

"SAMPLE PAGE 1"
ACCEPTABLE FORM FOR LETTER OF CREDIT

(Bank Letterhead - original only)

Irrevocable Letter of Credit

Southgate (*Water or Sanitation*) District
3722 E. Orchard Road
Littleton, CO 80121

Number: (*Bank #*)
Date: (*Issue Date*)
Expiration: (*15 months from date of probation*)

Gentlemen:

(*Bank*) hereby establishes in favor of Southgate (*Water or Sanitation*) District {letters must be separate} ("Beneficiary"), for the account of (*Developer, Owner, etc., and state incorporated*) ("Customer"), an Irrevocable Letter of Credit in the amount of (*10% of the cost of the improvements*) available by immediate payment upon presentation of Beneficiary's sight draft(s) in an amount not exceeding (*Amount listed above*) and each sight draft must bear the reference: "Drawn on (*Bank*) Irrevocable Letter of Credit No. (*Bank # above*) dated (*issue date above*)."

In addition, Beneficiary's sight draft(s) must be accompanied by this Irrevocable Letter of Credit and an Affidavit of Certification in the form attached hereto as Exhibit A (the "Affidavit"). The Affidavit shall certify that Customer has failed to meet the terms under an agreement with regard to the completion of public improvements at (*Project name and place*). Upon presentation of such affidavit in compliance with the terms contained herein, (*Bank*) shall honor the accompanying sight draft(s) and shall not be required to determine questions of fact or law between Beneficiary and Customer.

This Irrevocable Letter of Credit sets forth the full understanding of the parties hereto and (*Bank*) hereby promises to Beneficiary that any drafts drawn under or in substantial compliance with the terms of this Irrevocable Letter of Credit will be duly honored if presented to (*Bank*) on or before (*Expiration date from above*).

This Irrevocable Letter of Credit is nontransferable.

This Irrevocable Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1983 Revision), International Chamber of Commerce Publication No. 400.

Very truly yours,

(*Bank name, person signing and title*)

"SAMPLE PAGE 2"
ACCEPTABLE FORM FOR AFFIDAVIT OF CERTIFICATION

Irrevocable Letter of Credit Number (*Bank #*)

Dated: (*Issue Date*)

COUNTY OF (*Name*)

AFFIDAVIT OF
CERTIFICATION

STATE OF COLORADO

I, _____ being duly sworn state as follows:

I. Title and Authority of Affiant. I am _____ for
_____ and am authorized to act on behalf of
_____ in this matter.

2. Certification. Under penalty of law, I hereby certify that
_____. As a result,
I further certify that to the best of my knowledge and belief,
is entitled to a disbursement under Irrevocable Letter of Credit No. _____ pursuant to
its terms and conditions.

Subscribed and sworn to before me this _____ day of _____, 20 _____,
By _____.
Witness my hand and official.

Notary Public

My commission Expires: _____.