

FORM NO. 24C

IRREVOCABLE STANDBY LETTER OF CREDIT (MAINTENANCE)

Block(s) _____ Lot(s) _____
**IRREVOCABLE STANDBY LETTER OF CREDIT
(MAINTENANCE)**

Issued by:
Name of Banking Institution: _____
Address: _____
City/State/ZIP: _____
Telephone: _____ Fax: _____
Issue date: _____
Expiration date and time: _____
Letter of Credit Number _____
Beneficiary:
Name: _____
Address: _____
City/State/ZIP: _____
Telephone: _____ Fax: _____
Applicant:
Name: _____
Address: _____
City/State/ZIP: _____
Telephone: _____ Fax: _____
Amount: _____ Dollars (\$) _____

(Not to exceed 15 percent of the cost of the improvements, as certified by the municipal engineer)

We hereby issue our irrevocable standby letter of credit in your favor, which is available by your draft at sight bearing our letter of credit number _____ on _____ (name of banking institution).

Your draft must be presented at the office indicated above by personal delivery or by registered or certified mail or courier and must be accompanied by (1) the original standby letter of credit and any subsequent original amendments and (2) an original statement purportedly signed by the municipal engineer of _____ (name of the municipality) stating: "The amount of this drawing under irrevocable Standby Letter of Credit No. _____, issued _____ by _____ (name of banking institution), represents the amount due us as a result of the failure of _____ (name of applicant) to take necessary corrective action to repair defects in functioning, materials or quality of work in the required site improvements as detailed in the municipal resolution of approval and in that certain Engineer's Estimate entitled "_____ " prepared by _____ and dated _____. I hereby certify that notice of the defects upon which this drawing is based was given to the applicant by registered or certified mail or by courier on _____ (date at least 30 days prior to the date of the municipal engineer's statement)." This certification shall be accompanied by a resolution of the municipal governing body endorsing the engineer's findings.

This letter of credit shall continue in effect until the expiration date and shall be deemed to be automatically extended for a further period of _____ (not to exceed one year) unless written notice is given by the banking institution by registered or certified mail or by courier to the applicant and the municipality at least 60 days prior to the then current expiration date.

In the event of the failure of the applicant to furnish another letter of credit meeting the requirements of N.J.S.A. 40:55D-53.5 and N.J.A.C. 5:39-1.4, or other security meeting applicable legal requirements, at least 30 days prior to the expiration date of this letter of credit, the municipality may draw upon this letter of credit, to the extent allowed by law.

All correspondence to the banking institution concerning this letter of credit shall be addressed to the office indicated above.

This letter of credit shall inure to the benefit of the beneficiary municipality only and no other party shall acquire any rights hereunder.

This letter of credit is subject to [Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500] [International Standby Practices 1998 (ISP98)]. (Note: Either shall be acceptable.)

We hereby agree with you that drawings under and in compliance with the terms of this letter of credit shall be duly honored upon presentation to us.

Witness/Attest:

(authorized signature and title)
