

TOWN OF HOLLY SPRINGS
Model Irrevocable Standby Letter of Credit for
S/Development Projects Improvement Agreement (S/DPIA)

Beneficiary:
Town of Holly Springs
Attn: Engineering Department
128 S. Main Street
Holly Springs, NC 27540

Town Use Only	
S/DPIA Number	_____
S/DPIA Date:	_____
Amount ("Penal Sum")\$ _____	

We, _____ [Name of Institution AND Address] hereby issue our Irrevocable Standby Letter of Credit number _____ in your favor for the account of _____ [Developer Name], for the amount listed above. This Irrevocable Standby Letter of Credit secures the obligations of _____ [Developer Name] under a S/Development Project Improvement Agreement ("S/DPIA") between the Town and _____ [Developer Name].

This amount is available upon presentation of your sight draft drawn upon us, and accompanied by the following:

A statement signed by the beneficiary that _____ [Developer Name] has defaulted under the terms of the bond estimate covering the construction that (has or has not been completed) in the Project Name S/DPIA. The default amount is limited to the Engineer's Estimate contained in the S/DPIA."

Note: Please see attached Engineer's Estimate and attached S/DPIA

This Letter of Credit will continue in full force and effect for the duration of the effective date of the S/DPIA.

All drafts drawn under this Letter of Credit must contain the following statement: "Drawn under _____ [Name of Institution] Irrevocable Letter No. _____ dated _____."

This Letter of Credit is irrevocable, unconditional, nontransferable, and non-assignable. We hereby agree that sight drafts drawn under, and in compliance with, the terms of this Letter of Credit will be duly honored at:

Name of Institution _____
Address _____
City, State Zip Code _____

The undersigned hereby waives personal presentment of this original Letter of Credit from the Beneficiary if the address in the preceding paragraph is greater than 25 miles from 128 South Main Street, Holly Springs, NC 27540.

Signed, Sealed, and Dated this _____ day of _____, 20 _____

200012
12/21/15

Principal [Signature of Financial Institution]

200012
12/21/15