LETTER OF CREDIT MUST BE ISSUED ON FINANCIAL INSTITUTION LETTER HEAD

EXAMPLE

BENEFICIARY:
CITY OF NOVI – TREASURER'S OFFICE
45175 WEST TEN MILE ROAD
NOVI, MI 48375-3024

ISSUANCE DATE:

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY **LETTER OF CREDIT NO. 000000** IN YOUR FAVOR, FOR ACCOUNT OF [**APPLICANT'S NAME AND COMPLETE ADDRESS**] FOR A SUM NOT EXCEEDING USD **$0.00 [AND ALSO IN WORDS]** AVAILABLE BY YOUR DRAFT AT SIGHT ON **[ISSUING AGENCY'S NAME**] WHEN ACCOMPANIED BY:

+***YOUR SIGNED STATEMENT AS FOLLOWS***: "WE CERTIFY THAT **[APPLICANT'S NAME**] HAS FAILED TO PERFORM OR COMPLY WITH CONDITIONS OF CHAPTER 26.5 SPECIFIED BY THE CITY OF NOVI CODE OF ORDINANCES AND ANY AMENDMENTS THERETO APPROVED BY THE CITY OF NOVI REGARDING THE COMPLETION OF SITE IMPROVEMENTS, INCLUDING, BUT NOT LIMITED TO ONE OR MORE OF THE FOLLOWING – RIGHT-OF-WAY, STORM WATER, LANDSCAPING, STREET TREES, TRAFFIC CONTROL SIGNS, SOIL EROSION, WETLANDS, WOODLANDS, WOODLAND FENCE AND/OR SITE WORK/UTILITIES, FOR THE [**NAME OF PROJECT – PROJECT # (JSPXX-XXXX**)]."

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED **AUTOMATICALLY EXTENDED** WITHOUT AMENDMENT FOR ONE YEAR PERIODS FROM THE EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO ANY EXPIRATION DATE WE SHALL NOTIFY YOU BY COURIER AT THE ADDRESS INDICATED ABOVE, UNLESS A CHANGE OF ADDRESS IS OTHERWISE NOTIFIED BY YOU TO US, IN WRITING, THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

ALL DRAFTS DRAWN UNDER THIS CREDIT MUST BE MARKED "**DRAWN UNDER [ISSUING AGENCY'S NAME] LETTER OF CREDIT NO. 00000".**

THIS LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE, 2007 REVISION, PUBLICATION 600.

THIS ORIGINAL LETTER OF CREDIT AND ALL AMENDMENTS THERETO MUST BE SUBMITTED TO US TOGETHER WITH ANY DRAWINGS HEREUNDER FOR OUR ENDORSEMENT OF ANY PAYMENTS EFFECTED BY US AND/OR FOR CANCELLATION.

IN THE EVENT OF A BANK MERGER OR ANY OTHER TRANSFER OF BANK ASSETS AND LIABILITIES THE BANK WILL NOTIFY THE CITY AND REPLACE THE LETTER OF CREDIT.

WE ENGAGE WITH YOU THAT EACH DRAFT DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON DELIVERY OF THE DOCUMENTS AS SPECIFIED IF PRESENTED AT THIS OFFICE ON OR BEFORE **[EXPIRY DATE**] OR ANY AUTOMATICALLY EXTENDED DATE.

YOURS VERY TRULY,

_____
AUTHORIZED SIGNATURE
(MUST BE AN ORIGINAL SIGNATURE)