

[TRANSCRIBE THIS FORM ONTO FINANCIAL INSTITUTION'S LETTERHEAD]
(Letter of Credit – Public Right-of-Way)

Date _____
Irrevocable Letter of Credit No. _____

Mayor and Council of Rockville
111 Maryland Avenue
Rockville, Maryland 20850

We hereby issue in your favor this irrevocable letter of credit upon which you may draw up to an aggregate amount of _____, available on demand upon the production of a written demand for payment and a written statement by the City Manager of Rockville, or his designee, that _____
(Name of Permittee)

(the "**Permittee**") failed to complete the construction and installation of the public facilities authorized and/or required by construction Permit No. _____

(the "**Permit**") issued pursuant to Chapter 21 of the Rockville City Code, titled "Streets, Roads, Rights-of-Way, and Public Improvements" ("Chapter 21").

The work required under the Permit also includes the obligation of the Permittee and Permittee's agents and servants to:

- a. faithfully complete the construction and installation of any required improvements within the public rights-of-way and/or property to be conveyed within the period of time specified in the approval of the application to which they pertain;
- b. comply with all applicable ordinances and requirements of the City and all other applicable laws and regulations;
- c. indemnify and save harmless the Mayor and Council of Rockville from all expenses, damages, claims and actions arising from or relating to the performance or nonperformance of the work required of the Permittee, its agents, employees or subcontractors under the Permit; and
- d. forfeit any and all portions of the funds secured by this letter of credit to satisfy unpaid fines or penalties owed to the City for violations of the terms and conditions of the Permit or Chapter 21 of the Rockville City Code and to reimburse costs incurred by the City to correct such violations.

This letter of credit shall be valid, and our obligations hereunder shall continue uninterrupted, for a period of three (3) years following the date of issuance indicated above, provided that on that date this letter of credit shall automatically be extended for an additional one (1) year period and shall further be automatically extended annually for additional one (1) year periods, unless, _____

(Name of Financial Institute)

notifies the City Manager by registered letter at least thirty (30) days prior to such initial or subsequent expiration date that this letter of credit will not be extended for such additional period. We further agree that no change, extension of time, alteration or addition to the work to be performed or to the plans or specifications relating to the same, shall in any way affect our obligation under this letter of credit, and we specifically waive notice of any such change, extension of time, alteration, or addition.

We further agree that all demands for payment made under and in compliance with the terms and conditions of this letter or credit will be duly honored by us and that no defenses that may be available to the Permittee will be asserted against any demand for payment made hereunder.

NAME OF FINANCIAL INSTITUTION

By: _____
(Please type or print name and title)