



Town of  
**INDIAN  
TRAIL**  
north carolina

## **ENGINEERING DEPARTMENT**

### **- BMP Forever Irrevocable Letter of Credit - Requirements & Forms**

For question/comments, please contact:

**Town of Indian Trail**  
**Engineering Department**  
130 Blythe Drive  
PO Box 2430  
Indian Trail, NC 28079  
Phone: (704) 821-5401

## **-BMP Forever Irrevocable Letter of Credit- Requirements**

### **Letters of Credit must meet the following criteria to be accepted by the Engineering Department:**

- Must be accompanied by a completed Letter of Credit Data Sheet, Terms for Acceptance, and Surety Fee in the amount of \$250.00 (certified check or money order) made payable to the Town of Indian Trail;
  - Must be in the required format and current version required by the Engineering Department;
  - Must be in the exact approved amount required by the Town of Indian Trail, Engineering Department with an attached itemized estimate form signed by a NC licensed general contractor or engineer and approved Town estimate form,
  - Must be issued on Bank Letterhead (first page); and
  - Must be in the exact amount required by the Town of Indian Trail, Engineering Department.
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### **Requirement for Irrevocable Stand-by Letter(s) of Credit**

The “Evergreen Clause” specifically states the expiration of a letter of credit will not take place without a sixty-day notice by the issuer (the bank) to the Town of Indian Trail. If prior notice of expiration is not given by the issuer (the bank), the letter of credit is automatically extended for one year. If you have any questions regarding this or any other bond issue, please contact the Town of Indian Trail Engineering Department at (704) 821-5401.

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### **Requirement for Sight Draft Processing for Letter(s) of Credit**

The Engineering Department will follow-up with a phone call when a “Sight Draft” is presented for payment. Contact Person responsible for processing the “Sight Draft” will guarantee acceptance of the “Sight Draft” within 1 (one) business day of receipt of said document.

### **This Packet includes:**

- Irrevocable Letter of Credit Form (2 pages)
- Letter of Credit Data Sheet (2 pages)

*This form must be completed and provided with each new Letter of Credit posted with the Engineering Department.*

1. Complete the “Applicant Information” section in its entirety;
2. Forward the Packet to your Bank for completion.  
(Please include any instructions/estimates/forms the Town of Indian Trail has provided.)

**Town of Indian Trail, Engineering Department**  
**Letter of Credit Data**

Accurate data ensures we are able to contact all interested parties regarding  
Letter of Credit release and return, renewal notices, and opportunities for reduction.

**Letter of Credit Information** *(Amount as determined by the Town of Indian Trail, Engineering Department)*

- 1) Date of Issue: \_\_\_\_\_
- 2) Date of Expiry: \_\_\_\_\_
- 3) Irrevocable Letter of Credit Number: \_\_\_\_\_
- 4) Amount in Words: \_\_\_\_\_
- 5) Amount in Figures: \_\_\_\_\_

**Project Information** *(Project for which this Letter of Credit is being required by Land Development)*

- 6) Project Name: \_\_\_\_\_ Phase #: \_\_\_\_\_ Map #: \_\_\_\_\_
- 7) Town Project Manager: \_\_\_\_\_ Project #: \_\_\_\_\_
- 8) Purpose: Streets Sidewalk BMP Right-Of-Way Curb & Gutter Storm Drainage Utilities Other
- 9) Brief Description: \_\_\_\_\_

**Applicant Information** *(Party responsible and for whose account this Letter of Credit is issued)*

- 10) Applicant Name: \_\_\_\_\_
- 11) Contact Person: \_\_\_\_\_
- 12) Title: \_\_\_\_\_
- 13) Department: \_\_\_\_\_
- 14) Email: \_\_\_\_\_
- 15) Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Fax: \_\_\_\_\_
- 16) *Physical* Address: \_\_\_\_\_ Suite #: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code (plus 4, please): \_\_\_\_\_
- 16) *Mailing* address: \_\_\_\_\_ Suite #: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code (plus 4, please): \_\_\_\_\_

**Town of Indian Trail, Engineering Department  
Letter of Credit Data**

**Financial Institution Information**

**Issuing Office/Branch**

***Renewal Notices, Reduction Requests, and other correspondence will be directed to this location.***

***Letter of Credit would be presented to this location for payment.***

(17) Bank Name: \_\_\_\_\_

(18) Physical Address: \_\_\_\_\_ Suite #: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip (plus 4, please): \_\_\_\_\_

Company Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Company Fax: \_\_\_\_\_

Contact Person: \_\_\_\_\_  
(for this account)

