ACCEPTABLE FORM OF LETTER OF CREDIT

[Bank Letterhead]
[date]

IRREVOCABLE LETTER OF CREDIT NO. _____

$_____ U.S.

Columbus City Council
City of Columbus
16319 Kettle River Blvd.
Forest Lake, MN 55025

We hereby establish, at the request and for the account of [developer] in favor of the City of Columbus, Anoka County, Minnesota, this Irrevocable Letter of Credit, numbered as indicated above, in the amount of and not to exceed [_____ Thousand and _____ and 00/100ths Dollars ($_____)] U.S. available by negotiation of your draft or drafts drawn at sight upon [name of bank, city, state] for said amount or less, effective immediately.

A draft drawn under this Letter of Credit must be substantially in the form attached hereto as Exhibit "A".

Your draft or drafts shall be presented with this original Letter of Credit. This Letter of Credit shall be surrendered concurrently with the payment of any draft which exhausts the credit. For drafts which do not exhaust the credit, this original Letter of Credit shall be returned to you with the written advice of the bank indicating the credit balance remaining.

This credit becomes void and shall expire if not used on or before [date determined by City contract].

Payments made to you pursuant to your drafts under this Letter of Credit shall be made on sight in immediately available funds.

This Letter of Credit is irrevocable.

We hereby agree with the City of Columbus that drafts drawn and negotiated in conformity with the terms of this Letter of Credit will be duly honored on presentation.

[full legal name of bank]

By _____
[name of officer]
Its _____
[title of officer]

EXHIBIT "A" TO IRREVOCABLE LETTER OF CREDIT
APPROVED FORM OF SIGHT DRAFT

*** * * SIGHT DRAFT * * ***

$_____ U.S. _____[date]_____

TO: [Name of Bank]
[Address]

At sight, pay to the order of the City of Columbus, _____
_____ Dollars ($_____) U.S.

This is drawn under [Bank] Irrevocable Letter of Credit No. ___, dated [date].

CITY COUNCIL
CITY OF COLUMBUS
ANOKA COUNTY, MINNESOTA

By _____
Mayor of the
City Council

(seal)

ATTEST:

_____
[City Clerk or Deputy City Clerk]

[*CHAPTER 8, Appendix C, added by Ord. No. 89-11, effective November 3, 1989, amended by Ord. No. 07-02, effective March 1, 2007.*]