

LENDING INSTITUTION HEADER

Board of Selectmen
Town of Henniker
18 Deport Hill Road
Henniker, NH 03242

Date

Dear Board of Selectmen;

By this document the _____ Bank (hereinafter "Issuer") hereby issues an irrevocable Letter of Credit in the amount of \$_____ to the Town of Henniker on behalf of _____ (hereinafter "Developer"). This irrevocable Letter of Credit is issued to guarantee completion of all improvements required by the Henniker Planning Board and the Town of Henniker Subdivision and/or Site Plan Review Regulations in conjunction with a development plan entitled " _____," dated _____, prepared by _____ and approved by the Planning Board on _____.

It is understood that the improvements guaranteed by this irrevocable Letter of Credit include, but are not limited to the following:

1. Construction of _____ linear feet of roadway along with all associated utilities. Said roadway being shown on the above referenced plan as _____.
2. Restoration of the site and control of erosion.
- 3.
- 4.

It is agreed and understood by the issuer of this Letter of Credit that it shall be issued for a period of ___ months. If all improvements guaranteed by this Letter of Credit are not completed by _____ (Date) and if a letter indicating completion of all improvements has not been issued by the Town Consulting Engineer, Town Highway Superintendent, and the Town Planning Consultant, then this Letter of Credit shall be automatically considered to have been called and without further action of the Town of Henniker or its Planning

Board, the _____ Bank shall forthwith forward a check in the amount of \$ _____ to the Treasurer of the Town of Henniker. The funds so forwarded to the Town treasurer shall be used exclusively for the purpose of completing the improvements that are guaranteed by this Letter of Credit. Any funds not needed by the Town to complete improvements required by the development plan referred to above shall be returned to the _____ Bank.

Upon receipt of written approval of the Town, the issuer may reduce ("draw down") the amount of this Letter of Credit in accordance with the authorization of the Town. Provided, however, that 10% of the principal amount held for the constructed portion of the project shall be retained for one year after completion of the improvements to cover any latent defects appearing during the year and shall thereafter be returned to the issuer or become the property of the Town of Henniker, if necessary to remedy any such latent defects.

Dated: _____
Signature of Bank Official

I have read this Letter of Credit and agree to its terms.

Dated: _____
Signature of Developer

I have read this Letter of Credit and agree to its terms.

Dated: _____
Signature of Board of Selectmen Chair
Town of Henniker

Sincerely,