

**UTILITY ANNUAL LETTER OF CREDIT**

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

APPLICANT: _____ _____ _____ _____	BENEFICIARY: Will County Div. of Transportation c/o Will County Engineer 16841 W. Laraway Road Joliet, IL 60433
Issue Date: _____	Renewal Date: <u>1 Year from Issue</u>

Dear County Engineer:

We, \_\_\_\_\_ as the **[Financial House]**, insured by FDIC, hereby establish our Irrevocable Letter of Credit in favor of the County of Will and authorize the County Engineer or his/her successor in office to draw on us at sight for up to an aggregate amount of **Fifteen Thousand and 00/100 (\$15,000.00)** Dollars, effective **[Issue Date]** and renewing **[Renewal Date]**.

We understand that **[Applicant]** has made application to the County Engineer of Will County to construct/maintain certain utilities/facilities along various County Highways, and this Irrevocable Letter of Credit shall serve as the security for the work **[Applicant]** performs each year under all Utility Permits as required by Will County.

In no event will a draft be honored pursuant to this Letter of Credit unless the County Engineer presents a notification of damages signed by the County Engineer (signed as such) stating that “**[Applicant]** has failed to satisfactorily restore the County right-of-way along various County Highways”.

We understand that the letter of credit is to be used to make any repairs to the County right-of-way damaged by **[Applicant’s]** installation/maintenance of **[Applicant’s]** facilities along the County right-of-way.

This Irrevocable Letter of Credit established by the **[Applicant]** shall be renewed on an annual basis and shall remain in effect without regard to any default in payments of sums owed to the **[Financial House]** by our customer and without regard to other claims which we may have against **[Applicant]**.

This Irrevocable Letter of Credit established by the **[Applicant]** may only be released provided all facilities owned by **[Applicant]** within the County right-of-way have been removed. The County Engineer or his/her agent or successor in office must certify in a signed statement to **[Financial House]**, “That all facility removal has been properly completed and the County of Will (Beneficiary) consents to release of this Irrevocable Letter of Credit.”

Sixty (60) days prior to the renewal date of this credit, we shall notify the County of Will, by registered letter addressed to the County Engineer of the County of Will, return receipt requested, of the impending renewal date. This commitment shall not terminate regardless of any other provision contained herein, without the County Engineer being notified in writing by registered or certified mail sixty (60) days prior to the renewal.

The undersigned institution hereby represents and warrants that it has full power, right and authority to deliver this Irrevocable Letter of Credit, that the same is within all lending limits of this institution, and is binding, in accordance with the terms contained herein on the undersigned institution.

We understand that no oral modification of this Letter of Credit will be effective and that it contains the entire agreement between the County of Will and the **[Financial House]**. We also understand that the laws of the State of Illinois will control.

We engage with you that all drafts drawn under and in compliance with the terms of this credit will be duly honored by us if presented at this office on or before the renewal date.

This credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication 500.

Yours truly,

\_\_\_\_\_ **[Signature Of Financial House Officer]**

\_\_\_\_\_ **[Printed Name Of Financial House Officer]**

\_\_\_\_\_ **[Title]**