[BANK LETTERHEAD]

DATE

Irrevocable Letter of Credit, Number \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Beneficiary: Accountee:

City of Fort Collins

281 North College Avenue

Fort Collins, Colorado 80524

Attn: Development

Dear City of Fort Collins:

We, [Insert Name of Bank] (“Bank”), hereby establish, at the request and for the account of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

in the favor of the City of Fort Collins (“Fort Collins” or the “City”) as beneficiary, our Irrevocable Letter of Credit No. \_\_\_\_\_ (“Letter of Credit”), in the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Dollars ($\_\_\_\_\_\_\_\_\_) (as more fully described below), effective immediately and initially expiring (see extension terms below) at the close of banking business on (minimum of one year from the date of issuance of this Letter of Credit) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_, at our office at\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

This Letter of Credit is submitted as security required for the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Development Project (the “Development”) as assurance of the completion of the following Development requirements, as applicable: public improvements, erosion/sediment control, and natural habitat restoration. The manner in which the aforementioned requirements shall be completed is set forth in, as applicable, the Development’s approved plans and development agreement, permits issued for the Development, including, but not limited to, the development construction permit, the Fort Collins Municipal and Land Use Codes, Fort Collins policies, and any other applicable law or regulation. Funds under this Letter of Credit are available to you for one or more drawings prior to the close of business on the expiration date described above as extended pursuant to the terms of this Letter of Credit against sight drafts in an aggregate cumulative amount not to exceed $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, as determined from the sum of:

* Public Improvements $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Erosion/Sediment Control $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Natural Habitat Restoration $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Any draft must be drawn on our office described above, dated the date of presentment, contain the number of this Letter of Credit, and accompanied by a signed written certificate in the form attached hereto as Exhibit 1. It is understood that the amount of this Letter of Credit may be reduced, in the City's sole discretion. Any such reduction in the amount of this Letter of Credit shall be made using the *Request for Amendment to Letter of Credit* form attached hereto as Exhibit 2.

This Letter of Credit shall automatically terminate upon the earlier of: (i) Our honoring your draft(s) totaling $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in the aggregate presented on or before this Letter of Credit expires pursuant to the terms herein; or (ii) The surrender to us by you of this Letter of Credit for cancellation; or (iii) The expiration date of this Letter of Credit as such date may be extended pursuant to the terms herein.

This Letter of Credit shall be subject to the laws of the State of Colorado, and, to the extent not inconsistent with the terms of this Letter of Credit, International Standby Practices (ISP 98), International Chamber of Commerce (Pub. No. 590). Any suit, action, or proceeding arising out of or relating to or concerning this Letter of Credit, with the exception of appellate matters, shall be subject to the exclusive jurisdiction of the state court located in Larimer County, Colorado, or the federal district court located within Denver, Colorado.

This Letter of Credit shall be automatically extended without required action by the City, and without amendments for one year from the date of initial expiration stated above, and each future expiration date thereof, unless the Bank delivers written notice at least sixty (60) days prior to any such expiration date to the City of Fort Collins of its intent not to renew this Letter of Credit. Any such notice shall be in writing and shall be delivered with an acknowledged receipt, either in hand or by certified mail.

The City at any time may request that the Bank amend this Letter of Credit by submitting to the Bank a fully executed certificate in the form of Exhibit 2. The Bank shall thereafter promptly issue an amendment to the Letter of Credit corresponding to the change or changes requested in such certificate. If the Bank does not issue an amendment or extension of this Letter of Credit, pursuant to the terms herein, within thirty (30) days of the City submitting a request, the City may draw in full the balance of this Letter of Credit to be held or applied as deemed appropriate by the City.

This Letter of Credit is not transferable.

This Letter of Credit sets forth in full our obligations that we are assuming in full regarding this Letter of Credit and such obligations shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except only the certificate and draft(s) referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificate and draft(s).

Sincerely,

[Name]

[Title] , Issuer

Issuing Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EXHIBIT 1

CERTIFICATE

The City of Fort Collins hereby certifies as follows with respect to the certain Irrevocable Letter of Credit No. \_\_\_\_\_\_\_ dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_, established in favor of the City of Fort Collins, Colorado (the “Letter of Credit”):

1. I am authorized to execute this Certificate on behalf of the City of Fort Collins;
2. Certain requirements of the Development Project for which the Letter of Credit was issued have not been fulfilled as follows:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. The sum of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, which is the amount of the draft presented with this Certificate, is the amount currently due to the City of Fort Collins from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to address the issues described in (b) above;
2. The amount of the accompanying draft together with all previous draws under the Letter of Credit do not exceed in the aggregate $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_; and
3. The Letter of Credit has not expired.

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of the City of Fort Collins this \_\_\_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_.

THE CITY OF FORT COLLINS, COLORADO

A Municipal Corporation

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Title]

EXHIBIT 2

Request for Amendment or Release of Letter of Credit #\_\_\_\_\_\_\_\_\_\_\_

The City of Fort Collins certifies that the person signing below is authorized to execute this Request for Amendment to Letter of Credit on behalf of the City of Fort Collins, and further certifies with respect to the Development Project that is the subject of the Letter of Credit #\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the “Letter of Credit”) the following:

[Check applicable boxes.]

* The Letter of Credit is to be reduced to $ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ because the following requirements described in the Letter of Credit have been satisfied:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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* The expiration date of the Letter of Credit is revised to be the close of banking business on the \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_. This expiration date **[shall/shall not]** be automatically extended pursuant to the terms of the Letter of Credit.
* The automatic one year renewal provision contained in the Letter of Credit is no longer in effect.
* Release Original Letter of Credit upon receipt of separate replacement letter of credit for maintenance and/or repair obligations in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
* Release Letter of Credit in its entirety.

In witness whereof, the undersigned has executed this certificate on behalf of the City of Fort Collins this \_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_

CITY OF FORT COLLINS, COLORADO

a Colorado municipal corporation

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Name and Title)