

MAINTENANCE SECURITY LETTER OF CREDIT

Letter of Credit No. _____ (1)

Dated: _____ (2)

Board of Supervisors
West Donegal Township
One Municipal Drive
Elizabethtown, PA 17022

Dear Members of the Board:

We hereby issue our irrevocable Letter of Credit in favor of the Township of West Donegal (the "Township") for any sum or sums not exceeding \$ _____ (3) for the account of _____ (4) (hereinafter called "Developer"). This Letter of Credit pertains to the development commonly known as _____ (5) (the "Development") which is located at _____ (6).

Intending to be legally bound, we hereby agree that demands made as a result of deficiencies or defects in the structural integrity of any improvement and/or as a result of the improper functioning of any improvement installed as a part of the Development which was dedicated to the Township by the Developer and accepted by the Township, in an aggregate amount not exceeding \$ _____ (7) accompanied by a document in the form attached hereto and marked Exhibit X (executed by the Chairman or Vice Chairman of the Board of Supervisors), shall be duly honored if presented to us, at our office at _____ (8), Pennsylvania, before _____ (9). We fully understand that all improvements were required to be installed in accordance with the Township's specifications and the approved plans.

Payment of this Letter of Credit shall be made without determination of conditions or facts pertaining to related contractual agreements between the Developer and the Township.

Except as otherwise provided herein, this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600, and the Uniform Commercial Code.

Intending to be legally bound hereby, this Letter of Credit has been executed by a duly authorized officer of the undersigned Bank.

Sincerely,

_____ (10)

By: _____ (11)

(12)

EXHIBIT X

TO: _____ (13)

We hereby demand payment to the Township of West Donegal, Lancaster County, of the sum of \$ _____, and certify that this demand is made because of the failure of _____ (14) to properly install and/ or to repair any deficiencies or defects in the structural integrity of and/or to provide for the proper functioning of, and in order to enable us to repair, correct or replace to our satisfaction, streets, swales, storm drainage facilities, detention basins and/or other improvements required to be installed in connection with the Development known as _____ (15), which improvements were dedicated to and accepted by the Township of West Donegal.

TOWNSHIP OF WEST DONEGAL

By: _____
(Vice) Chairman
Board of Supervisors

INSTRUCTIONS TO COMPLETE LETTER OF CREDIT

This form is only to be used as a maintenance guarantee after improvements have been constructed. The Township has available a separate form to be used as an improvement guarantee to insure the initial construction of improvements.

- (1) Number assigned to Letter of Credit by lending institution.
- (2) Date of Letter of Credit.
- (3) Amount of Letter of Credit (must be fifteen (15%) percent of the actual cost of installation of the improvements dedicated to and accepted by the Township).
- (4) Full name of developer.
- (5) Name of subdivision or land development.
- (6) Location of subdivision or land development.
- (7) Same as No. 3 above.
- (8) Address of lending institution.
- (9) Expiration date of Letter of Credit (shall be at least eighteen months from the date of the meeting of the Board of Supervisors at which dedication of the improvements will be accepted).
- (10) Name of the lending institution issuing Letter of Credit.
- (11) Signature of officer of lending institution executing the Letter of Credit.
- (12) Name and title of officer executing the Letter of Credit.
- (13) Same as No. 10 above.
- (14) Same as No. 4 above.
- (15) Same as No. 5 above.