

**(BANK LETTERHEAD)**

**Irrevocable  
Standby Letter of Credit No.: (LC number)**

**Beneficiary:**

The Corporation of the City of Mississauga  
300 City Centre Drive  
Mississauga, Ontario  
L5B 3C1

**Applicant:**

**(Applicant's Name and Mailing address)**

**Date of Issue:**  
**(Date)**

**Date of Expiry:**  
**(Date)**

**Amount:**  
**(CAD \$ amount and fully written amount)**

We hereby authorize you to draw on **(Name of Bank, Address, Postal Code)** for account of **(Name of Applicant, Address, Postal Code)** up to an aggregate amount of **(Amount written out in full)** Canadian Dollars **(\$Amount)** available on demand as follows:

Pursuant to the request of our customer, the said **(Name of Applicant)**, we The **(Name of Bank)**, hereby establish and give to you an Irrevocable (or Irrevocable Standby) Letter of Credit in your favour in the total amount of **(\$Amount of Security)** which may be drawn on 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 enquiring whether you have a right as between yourself and our said customers to make such demand and without recognizing any claim of our said customers.

Provided, however, that you are to deliver to us at such time as a written demand for payment is made upon us, a letter signed by you agreeing and/or confirming that monies drawn pursuant to this Letter of Credit are to be retained and used to meet obligations in connection with **(insert Legal description of the project and municipal address and/or File number and/or short project description as per wording provided by the Department requesting this Security)**.

The amount of this Letter of Credit shall be reduced from time to time as advised by notice in writing given to us from time to time by you.

This Letter of Credit will continue up to **(insert Expiry Date of one year)** and will expire on that date and you may call for payment of the full amount outstanding under this Letter of Credit at any time up to the close of business on that date. It is a condition of this Letter of Credit that it shall be deemed to be **automatically** extended for one year from the present or any future expiration date hereof, unless **thirty days (30)** prior to any such date, we shall notify you in writing by Registered Mail or Courier that we elect not to consider this Letter of Credit renewed for any such additional period. Upon receipt by you of such notice, you may draw by means of your demand accompanied by your above written letter.

Partial drawings are permitted.

The drawings under this credit are to state that they are drawn under the **(Name of Bank, Address, Postal Code)**, Letter of Credit **(Number)**.

This Letter of Credit is issued subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), ICC Publication No. 600.

**For Bank Only**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name



## **The Corporation of the City of Mississauga Letters of Credit additional notes:**

### **Requirements Re: Issuing Financial Institution as per our Corporate Policy– Letters of Credit – 04-08-04**

An LC will only be accepted from an underwriting Financial Institution that meets the following requirements:

- 1- Is a member of Payments Canada
- 2- Is a Financial Institution identified under Schedule 1 or Schedule 2 of the Bank Act or defined as a League under the Province of Ontario Credit Union and Caisses Populaires Act, 1994
- 3- Maintains a single processing location for all LCs underwritten by the Financial Institution
- 4- Maintains a DBRS R-1 (High, Mid or Low) Short-term Credit Rating from DBRS, or an A-1 high or mid rating from Standard & Poors.

In advance of the City's final acceptance of LC, Finance may request written confirmation to the requirements above and an authentication of the names of the LC signing officers, including their phone number and email address.

### **Additional Requirements**

Individual/separate Letters of Credit are required for each City Department requesting same.

Description of security at the end of paragraph three in our Standard Letter of Credit Format must be identical to what was provided to the applicant by the City Department requesting the LC.

Provide a Draft Copy of the LC to the requesting City Department for verification prior to obtaining and submitting of the Original Letter of Credit.

Acceptable alternatives to a Letter of Credit: bank draft, money order or certified cheque.