

A Letter of Credit must be executed on the letterhead of the financial institution and it must be worded as provided in the attached form Letter of Credit. The issuing institution must be a bank or financial institution that has the authority to issue Letters of Credit and whose Letter of Credit operations are regulated and examined by a federal or state agency.

ANNE ARUNDEL COUNTY, MARYLAND
C/O Controller, Office of Finance
Arundel Center
Annapolis, Maryland 21401

Re: Irrevocable Letter of Credit NO. _____
_____, Applicant
Amount: _____
Expiration Date: _____
Beneficiary: Anne Arundel County, Maryland

Anne Arundel County, Maryland:

We hereby issue our irrevocable Letter of Credit # _____ in your favor on behalf of (applicant name), referred to in this Letter of Credit as the Applicant, for a sum of \$ _____ (_____ and _____/100 Dollars), available by your drafts at sight drawn on our institution, (name of institution), marked "Drawn under (name of institution) Letter of Credit # _____ dated (effective date)."

We are a bank or financial institution that has the authority to issue Letters of Credit. Our Letter of Credit operations are regulated and examined by (name of federal or state agency).

This letter of Credit is issued to provide financial assurance to Anne Arundel County, Maryland for grading permit (number) for (name of applicant) dated _____, 20_____.

This Letter of Credit shall expire on (date at least one year beyond effective date.), but the expiration date shall be automatically extended without notification for successive periods of one year, unless, not less than 120 days before the expiration date, we notify both you and the Applicant by certified mail of our decision not to extend the current expiration date. We agree that the 120-day period shall begin to run on the date when both you and the Applicant have received the notice, as evidenced by the return receipts.

You may draw on this Letter of Credit upon written certification by the Controller of Anne Arundel County, Maryland stating that the Applicant has failed to properly execute its responsibilities under the Grading Permit (permit number). You also may draw on this Letter of Credit if the Applicant has fails to provide you with an extension of this Letter of Credit, an acceptable replacement Letter of Credit, or another type of

financial assurance acceptable to you, within 90 days after receipt by both you and the Applicant of a notice from us that we have decided not to extend this Letter of Credit beyond its current expiration date. Partial drawings are permitted.

We shall honor drafts under and in compliance with the terms of this Letter of Credit and these drafts will be duly honored upon presentation to us if presented on or after the effective date of this Letter of Credit and before its expiration date or any automatically extended date as provided in this Letter of Credit.

This Letter of Credit is governed by the laws of the State of Maryland and any litigation relating to it shall be instituted in the courts of the State of Maryland.

We certify that this Letter of Credit is in accord with the format of Anne Arundel County, Maryland, as of the date shown immediately below.

(Institution) _____
(Address, City, State) _____
(Signature) _____
(Name and Title) _____
(Date) _____