

Letter of Credit Instructions:

1. The Letter of Credit format must follow the template found on the City of Hendersonville website at [LOC](#) or [hvilletn.org](#) – Departments – Planning – Letter of Credit. Use either the LOC for Site Plan or Subdivision, based on which is needed.
2. The Planning Commission Approval date and the exact Phase/Section (for subdivisions) will need to be incorporated on the first page.
3. On the first page, this exact verbiage must be included:

*This Letter of Credit is valid for an initial period of one (1) year and shall be automatically renewed for successive periods of one (1) year without any effort on the part of the City. We reserve the right to revoke this Letter of Credit, but only after providing the Beneficiary with 90 days notice by certified mail, return receipt requested.*

4. The second page of the Letter of Credit is where the City often finds discrepancies. The intention of the verbiage is to either 1) have the Letter of Credit taken to a local bank, or, 2) in the event of a larger chain, have the option for the City to take the originals to a local bank to call the LOC, and have the corporate office accept it via fax or email from the local branch. Therefore, the Letter of Credit will either need to state:

A. We hereby engage with you that all drafts drawn under and in compliance with the Terms of this Credit will be duly honored if drawn and presented for payment on or before the expiration date of this Credit at FILL IN THE NAME AND ADDRESS OF THE LOCAL BANK BRANCH-WITHIN 75 MILES OF CITY HALL, HENDERSONVILLE, TN. The bank shall wire the funds to the City's account within two (2) business days.

- OR
- B. (To be utilized when the corporate office is not local & alternate method is necessary). The local branch bank shall simultaneously submit the Certificate of Default and Draft by facsimile or e-mail to EMAIL OR FAX NUMBER OF THE RESPONSIBLE PARTY AT THE CORPORATE OFFICE. The City may elect to submit the Certificate of Default and Draft directly to the Bank at the above stated facsimile number or e-mail address. The bank shall wire the funds to the City's account within two (2) business days.