

Note: Place this text on Bank Letter Head stationary.

_____ , _____

City of Fort Collins
Engineering Department
281 N. College Ave.
Fort Collins, Colorado 80524

Dear Sirs:

We hereby establish, at the request and for the account of _____, in your favor as beneficiary, our Irrevocable Standby Letter of Credit No. _____, in the amount of _____ Dollars (\$_____) (as more fully described below), effective immediately and expiring at the close of banking business on _____, _____, at our office at _____.

This Letter of Credit is intended for the funding required for the _____ Development Project (“Development Project”) for the assurance of the completion of the construction and the maintenance and repair of the public infrastructure in connection with the aforesaid development project and its associated development agreement and development construction permit. Funds under this Letter of Credit are available to you for one or more drawings prior to the close of business on _____, _____, against sight drafts in an aggregate amount not to exceed \$ _____, dated the date of presentment, drawn on our office referred to above, referring thereon to the number of this Letter of Credit and accompanied by your written certificate signed by you and acknowledged as therein provided in the form of Exhibit 1 hereto.

Presentation of such draft and certificate shall be made at our office referred to above.

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 original Letter of Credit and original amendments, if any for cancellation, this Letter of Credit shall automatically terminate.

It is understood that the amount of this Letter of Credit may be reduced as public improvements are constructed and accepted by the City. As components of the infrastructure are satisfactorily completed in accordance with approved utility plans, the value of the completed components may be established from the Development Construction Permit worksheet for determining costs of infrastructure construction and inspection fees, whereupon the amount of this letter of credit may be

reduced by the value of the completed component(s), upon execution of a "Request for Amendment or Release of Letter of Credit #_____" in the form attached hereto as Exhibit 2 .

This letter of credit shall be subject to the Uniform Commercial Code as in effect in the State of Colorado, and, to the extent not inconsistent with the terms of this Letter of Credit and the International Standby Practices ISP 98, International Chamber of Commerce Publication No. 590.

This Letter of Credit will be automatically extended without amendments for one year from the present, and each future, expiration date thereof, unless Issuer 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 extend 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. Any requests for amendments to this Letter of Credit shall be made in the form of Exhibit 2 attached hereto.

The City may at any time 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 may thereafter promptly issue an amendment to the Letter of Credit corresponding to the change or changes requested in such certificate.

This Letter of Credit is not transferable.

This Letter of Credit sets forth in full our undertaking, and such undertaking 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 _____, _____, established in favor of the City of Fort Collins, Colorado (the "Letter of Credit"):

- (a) He (She) is authorized to execute this Certificate of behalf of the City of Fort Collins;
- (b) The applicant/developer is in default under the terms of the development agreement and/or the development construction permit.
- (c) 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 _____;
- (d) The amount of the accompanying draft together with all previous draws under the Letter of Credit do not exceed in the aggregate \$ _____; and
- (e) The Letter of Credit has not expired.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of behalf of the City of Fort Collins this _____ day of _____, _____.

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 or Release of Letter of Credit on behalf of the City of Fort Collins, and further certifies with respect to the provisions contained in the Development Construction Permit dated _____, and/or the Development Agreement dated _____, between the City of Fort Collins (Beneficiary) and _____ (Developer), the following:

[Check applicable boxes.]

- The Letter of Credit is to be reduced to \$ _____.
- The expiration date of the Letter of Credit is revised to be _____.
- The 60-day 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 Maintenance Letter of Credit in the amount of _____. (current value).
- Release Letter of Credit.

In witness whereof, the undersigned has executed this certificate on behalf of the City of Fort Collins this _____ day of _____, _____.

CITY OF FORT COLLINS, COLORADO
a Colorado municipal corporation

By:
(Name and Title)