

Financial Institutions

Message Concerning Letter of Credit

The City of Surrey is continuing to grow rapidly with many new development projects resulting in a substantial increase in the number of letters of credit we are processing.

To ensure that we provide the best service to our developers, we require each financial institution to use our standard letter of credit form ensuring specific information is properly included. We have detailed the key components of this document for your information.

We manage the Letters of Credit as follows:

- For all letter of credit adjustments and changes approved by the City of Surrey we may fax or mail letters directly to the developer and a copy to the financial institution.
- Amendment issued by financial institutions and **accepted by the City of Surrey** may be acknowledged by fax.
- For all letters of credit draws the City of Surrey will present a sight draft to the financial institution.
- Each letter of credit must have only one purpose. Some Common examples are:
 - Engineering Works
 - Development Cost Charges
 - Landscaping Phase Three*
 - Damage Deposit

***If your project is phased your letter of credit purpose must reflect that.**

Mandip Sidhu, our Letter of Credit Coordinator, can answer any questions you may have regarding our Letters of Credit requirements. He can be reached at 604-591-4150.

Thank you for your cooperation.

Yours truly,

Suzanne Fillion, CGA, MBA
Manager, Financial Services

IRREVOCABLE LETTER OF CREDIT

Financial Institution Letterhead (including address, fax & phone number).

Financial Institution Letterhead

IRREVOCABLE LETTER OF CREDIT

BENEFICIARY:
CITY OF SURREY
13450 – 104th AVENUE
SURREY, BC
V3T 1V8

DATE OF ISSUE:

LETTER OF CREDIT NO.:

EXPIRY DATE:

APPLICANT/FOR THE ACCOUNT OF:

AMOUNT: CAD \$

PROJECT NO.

PURPOSE OF LETTER OF CREDIT:

The undersigned financial institution hereby agrees to pay up to 100% of the value of this letter of credit to the City of Surrey upon presentation of a sight draft from the City of Surrey. The financial institution agrees to the following additional terms:

1. Drawings are to be made in writing to _____ (**financial institution name and full address in the lower mainland including Chilliwack**).
2. Partial drawings may be made.
3. The financial institution will not inquire if the City of Surrey has a right to make demand on this letter of credit.
4. This letter of credit is irrevocable up to the expiry date.
5. It is a condition of this letter of credit that it shall be deemed to be automatically extended without amendment from year to year from the present or any future expiration date hereof, unless at least 30 days prior to the present or any future expiration date, the financial institution notifies the City of Surrey in writing by registered mail, that they elect not to renew for any additional period.
6. Sight drafts must be presented by the City of Surrey on or before the present or future expiry date.
7. The amount of this letter of credit may be reduced from time to time only by the amount drawn upon it by the City of Surrey or by formal notice in writing received from the City of Surrey authorizing a reduction.
8. This letter of credit is subject to the uniform custom and practice for documentary credits 2007 revision, i.c.c. publication number 600.

Name of Financial Institution

Per Authorized signature

Per Authorized signature

Amendment To Letter Of Credit

Financial Institution Letterhead (including address, fax & phone number).

AMENDMENT TO LETTER OF CREDIT

BENEFICIARY:
CITY OF SURREY
13450 – 104th AVENUE
SURREY, BC
V3T 1V8

DATE OF ISSUE:
LETTER OF CREDIT NO.:
EXPIRY DATE:
AMOUNT: CAD
PROJECT NO.

APPLICANT/FOR THE ACCOUNT OF:

PURPOSE OF LETTER OF CREDIT:

The City of Surrey and the financial institution hereby agree that the letter of credit shall hereinafter be read and construed in conjunction with this letter of credit amendment and be regarded as being amended only as follows:

Extension Date to: _____

Reduce amount to: _____

Other: _____

All other terms and conditions of this credit shall remain unchanged.

Name of Financial Institution

City of Surrey

(Signature of Authorized Signatory)

(Signature of Authorized Signatory)

This amendment of the Letter of Credit executed by the financial institution on the ____ day of _____, 201_.

This amendment of the Letter of Credit executed by the City of Surrey on the ____ day of _____, 201_.