



IRREVOCABLE STANDBY LETTER OF CREDIT

Issue Date: August 2, 2016
Expiration Date: August 2, 2017
SB-2122

BENEFICIARY:

City of Portland
389 Congress Street
Portland, ME 04101
Attn: Jeff Levine
Director of Planning and Urban Development

APPLICANT:

University of New England
11 Hills Beach Road
Biddeford, ME 04005

People's United Bank, National Association hereby issues its Irrevocable Letter of Credit for the account of University of New England, (hereinafter referred to as "Developer"), held for the exclusive benefit of the City of Portland, in the aggregate amount of Seventy Thousand One Hundred Fifty dollars and 00 USD (\$70,150.00). These funds represent the estimated cost of installing site improvements as depicted on the site plan, approved on June 30, 2016 and as required under Portland Code of Ordinances Chapter 14 §§499,499.5, 525 and Chapter 25 §§46 through 65.

This Letter of Credit is required under Portland Code of Ordinances Chapter 14 §§499, 499.5, 525 and Chapter 25 §46 through 65 and is intended to satisfy the Developer's obligation, under Portland Code of Ordinances Chapter 14 §§501, 502 and 525, to post a Letter of Credit for the above referenced development.

The City, through its Director of Planning and Urban Development and in his/her sole discretion, may draw on this Letter of Credit by presentation of a sight draft and the Letter of Credit and all amendments thereto, up to thirty (30) days before or sixty (60) days after its expiration, stating any one of the following:

1. The Developer has failed to satisfactorily complete the work on the improvements contained within the site plan approval, dated June 30, 2016; or
2. The Developer has failed to deliver to the City a deed containing the metes and bounds description of any streets, easements or other improvements required to be deeded to the City; or



3. The Developer has failed to notify the City for inspections.

In the event of the Bank's dishonor of the City of Portland's sight draft, the Bank shall inform the City of Portland in writing of the reason or reasons thereof within three (3) business days of the dishonor.

After all underground work has been completed and inspected to the satisfaction of the Department of Public Works, and the Department of Planning and Urban Development, including but not limited to sanitary sewers, storm drains, catch basins, manholes, electrical conduits, and other required improvements constructed chiefly below grade, the City of Portland Director of Planning and Urban Development or its Director of Finance as provided in Chapter 14 §501 of the Portland Code of Ordinances, may authorize the People's United Bank, N.A. 850 Main Street, Bridgeport, CT 06604, Attn: Trade Finance Operations, RC 7-1225, by written certification, to reduce the available amount of the escrowed money by a specified amount.

This Letter of Credit will automatically expire on August 2, 2017 ("Expiration Date") or on the date when the City determines that all improvements guaranteed by this Letter of Credit are satisfactorily completed, whichever is later. It is a condition of this Letter of Credit that it is deemed to be automatically extended without amendment for period(s) of one year each from its day of issuance hereof, or any future renewal periods, unless within thirty (30) days prior to any expiration, the Bank notifies the City by certified mail (restricted delivery to the Director of Finance, City of Portland, 389 Congress Street, Portland, Maine 04101) that the Bank elects not to consider this Letter of Credit renewed for any such additional period.

In the event of such notice, the City, in its sole discretion, may draw hereunder by presentation of a sight draft drawn on the Bank, accompanied by this Letter of Credit and all amendments thereto, and a statement purportedly signed by the Director of Planning and Urban Development, at Bank's offices located at People's United Bank, N.A. 850 Main Street, Bridgeport, CT 06604, Attn: Trade Finance Operations, RC 7-1225 stating that: this drawing results from notification that the Bank has elected not to renew its Letter of Credit No. SB-2122.



On its Expiration Date or on the date the City determines that all improvements guaranteed by this Letter of Credit are satisfactorily completed, this Letter of Credit shall be reduced by the City to ten (10) percent of its original amount and shall automatically convert to an Irrevocable Defect Letter of Credit. Written notice of such reduction shall be forwarded by the City to the Bank. The Defect Letter of Credit shall ensure the workmanship and durability of all materials used in the construction of the site plan approval, dated June 30, 2016 as required by City Code §14-501, 525 and shall automatically expire one (1) year from the date of its creation.

The City, through its Director of Planning and Urban Development and in his/her sole discretion, may draw on the Defect Letter of Credit by presentation of a sight draft and this Letter of Credit and all amendments thereto, at Bank's offices located at People's United Bank, N.A. 850 Main Street, Bridgeport, CT 06604, Attn: Trade Finance Operations, RC 7-1225, prior to the Termination Date, stating any one of the following:


1. The Developer has failed to complete any unfinished improvements; or
2. The Developer has failed to correct any defects in workmanship; or
3. The Developer has failed to use durable materials in the construction and installation of improvements contained within the site plan.

Please Note: In the event this Letter of Credit is no longer required, or is to be cancelled prior to the present or future expiration date, it must be returned along with any amendments thereto, to this office for cancellation.

Except so far as otherwise expressly stated, this documentary credit is subject to the "Uniform Customs and Practice for Documentary Credits (2007 Revision), ICC Publication No. 600."

Very truly yours,

People's United Bank, N.A.

By: 
Authorized Signature


8/4/16