

Sample – Irrevocable Letter of Credit

Letter of Credit #: Amount: _____ Initial Expiry Date: _____

TO: City of Greater Sudbury
PO Box 5000, Station A
Sudbury, Ontario, P3A 5P3

We Hereby Authorize You to Draw on the

(Name of Bank and Branch)

(Of) _____
City Postal Code

for the account of _____
(Bank Customer)

Up to the Aggregate Amount of _____
(Dollar Amount, Canadian)

(\$ _____) Payable on Demand.
(available on demand as follows)

Pursuant to the Request of our customer: _____
(Bank Customer)

we the, _____
(Name of Bank)

hereby establish and give to you an Irrevocable Letter of Credit in your favour in the total amount of _____ as required pursuant to an Agreement made between the City of Greater Sudbury and _____ which may be drawn in whole or in part by you at any time, and

from time to time, upon written demand for payment made upon us by you, which demand we shall honour without inquiring whether you have the right as between yourself and the (our) said customer to make such demand, and without recognizing any claim of our said customer, (or objection by customer of payment to you).

We Understand that this Letter of Credit relates to services to be performed pursuant to an agreement between the customer and yourself and referred to as the

(Name of Project or Contract Name and Number)

The Amount of this Letter of Credit may be reduced from time to time as advised by notice in writing (given to us) to the undersigned from time to time by you.

It is understood that this obligation is between the _____
(Bank Name)

and the City of Greater Sudbury and any notice referred to in the preceding paragraph shall not be used for any other purpose than herein set forth.

It is understood that the obligation of the undersigned under this Letter of Credit is an obligation to pay money only and that in no circumstances shall the _____
(Bank Name)

be obliged to perform or cause to be performed any work under the said Agreement.

This Irrevocable Letter of Credit will continue in force for a period of one year, but shall be subject to the condition hereinafter set forth.

It is a Condition of this Letter of Credit that it shall be deemed to be automatically extended without amendment for year to year from the present or any future expiration date hereof, unless at least 30 days prior to any such future expiration date, we notify you in writing by registered mail that we elect not to consider this Letter of Credit to be renewable for any additional period.

The demand drawn under this Irrevocable Letter of Credit is to be endorsed and shall state on its face that it is drawn on _____
(Bank Name) (Bank Address)

Irrevocable Letter of Credit # _____ dated _____

Dated At _____ Ontario, this _____ day of _____ 20_____

Countersigned

By: _____
(Name of Bank)

Per: _____
"I have the authority to bind the (Name of Bank/Caisse Populaire/Credit Union)".

"I have the authority to bind the (Name of Bank/Caisse Populaire/Credit Union)".
Per: _____