

IRREVOCABLE LETTER OF CREDIT

ISSUED BY:

ADDRESS:

TELEPHONE:

Beneficiary:

Date:

BEDFORD COUNTY PUBLIC SERVICE AUTHORITY
1723 FALLING CREEK ROAD
BEDFORD, VIRGINIA 24523

EACH DRAFT DRAWN RELATIVE HERETO
MUST BE MARKED: "DRAWN UNDER
LETTER OF CREDIT # _____"

APPLICANT:

AMOUNT:

U. S. \$ _____

PROJECT:

EXPIRATION DATE:

SEE BELOW

WE HEREBY OPEN OUR IRREVOCABLE LETTER OF CREDIT NO. _____ IN YOUR FAVOR
FOR THE ACCOUNT OF _____ FOR A SUM NOT
EXCEEDING U. S \$ _____. THESE FUNDS ARE AVAILABLE BY YOUR SIGHT
DRAFTS ON US AND MUST BE ACCOMPANIED BY THE FOLLOWING DOCUMENT:

A LETTER OF CREDIT DRAWDOWN REQUISITION THAT HAS BEEN SIGNED BY THE
BENEFICIARY WHICH DIRECTS YOU TO MAKE SPECIFIC PAYMENTS TO PERSONS AND ENTITIES
DESIGNATED THEREIN WHO ARE REQUESTING PAYMENT FOR WORK COMPLETED AS PART OF
THE ABOVE LISTED WATER/ SEWER FACILITIES PROJECT.

*****THIS LETTER OF CREDIT SHALL BE VALID FOR A PERIOD OF TWO YEARS FROM THE DATE OF
ISSUANCE AND SHALL AUTOMATICALLY RENEW FROM YEAR TO YEAR THEREAFTER UNLESS THE
ISSUER SHALL GIVE NINETY (90) DAYS PRIOR WRITTEN NOTICE TO THE BEDFORD COUNTY PUBLIC
SERVICE AUTHORITY OF ITS INTENT TO TERMINATE THE SAME AT EXPIRATION OF SAID NINETY DAY
PERIOD. DURING THE LAST THIRTY DAYS IN WHICH THIS CREDIT IS VALID, THE BEDFORD COUNTY
PUBLIC SERVICE AUTHORITY MAY DRAW UP TO THE FULL AMOUNT REMAINING WHEN ITS DRAFT IS
ACCOMPANIED BY THE FOLLOWING DOCUMENT:

A NOTARIZED STATEMENT SIGNED BY AN OFFICIAL OF THE BEDFORD COUNTY PUBLIC
SERVICE AUTHORITY STATING THAT THE APPLICANT HAS NOT COMPLETELY PERFORMED ITS
OBLIGATION TO THE BEDFORD COUNTY PUBLIC SERVICE AUTHORITY RELATING TO THE
CONSTRUCTION OF THE WATER AND SEWER FACILITIES PROJECT LISTED ABOVE, THAT THE
APPLICANT HAS NOT PROVIDED ACCEPTABLE OTHER SURETY OR FUNDS TO COMPLETE THE
PROJECT, AND THAT THE DRAWING OF FUNDS SHALL BE FOR THE PURPOSE OF COMPLETING
THE PROJECT ACCORDING TO THE POLICIES AND STANDARDS OF THE BEDFORD COUNTY
PUBLIC SERVICE AUTHORITY AND/OR FOR THE PAYMENT FOR SERVICES PROVIDED FOR THE
PROJECT'S CONSTRUCTION.

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE
TERMS OF THIS CREDIT SHALL BE DULY HONORED UPON PRESENTATION AND DELIVERY AT THIS
OFFICE WITHIN THE VALIDITY OF THIS CREDIT.

SIGNED: _____ TITLE: _____