

## Instructions to complete a Letter of Credit



City of Homestead accepts Letters of Credit from any national bank, Federal Savings & Loan Association or any bank or savings and loan association chartered by the state in which they operate.

- Letters of Credit executed by foreign banks not registered or chartered by a state or national financial institution are not acceptable. However, state and national financial institutions do issue Letters of Credit for corresponding foreign banks acting as an agent (this information is usually noted under the description “Opening Bank”).
- The Letter of Credit must have a fixed expiration of at least one-year.
- A Letter of Credit is comprised of two pages (both must be received to make the document acceptable):
  - First page - Letter of Credit
  - Second Page - Evidence of Authority
- On the top, left corner of the first page, there is a blank space for “District” which will be filled out by City of Homestead. Please leave the “District” section blank.
- Since this is a legal document, please make sure that no crossed out marks, whiteout or alterations appear on the document.
- The “Date Issued” field (located top, right corner of the first page) must have the same date as the “Dated” field on the Evidence of Authority (located top, left corner of the second page).
- The Evidence of Authority must be countersigned by a different bank official than the person signing the Letter of Credit.
- Some financial institutions will choose to retype this document on their letterhead, which is acceptable.
- However, **any alteration to the verbiage of this Letter of Credit form will make it unacceptable.**
- If you would like more information in regards to acceptable verbiage, please contact us at (305) 224-4800.

When complete, please send the original Letter of Credit and Evidence of Authority to:

City of Homestead  
Deposit Administration  
711 NE 1<sup>st</sup> Road  
Homestead, Florida 33030

District:

Date Issued:

Irrevocable Bank Letter of Credit No.:

City of Homestead Master Account No.:

Amount \$

City of Homestead  
Utility Services  
711 NE 1<sup>st</sup> Road  
Homestead, Florida 33030

**Attention:**

We hereby authorize City of Homestead Utility Services (COH) to draw on us, our successor or assignee at sight at the office of \_\_\_\_\_

NAME OF FINANCIAL INSTITUTION

| STREET ADDRESS   | CITY | STATE | ZIP |
|--|------|-------|-----|
| for any sum not exceeding _____ dollars in United States currency for the exclusive purpose of securing payment of the electric accounts of _____ at |      |       |     |

| STREET ADDRESS | CITY | STATE | ZIP |
|----------------|------|-------|-----|
|----------------|------|-------|-----|

Drafts drawn hereunder must be presented to us accompanied by one of the following:

(1) City of Homestead's signed statement certifying that: \_\_\_\_\_ has failed to pay when due, charges for services to all \_\_\_\_\_ business properties in the State of Florida.

**- AND/OR -**

(2) City of Homestead's signed statement certifying that: COH has requested and not received from \_\_\_\_\_ a replacement Letter of Credit, or an Amendment extending the present expiration date of this Letter of Credit not later than 30 days prior to the present expiration date.

The draft must bear upon its face the clause, Drawn under Letter of Credit No. \_\_\_\_\_

dated \_\_\_\_\_, of \_\_\_\_\_ at  
NAME OF FINANCIAL INSTITUTION

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STREET ADDRESS

CITY

STATE

ZIP

You may draw up to the above amount in one or more drafts.

To our knowledge, none of the following entity conditions exists between parties of the document:

- a. An ownership relationship exists between parties
- b. Parties are owned by a common entity
- c. Parties share ownership of another entity.

We hereby agree that the draft drawn in compliance with the terms of this Letter of Credit will be duly honored upon presentation.

THIS LETTER OF CREDIT IS IRREVOCABLE and is governed by the Uniform Commercial Code and the Uniform Customs and Practice for Documentary Credits (1993 Revisions), International Chamber of Commerce Publication No. 500.

We engage with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be honored if presented on or before \_\_\_\_\_. However, it is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one year from the present or any future expiration date hereof, unless ninety (90) days prior to any such expiration date we shall notify you in writing, certified mail - return receipt requested, that we elect not to consider this Letter of Credit renewed for any such additional period.

Very Truly Yours,

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**IRREVOCABLE BANK LETTER OF CREDIT**

EVIDENCE OF AUTHORITY

Dated \_\_\_\_\_

This document is to certify that

\_\_\_\_\_

(OFFICER OR AGENT SIGNING LETTER OF CREDIT)

\_\_\_\_\_ has the necessary authority to execute the

(TITLE OF OFFICER OF AGENT)

\$ \_\_\_\_\_ Irrevocable Bank Letter of Credit Number \_\_\_\_\_,

issued \_\_\_\_\_ on behalf of City of Homestead Utilities Services and for the

(DATE OF PREPARATION)

account of \_\_\_\_\_

(CUSTOMER'S NAME)

for \_\_\_\_\_.

(NAME OF BANK EXECUTING LETTER OF CREDIT)

Corporate Seal

Bank \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_