



Office of Management & Enterprise Services ■ Capital Assets Management ■ Construction and Properties

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion.

NUMBER \_\_\_\_\_, ISSUED in \_\_\_\_\_, Oklahoma on the \_\_\_\_\_ day of \_\_\_\_\_ in the year 20\_\_.

BENEFICIARY (Owner):

State of Oklahoma
OMES/CAM/CAP
P.O. Box 53448
Oklahoma City, OK 73152-3448
cap@omes.ok.gov

PROJECT:

(CAP Project Number)
(CAP Project Name)
(Address/Location)

APPLICANT (Bidder, Contractor, Construction Manager, Design-Builder):

(Company Name) (City, State ZIP)
(Address) (Email) (Telephone Number)

ISSUING BANK:

(Company Name) (City, State ZIP)
(Address) (Email) (Telephone Number)

DATE AND PLACE OF EXPIRATION:

[ ] Pursuant to 61 O.S., Section 113, this Letter of Credit (if "X" appears in checkbox) shall remain in effect for a period of one (1) year after acceptance of the project, to protect the Beneficiary against defective workmanship and materials.

(Time) (Date) (Place)
(Time) (Date) (Place)
(Time) (Date) (Place)
(Time) (Date) (Place)
(Time) (Date) (Place)

Issuing Bank hereby establishes an irrevocable standby letter of credit at the request of Applicant in favor of the Owner, and authorizes same to draw on us by sight draft, up to the aggregate amount of \_\_\_\_\_ US Dollars, (\_\_\_\_\_).

We further agree that:

1. This Letter of Credit shall be automatically extended without amendment for additional one-year periods from and after the above-referenced date of expiry, unless Issuing Bank has notified the Beneficiary, in writing, not less than 60 days before such date that Issuing Bank elects not to renew this Letter of Credit. The notice of Issuing Bank's election not to renew shall be sent to Beneficiary by registered mail to the above address, ATTN: State Construction Administrator.

2. Upon receipt of Issuing Bank's notice not to renew, the Beneficiary may elect either to obtain cash collateral by drawing on a sight draft on the Issuing Bank for an amount not to exceed the unused balance of this Letter of Credit, or to let the Letter of Credit expire.

3. (The clause selected with an "X" shall be the valid 3 clause)

[ ] The purpose of this Letter of Credit is to fill the requirement of 61 O.S. Section 107. Drafts drawn by the Beneficiary under this Letter of Credit shall be accompanied by a written statement purportedly signed by the State Construction Administrator certifying that "The Successful Bidder has failed to execute the contract or failed to provide the required bonds, or irrevocable letters of credit and insurance to the awarding public agency within the period of time, not to exceed sixty (60) days, specified in the bid notice by the awarding public agency." Except that drafts drawn in response to Issuing Bank's notice not to extend this Letter of Credit will not be accompanied by such statement from the State Construction Administrator.

[ ] The purpose of this Letter of Credit is to fill the requirement of 61 O.S. Section 1 and 61 O.S. Section 113. Drafts drawn by the Beneficiary under this Letter of Credit shall be accompanied by an original copy of the Letter of Credit and a written statement purportedly signed by the State Construction Administrator certifying to one or more of the following:

- a. "Contractor has failed to perform in accordance with the terms and conditions of CAP Project Number \_\_\_\_\_ by and between Beneficiary and Contractor"; and/or,

- b. "Contractor has failed to pay all indebtedness incurred for the contractor's subcontractors and all suppliers of labor, material, rental of machinery or equipment, and or repair of and or parts for equipment the contract requires the contractor to furnish in accordance with the terms and conditions of CAP Project Number \_\_\_\_\_ by and between Beneficiary and Contractor"; and/or
- c. "Contractor has performed defective workmanship and/or supplied defective materials in violation of the terms and conditions of CAP Project Number \_\_\_\_\_ by and between Beneficiary and Contractor."

Except that drafts drawn in response to Issuing Bank's notice not to extend this Letter of Credit will not be accompanied by such statement from the State Construction Administrator.

- 4. Issuing Bank hereby represents and affirms that the execution and tendering of this Letter of Credit has been duly authorized and will not constitute a violation of any applicable law, regulation, charter; or corporate restriction of Issuing Bank. Issuing Bank further represents and warrants that it is a financial institution insured by the Federal Deposit Insurance Corporation.
- 5. Unless automatically extended in accordance with paragraph 1 above, this Letter of Credit expires at 5:00 p.m. on the stated expiration date.
- 6. Draft(s) drawn and negotiated under this Letter of Credit shall state that it is "DRAWN UNDER ISSUING BANK LETTER OF CREDIT NUMBER \_\_\_\_\_ DATED \_\_\_\_\_, 20\_\_\_\_\_.
- 7. Except as otherwise expressly stated herein, this Letter of Credit shall be governed by and construed in accordance with the laws of the State of Oklahoma and is subject to the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce Brochure No. 500 (UCP) in effect on the date of issuance of this Letter of Credit. In the event of any conflict between Oklahoma law and the UCP, Oklahoma law shall prevail. Venue for any action necessary to interpret or enforce this Letter of Credit shall lie in Oklahoma County, Oklahoma.
- 8. Reference to any contract is for information purposes only and is not part of this Letter of Credit.

We hereby engage with you that any draft drawn upon and in compliance with the terms of this credit will be duly honored on presentation at our office in \_\_\_\_\_, on or before 5:00 p.m. on the stated expiration date or any extended date as hereinabove provided.

**ISSUING BANK:**

<i>(Authorized Representative Signature)</i>	<i>(Date Signed)</i>	<i>(Authorized Representative Signature)</i>	<i>(Date Signed)</i>
<i>(Authorized Representative Printed Name)</i>		<i>(Authorized Representative Printed Name)</i>	
<i>(Authorized Representative Printed Title)</i>		<i>(Authorized Representative Printed Title)</i>	
<i>(Authorized Representative Signature)</i>	<i>(Date Signed)</i>	<i>(Authorized Representative Signature)</i>	<i>(Date Signed)</i>
<i>(Authorized Representative Printed Name)</i>		<i>(Authorized Representative Printed Name)</i>	
<i>(Authorized Representative Printed Title)</i>		<i>(Authorized Representative Printed Title)</i>	