

FORM HIGHWAY RIGHT-OF-WAY LETTER OF CREDIT

Irrevocable Letter of Credit No. _____
Re: _____
VTHD Highway Permit No. _____
Amount: _____
Expiration Date: _____

Vernon Township

Attention: Vernon Township Highway Department
Highway Commissioner
3050 N. Main Street
Buffalo Grove, IL 60089

Gentlemen:

We hereby establish our irrevocable credit in the amount of \$ _____

And in favor of the Vernon Township, Illinois, on behalf of _____

_____. We understand that this irrevocable credit is to be used to insure that all work proposed by, or on behalf of _____ for _____, is performed in compliance with the engineering plans as approved by the Vernon Township Highway Department and with the terms of the highway permit throughout the term of the project, and to insure the completion of said work and complete restoration of any damaged or disturbed portions of the Township highway right-of-way as required by the Vernon Township Highway Utility/Facility Placement Ordinance, the approved engineering plans and specifications for that project, and Highway Permit No. _____

This irrevocable credit established by us shall be in force until _____ and shall remain in effect without regard to any default in payment of sums owed by the owner and/or applicant and without regard to other claims which we may have against the owner and/or applicant.

This Letter of Credit may be drawn upon by the Vernon Township Highway Commissioner at any time in the event that the above-described work or restoration is not being satisfactorily implemented in accordance with the Vernon Township Utility/Facility Ordinance and the highway permit. This Letter of Credit may also be drawn upon in the event that the above-described work or restoration has not been completed within the times set out in the time **schedule provided in Section 3.7**, of the Vernon Township Utility/Facility Placement Ordinance and the highway permit. A written statement, signed by the Highway Commissioner, in substantially the same form as that attached hereto as Exhibit "A", stating that the proposed work or restoration is not being satisfactorily implemented and/or has not been completed within the time set out in said time schedule as approved by the Vernon Township Highway Department shall be deemed a sufficient request to draw on this Letter of Credit.

All drafts hereunder must be marked, "Drawn on _____ Letter of Credit No. _____" and shall be substantially in the form attached hereto as Exhibit "B". All drafts must be drawn on or before the expiration date of _____.

EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THIS LETTER OF CREDIT, THIS LETTER OF CREDIT IS SUBJECT TO THE "UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE BROCHURE NO. 500" (THE "UNIFORM RULES"). IN THE EVENT OF A CONFLICT BETWEEN THIS LETTER OF CREDIT AND THE UNIFORM RULES, THIS LETTER OF CREDIT SHALL CONTROL.

We hereby agree that drafts drawn under and in compliance with the terms of this Letter of Credit shall be honored no later than the close of the third banking day following presentment. If, within three banking days after any draft drawn under this Letter of Credit is presented to us in conformance with the terms of this Letter of Credit, we fail to honor same, we agree to pay all attorneys' fees, court costs and other expenses incurred by the County of Lake in enforcing the terms hereof.

Very truly yours,

**EXHIBIT A”
FORM DEMAND LETTER**

To: _____
Attention: _____

Re: _____ Irrevocable Letter of Credit No.
Expiration Date: _____

Vernon Township Highway Permit No.
“Drawn on _____
Letter of Credit No. _____

Dear Sir or Madam:

This is a demand for payment, drawn on _____ Letter of Credit No. _____ of
\$ _____ United States Dollars.

This demand is made in compliance with the conditions specified in the credit, to wit:

This irrevocable credit is to be used to insure that all work proposed by, or on behalf of _____, for (location) is performed in compliance with the engineering plans as approved by the Vernon Township Highway Department and the terms of the highway permit throughout the term of the project, and to insure the completion of said work and complete restoration of any damaged or disturbed portions of the Township highway right-of-way as required by the Vernon Township Utility/Facility Placement Ordinance, the approved engineering plans and specifications for that project, and Highway Permit No. _____

The Letter of Credit may be drawn upon by the Vernon Township Highway Commissioner at any time in the event that the above-described work or restoration is not being satisfactorily implemented in accordance with the Vernon Township Utility/Facility Ordinance and the highway permit. This Letter of Credit may also be drawn upon in the event that the above-described work or restoration has not been completed within the times set out in the time schedule provided in Section 3.7 of the Vernon Township Highway Utility/Facility Ordinance and the highway permit .

The aforementioned work or restoration is not being satisfactorily implemented and/or has not been completed within the time set out in the aforementioned time schedule.

Pursuant to the terms of the Letter of Credit, this demand for payment shall be honored no later than the close of the third banking day following receipt of this demand for payment.

The draft shall be payable to “Vernon Township” and delivered to the Township Highway Commissioner, Vernon Township Highway Department, 3050 N. Main St., Buffalo Grove, IL 60089.

Sincerely,

Highway Commissioner,
Vernon Township Highway Department

EXHIBIT "B"

FORM SIGHT DRAFT

IRREVOCABLE LETTER OF CREDIT NO.

SIGHT DRAFT

DRAWN ON _____ LETTER OF CREDIT NO. _____

\$ _____.

AT SIGHT PAY TO THE ORDER OF VERNON TOWNSHIP, ILLINOIS

_____ AND /100 UNITED STATES DOLLARS \$ _____

**HIGHWAY COMMISSIONER,
VERNON TOWNSHIP HIGHWAY
DEPARTMENT**