

LETTER OF CREDIT

NAME OF BANK _____ Date Issued _____

Letter of Credit No. _____ Amount _____

Issued subject to the Uniform Customs and Practices for Documentary Credits being ICC Publication UCP 500

TO: CORPORATION of the TOWN OF NEWMARKET

ADDRESS: 395 Mulock Drive, Box 328, STN MAIN, Newmarket, ON L3Y 4X7

WE HEREBY AUTHORIZE YOU TO DRAW ON THE

(Name of bank)

for the account of _____
(Name of customer)

UP TO AN AGGREGATE AMOUNT OF _____

Dollars \$ _____ available on demand.

PURSUANT TO THE REQUEST OF our customer _____

_____ we the _____
(Name of bank)

hereby establish and give you an Irrevocable Letter of Credit in your favour in the above amount which may be drawn on by you at any time and from time to time, upon written demand for payment made upon us by you which demand we shall honour without enquiring whether you have the right as between yourself and the said customer to make such demand, and without recognizing any claim of our said customer, or objection by it to payment by us.

DEMAND shall be by way of a letter signed by the Treasurer of the Corporation of the Town of Newmarket under the corporate seal attached to which shall be the original Letter of Credit. Presentation shall be made to the bank at:

(Address)

THE LETTER OF CREDIT we understand relates to the customer's obligations set out in an Agreement between the customer and the Corporation of the Town of Newmarket dated

(_____)
(Name of project)

THE AMOUNT of the Letter of Credit may be reduced from time to time as advised by notice in writing to the undersigned by the Treasurer of the Corporation of the Town of Newmarket.

THIS LETTER OF CREDIT shall continue in force for the duration of the contract.

IT IS A CONDITION of the Letter of Credit that it shall be deemed to be automatically extended without amendment from year to year from the present or any future expiration date hereof, unless at least Thirty (30) Working Days prior to the present or any future expiration date, we notify you in writing by registered mail that we elect not to consider the Letter of Credit to be renewable for any additional period.

DATED at _____, Ontario, this the _____ day of _____

COUNTERSIGNED BY:

Per:
