

# MONROE COUNTY ROAD COMMISSION

## BOARD OF COUNTY ROAD COMMISSIONERS IRREVOCABLE LETTER OF CREDIT

ISSUER:

APPLICANT:

BENEFICIARY:  
Board of County Road Commissioners  
840 South Telegraph Road  
Monroe, MI 48161

IRREVOCABLE LETTER OF  
CREDIT NO.  
EXPIRES:

Dear Sirs:

The Board of County Road Commissioners of Monroe County, Michigan, hereinafter called the "BENEFICIARY", and \_\_\_\_\_, hereinafter called the "APPLICANT", have entered into an Agreement dated \_\_\_\_\_, hereinafter called "AGREEMENT", pursuant to which APPLICANT has agreed to construct and install the streets and related drainage facilities shown on \_\_\_\_\_ or abutting the final plat of proposed \_\_\_\_\_ Township, Monroe County, Michigan which AGREEMENT is incorporated by reference in this IRREVOCABLE LETTER OF CREDIT.

BY THIS INSTRUMENT, We \_\_\_\_\_, hereinafter called the "ISSUER", hereby establish our Irrevocable Letter of Credit in favor of the BENEFICIARY and for the aggregate amount of \_\_\_\_\_ Dollars, which is available by sight payment to the BENEFICIARY upon written demand for payment made upon the ISSUER by the BENEFICIARY.

This Irrevocable Letter of Credit is being used to secure performance by the APPLICANT of work in accordance with the requirements and provisions of the AGREEMENT TO (i) ensure that sufficient funds are available in order to completely and totally perform such work and completely and totally restore the streets and right of way and appurtenances of the BENEFICIARY in the event such streets and right of way and appurtenances of the BENEFICIARY have been compromised as a result of the APPLICANT'S performance or failure to perform, and (ii) to insure that sufficient funds are available to perform the work, obtain the materials and otherwise perform the obligations of APPLICANT pursuant to the AGREEMENT.

The written demand for payment shall be fully honored by the ISSUER without inquiring whether the BENEFICIARY has a right as between the BENEFICIARY and the APPLICANT to make such demand and without recognizing any claims of said APPLICANT OR OBJECTION BY IT TO PAYMENT BY THE ISSUER UNTIL RELEASED BY Monroe County Road Commission.

This letter of credit shall not expire until the bank receives written notice from the Monroe County Road Commission signed by the Monroe County Highway Engineer stating that the work has been performed and accepted by the Monroe County Road Commission and that the bank is released from all liability under the terms of this letter of credit, provided, however, that the term of this letter shall not exceed one year from the date hereof.

If the Board of County Road Commissioners of the County has not released all of its rights in writing under this Letter of Credit five (5) days before its expiration date of \_\_\_\_\_, then the Board of County Road Commissioners of the County of Monroe makes demand for payment in full in the amount of the Letter of Credit and the Bank agrees and shall issue its check to the Board of County Road Commissioners of the County of Monroe before the expiration of this Letter of Credit without notice or any request.

Except so far as otherwise expressly stated, this Irrevocable Letter of Credit is subject to the "Uniform Customs and Practice of Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500."

\_\_\_\_\_ hereby consents to the jurisdiction of the Monroe Circuit Court, Monroe County, Michigan, for any legal action necessary to resolve any disputes arising out of this Letter of Credit, and further waives its right under Federal Law to sue or be sued in any Federal District Court in which venue may be proper.

No change, extensions of time, alteration or addition to the terms of the PERMIT including any applicable specification for the work to be performed thereunder, shall affect the ISSUER'S obligation under this Irrevocable Letter of Credit and the Issuer hereby waives notice of any such change, extension, alteration or addition.

All drafts under this credit must be marked "DRAWN UNDER IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_".

Very truly yours,