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CITY OF SAUSALITO

JUL 07 2016

DEPARTMENT OF  
PUBLIC WORKS

4845 Old Redwood Highway  
Santa Rosa, CA 95403

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apbconnect.com

## **Irrevocable Standby Letter of Credit**

Irrevocable Standby Letter of Credit No. 2016.06.002

Date of Issue: June 23, 2016

Date of Expiration: September 2, 2017

City of Sausalito ("Beneficiary")

420 Litho Street

Sausalito, CA 94965

For account of Stephen M. Shaw, we hereby establish our Clean Irrevocable Standby Letter of Credit in your favor for drawing up to U.S. \$523,050.00 (Five hundred twenty-three thousand fifty and 00/100 dollars), (Total Aggregate Amount), effective immediately and expiring at 4845 Old Redwood Highway, Santa Rosa, CA 95403 with our close of business on September 2, 2017.

The term "Beneficiary" includes any successor by operation of law of the named Beneficiary including, without limitation, any liquidator, rehabilitator, receiver or conservator.

We hereby undertake to promptly honor this Letter of Credit, for all or any part of this Credit if presented at 4845 Old Redwood Highway, Santa Rosa, CA 95403 on or before the expiration date or any automatically extended expiration date with presentation of the following documentation:

1. A sight draft drawn on us purportedly signed by an authorized agent of the Beneficiary marked: Drawn under AltaPacific Bank Irrevocable Standby Letter of Credit No. 2016.06.002 dated June 23, 2016.
2. A dated statement purportedly signed by an authorized agent of the Beneficiary stating: "The undersigned being a dully authorized agent of City of Sausalito ("Beneficiary"), hereby represents and warrants that the amount of the accompanying draft represents that Stephen M. Shaw has defaulted under the terms of the construction project at 62 Marion Avenue, Sausalito, CA 94965.

This Letter of Credit shall be deemed automatically extended without an amendment for a one year period beginning from the present expiration date hereby, September 2, 2017, and upon each anniversary of such date, unless sixty (60) days prior to any such expiration date we notify you by courier service or overnight mail to the above address that we elect not to consider this Letter of Credit extended beyond its then current expiration date. No presentation made under the Letter of Credit after such expiry date will be honored.

Upon receipt by you of such notice that we are not renewing the term of this Letter of Credit, without necessity of either of the signed statements described above, you may draw hereunder at any time on or before the expiration date up to an amount not exceeding the "Total Aggregate Amount" of this Letter of Credit set forth above that applies at the date you present.

Except as expressly stated herein, this undertaking is not subject to any agreement, condition or qualification. Our obligation under this letter of credit shall be our individual obligation and is in no way contingent upon the reimbursement with respect thereto, or upon our ability to perfect any lien, security interest or any other reimbursement.

Should you have occasion to communicate with us regarding the credit kindly direct your communication to the attention of our Letter of Credit Department, making specific reference to our credit No. 2016.06.002.

This Irrevocable Letter of Credit is subject to and governed by the Uniform Customs and Practice for Documentary Credits (2007 revision) of the International Chamber of Commerce (Publication 600). If this Letter of Credit expires during an interruption of business as described in Article 17 of said Publication 600, we hereby specifically agree to effect payment if the Letter of Credit is drawn against within 30 days after the resumption of business.

If you have any questions concerning this letter of credit, please call us at: 707-236-1500.

By:   
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Charles O. Hall, President/Chief Executive Officer