Letter of Credit Form Requirements:

1) Must identify the Loudoun County Sanitation Authority as the “Beneficiary”, the bank as the “Issuer”, and the party contracting with Loudoun Water as the “Developer”.

2) Must be signed and notarized by the appropriate officer of the issuing bank.

3) Must identify the Loudoun Water project number and name of the project.

4) Must reference the applicable contract (Developer Agreement) by name and date.

5) Must state the maximum amount to be drawn.

6) Expiration date must be at least eighteen months after the effective date of the letter with automatic six (6) month extensions, unless notice is given at least ninety (90) days prior to the expiration of a term. Any extensions to the Developer Agreement shall require extensions of the letter of credit. Letter must not be revocable.

7) Must not have any conditions to drawing on the letter of credit except that the drafts may be conditioned upon the applicant’s nonperformance under the contract.

8) Any choice of law provision must elect Virginia laws as governing.

Financial Institution Requirements:

9) Must be insured by the Federal Deposit Insurance Corporation (FDIC).

10) The address of presentation must be an office of the bank located within the Commonwealth of Virginia.

11) Must have a Thompson Reuters Bank Insight (f/k/a Highline Financial) national rating (“Bank Rating”) of at least 35.

12) Confirm that the total letter of credit exposure of Loudoun Water at the lending institution is limited to no more than 50% of the institution’s equity capital.