

Sample to be followed in issuance of Letter of Credit to Mesa County and shall be printed on the Banking Institution Letter Head

*Mesa County, Colorado
P.O. Box 20,000
Grand Junction, CO. 81502-5022*

Re: Irrevocable Letter of Credit No.:

Project Name/Phase:

Project Number:

Subdivision:

Date of Expiration, 4:30 p.m.

Grand Junction, Colorado Local Time

We hereby authorize the County of Mesa, Colorado (the "County") to draw on _____ Bank Name and Address, which is located within the State of Colorado, for the Account of Development Improvements Agreement Petitioner ("Petitioner") up to an aggregate of \$ Dollars), United States Currency, available by your drafts at sight drawn on us.

Each draft must be accompanied by a certification by the County Engineer that ___(Petitioner) is in default under the terms and conditions set forth in the Development Improvements Agreement; by this original letter of credit; and by a sight draft signed by the County Engineer. The original letter of credit shall be returned to the County if the sight drafts on the letter of credit have not exhausted the full amount of credit.

Each sight draft drawn under this Letter of Credit must state "Drawn under (Bank Name)

Irrevocable Letter of Credit No. _____, dated _____, to satisfactorily complete such improvements as required by Mesa County Development Improvement Agreement as recorded in the records of the Mesa County Clerk and Recorder ("Development Improvements Agreement"), and any modification of that Agreement."

This Letter of Credit shall be automatically extended without amendment for one year from the present or any future expiration date unless (1) the County shall have released _____(Bank Name) from all further

liability under this after upon the timely and satisfactory completion of the improvements; or (2) sixty (60) days prior to such expiration date, or any extension thereof, the County Engineer and County Planning Director shall be notified by registered letter addressed to P.O. Box 20,000, Grand Junction, Colorado 81502-5022, that we elect not to extend the term of the Letter of Credit for any additional period.

The proceeds of said drafts may be retained and used by the County to meet any expenses arising out of the satisfactory completion of the improvements identified in the Development Improvements Agreement. Upon the final completion and acceptance of the performance required under that agreement by the County, there will be refunded to us by the County any balance remaining after application by the County of the sums necessary from the proceeds of the draft(s) to pay all costs, expenses and liabilities, including attorney's fees, incurred in satisfactorily completing the improvements.

This Letter of Credit is issued and subject to the Uniform Customs and Practice for Documentary Credits (1983 Revision), International Chamber of Commerce, Publication No. 400, to the extent that it does not conflict with Article 5 of the Uniform Commercial Code for the State of Colorado.

We hereby agree with drawers, endorsers and bona fide holders of drafts that all drafts drawn under and in compliance with the terms of this Letter of Credit shall be honored by us and payment made no later than three (3) days after delivery of documents as specified on or before the original or extended expiration date of this letter of credit.

In the event this financial institution is placed into receivership, becomes insolvent, or files for bankruptcy, Mesa County shall be immediately notified. Mesa County may consider this a default event and require the issuance of a new irrevocable letter of credit.

Issuing Bank: _____ Bank Name _____

Bank Address _____

By:

Bank Officer Signature and Title