

Alan B. Sadler, County Judge
Montgomery County, Texas
or his successors in office
Conroe, Texas 77301

Irrevocable
Letter of Credit
No. _____

Date

Gentleman:

We hereby establish our Irrevocable Letter of Credit in your favor for the account of (*Principal*), whose (*street address/phone*) is _____, for a sum or sums, not to exceed in the aggregate, the amount of Dollars (\$ _____), in U.S. Dollars, available by your draft at sight drawn on us, to be accompanied by an affidavit from Montgomery County Judge Alan B. Sadler, or his successors in office, stating one of the following:

1. “The undersigned, Montgomery County Judge Alan, B. Sadler, or his successors in office, hereby certifies to (*Bank*) _____, as the issuer of Letter of Credit No. _____ dated _____, in the amount of (\$ _____), that (*Principal*) _____ has failed to build and/or maintain roads, streets, and drainage requirements within (name of subdivision) _____, in accordance with the Montgomery County Subdivision Rules and Regulations, XXXXXXXXXXXX
2. “The undersigned, Montgomery County Judge Alan B. Sadler, or his successors in office, hereby certifies to _____ as the issuer of Letter of Credit No. _____, dated _____, in the amount of _____ (\$ _____), that _____ has delivered notice of intent to not automatically renew Letter of Credit No. _____ for a period no less than one year from the present expiration date and, by virtue of said delivery and notification, beneficiary is entitled to receive funds equal in amount to the undrawn balance of this Letter of Credit, such amount being _____ Dollars (\$ _____)”.

It is the condition of this Letter of Credit that it shall be automatically renewed for a period not less than one year from the present or each future expiration date, unless at 60 days prior to such date we, the Issuer, shall notify Montgomery County Judge Alan B. Sadler or his successors in office, that we elect not renew this Letter of Credit for such additional periods.

Partial drawings on this Letter of Credit are permitted.

Notwithstanding any reference in this Letter of Credit to other documents, instruments or agreements, or references in such other documents, instruments or agreements to this Letter of Credit, this Letter of Credit contains the entire agreement among the account party, beneficiary and

the issuer hereunder relating to the obligations of the issuer hereunder.

Any draft drawn under this Letter of Credit must be marked "Drawn under Letter of Credit No. _____ dated _____, 20__ issued by (*Bank*) _____. All drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored by us on due presentation at our counters on or before _____, _____20_____, or on or before the expiration date of any subsequent renewal period.

Issuing Organization

By:

Name

Title