Title: \_\_\_\_\_

Department: \_\_\_\_\_

Email: \_\_\_\_\_

Direct Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Direct Fax: \_\_\_\_\_

**Contact Information for Sight Draft Presentation (ONLY)**

**Required Information when posting a Letter of Credit**

Letter of Credit would be faxed for review initially and hard copy mailed via Fed Ex

Mailing Address: \_\_\_\_\_ Suite# \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Company Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Company Fax: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Department: \_\_\_\_\_

Email: \_\_\_\_\_

Direct Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Direct Fax: \_\_\_\_\_

Contact Person: \_\_\_\_\_

“Alternate” Title: \_\_\_\_\_

Department: \_\_\_\_\_

Email: \_\_\_\_\_

Direct Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Direct Fax: \_\_\_\_\_

Date of Issue: \_\_\_\_\_

Irrevocable Letter of Credit Number: \_\_\_\_\_

**BENEFICIARY**

Town of Indian Trail  
Engineering Department  
PO Box 2430  
130 Blythe Drive  
Indian Trail, NC 28079

**APPLICANT**

(10) Applicant: \_\_\_\_\_

(15) Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

**AMOUNT**

USD (5): \_\_\_\_\_

**DATE OF EXPIRY**

Date (2): \_\_\_\_\_

Gentlemen:

At the request and for the account of (10) \_\_\_\_\_ of (16) \_\_\_\_\_, at (15) \_\_\_\_\_ we hereby issue our Irrevocable Standby Letter of Credit in your favor in the aggregate amount up to US \$(4) \_\_\_\_\_ (US Dollars (5) \_\_\_\_\_ ONLY), Available by your draft(s) at sight drawn on us, signed by either the Finance Officer or Deputy Finance Officer and faxed for review to our office located at (18) \_\_\_\_\_ when accompanied by the following documents:

1. The original Letter of Credit and any subsequent amendments.
2. The Town of Indian Trail’s statement, signed by the Town Engineer of Indian Trail, stating:
 

“We hereby certify that (9) \_\_\_\_\_ has failed to complete certain (8) \_\_\_\_\_ improvements associated with (6) \_\_\_\_\_ in accordance with the Unified Development Ordinance in a timely manner.”

Drafts drawn under the Letter of Credit must state on their face: “Drawn under Irrevocable Standby Letter of Credit Number (3) \_\_\_\_\_ of (17) \_\_\_\_\_, dated (1) \_\_\_\_\_.” Any draft presented for honor must be accompanied by this Letter of Credit for notation hereon of the amount and date of such draft, and any such draft must request us to pay to the order of the Town of Indian Trail the amount of such draft, or must request us to pay to your order of the amount of such draft by crediting the same to such account at such bank as identified on the draft to receive payment and by debiting all charged therefore to the account of (10) \_\_\_\_\_.

This Letter of Credit and right to draw hereunder is not assignable or transferable by the Town of Indian Trail. We hereby engage with you that draft(s) drawn under and in accordance with the terms and conditions for the Letter of Credit will be duly honored if presented, together with the documents as specified on or before (2) \_\_\_\_\_ at 5:00 p.m., Eastern Standard Time, and in the event that any draft drawn on this Letter of Credit is dishonored, we will provide to you without delay a written statement to the reasons for such dishonor by delivering the statement to the Finance Officer of the Town of Indian Trail at its then current address.

This Letter of Credit is deemed to be automatically extended without amendment for one year from the expiration date or any future expiration date, unless 60 days prior to such expiration date we notify you by registered mail or certified mail that this Letter of Credit will not be renewed for any such additional period. If you receive written notice from us that we have elected not to renew this Standby Letter of Credit, you may draw the full available amount hereunder not more than 15

days prior to the current expiration date. This may be done by presenting your draft together with the original Letter of Credit and your statement, purportedly signed by an authorized representative, that you are drawing on the Letter of Credit because you were notified by us that we did not intend to extend and renew this Standby Letter of Credit and that (10) \_\_\_\_\_ has not furnished a replacement Letter of Credit satisfactory to you.

Except so far as otherwise expressly stated herein, this letter of credit is subject to the "International Standby Practices

(1998 Edition), International Chamber of Commerce, Publication Number 590". This Letter of Credit shall be deemed to be a contract made under the laws of the State of North Carolina and shall, as to matters not governed by such Publication Number 590, be governed by and construed in accordance with the laws of the State of North Carolina.

Sincerely,

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_

Print Name

\_\_\_\_\_

Title

\_\_\_\_\_

Date