

Irrevocable Standby Letter of Credit

Beneficiary: CITY OF BOZEMAN
121 N. ROUSE AVE.
BOZEMAN, MT 59715

[date of issuance]

Issuance. At the request and for the account of **[name and address of applicant/borrower]** (“Applicant”), we **[name and address of issuer/lender at place of issuance]** (“Issuer”) issue this irrevocable independent standby letter of credit number **[reference number]** (“Standby”) in favor of the **City of Bozeman, 121 North Rouse Avenue, Bozeman, MT 59715** (“Beneficiary”) in the maximum aggregate amount of USD **[amount]**.

Undertaking. Issuer undertakes to Beneficiary to pay Beneficiary’s demand for payment for an amount available under this Standby and in the form of Attachment A (Payment Demand) or Attachment B (Payment Demand after Notice of Non-extension), completed as indicated and presented to Issuer at the following place for presentation: **[address of place for presentation]**, at or before the close of business on the expiration date.

Overdrawing. If a demand exceeds the amount available, but the presentation otherwise complies, Issuer undertakes to pay the amount available.

Expiration. The expiration date of this Standby is **[specific calendar date, e.g., the date one year after issuance date]**.

Automatic Extension. The expiration date of this Standby shall be automatically extended for successive one-year periods, unless **90** or more calendar days before the then current expiration date Issuer gives written notice to Beneficiary that Issuer elects not to extend the expiration date. Issuer’s written notice must be sent by certified mail to Beneficiary’s above-stated address and to the attention of the City Clerk **90** or more calendar days before the then current expiration date. The expiration date is not subject to automatic extension beyond **[specific calendar date, e.g., the date five years after issuance date]**, and any pending automatic one-year extension shall be ineffective beyond that date.

Payment. Payment against a complying presentation shall be made within three business days after presentation at the place for presentation or by wire transfer to a duly requested account of Beneficiary.

Choice of Law. This Standby shall be governed and construed in accordance with the laws of the State of Montana without regard to conflict of law provisions. The Parties agree to submit to the personal and exclusive jurisdiction of the courts located within Gallatin County, Montana.

Issuer’s Charges and Fees. Issuer’s charges and fees for issuing, amending, or honoring this Standby are for Applicant’s account and shall not be deducted from any payment Issuer makes under this Standby.

Communications. *Communications*, other than payment demands and notices of non-extension, may be made between Issuer and Beneficiary by first class mail, telephone, telefax, or electronic communications.

[Issuer's name]

[signature]

[Authorized Signature]

Attachment A: Payment Demand

[INSERT DATE]

[Name and address of Issuer or other addressee at place of presentation as stated in standby]

Re: Standby Letter of Credit No. [**reference number**], dated [**date**], issued by [**Issuer's name**] (“Standby”).

The undersigned Beneficiary demands payment of USD [INSERT AMOUNT] under the Standby.

Beneficiary states that Applicant is obligated to pay to Beneficiary the amount demanded as provided in [**the contract, regulation, or other document that identifies the underlying obligations to the government beneficiary**].

Beneficiary requests that payment be made by wire transfer to an account of Beneficiary as follows: [NAME AND ADDRESS OF BENEFICIARY'S BANK, ALONG WITH THE ROUTING AND SPECIFIC ACCOUNT NUMBERS TO BE PROVIDED BY BENEFICIARY].

**City of Bozeman
121 N. Rouse Ave.
Bozeman, MT 59715**

By its authorized officer:

[INSERT NAME AND TITLE]

Attachment B: Payment Demand after Notice of Non-extension

[INSERT DATE]

[Name and address of Issuer or other addressee at place of presentation as stated in standby]

Re: Irrevocable Standby Letter of Credit No. **[reference number]**, dated **[date]**, issued by **[Issuer's name]** ("Standby").

The undersigned Beneficiary demands payment of USD **[INSERT AMOUNT]** under the Standby.

Beneficiary states that the Standby is set to expire fewer than **90** days from the date hereof because Issuer has given a notice of non-extension of the Standby, no retraction of the non-extension notice or satisfactory replacement standby has been timely received, and the amount demanded is required to secure the obligations of Applicant as provided in **[the contract, regulation or other document that identifies the underlying obligations to the government beneficiary]**.

Beneficiary requests that payment be made by wire transfer to an account of Beneficiary as follows: [NAME AND ADDRESS OF BENEFICIARY'S BANK, ALONG WITH THE ROUTING AND SPECIFIC ACCOUNT NUMBERS TO BE PROVIDED BY BENEFICIARY].

**City of Bozeman
121 N. Rouse Ave.
Bozeman, MT 59718**

By its authorized officer:

[INSERT NAME AND TITLE]