundred twenty (120) days before
any expiration date, we notify the Petitioner and the City of Warren Planning Department by Certified
Mail of our election not to consider this Letter of Credit renewed for any such additional period. We
agree that the 120 day period shall begin on the date when both the Petitioner and the City of Warren
Planning Department have received the notice, as evidenced by the return receipts.

The Planning Commission or an authorized representative may draw on this Letter of Credit in the
event that; (1) the Petitioner has failed to meet its obligations determined by the Planning Department
or; (2) the Petitioner fails to provide the Planning Department with an extension of this Letter of Credit

or with an acceptable replacement Letter of Credit or other financial assurance not less than sixty (60) days prior to the expiration date of this Letter of Credit.

Partial drawings on this Letter of Credit are permitted. This original Letter of Credit must be submitted to us together with any drawings hereunder for our endorsement of any payments effected by us and/or cancellation. Issuer agrees to replace this original Letter of Credit in the event that it is lost, stolen, mutilated or destroyed with one marked as a true copy or replacement.

This Letter of Credit is issued subject to the International Standby Practices 1998 (ISP 98) and the laws of the State of Michigan.

We engage with you that drafts drawn in conformity with the terms of this Letter of Credit will be duly honored upon timely presentation at this office.

Authorized Financial Institution Signature and Title