



# IRREVOCABLE LETTER OF CREDIT

**This form is to be prepared by the issuer.  
Instructions on Completing Form M-950 L on page 4.**

Agreement No.: \_\_\_\_\_  
(PennDOT Issuing Permit Office)

Federal ID No.: \_\_\_\_\_

\_\_\_\_\_  
(Issuing Bank's Name)

\_\_\_\_\_  
(Letter of Credit Applicant's Name)

\_\_\_\_\_  
(Issuing Bank's Address)

\_\_\_\_\_  
(Letter of Credit Applicant's Address)

Issue Date: \_\_\_\_\_

Irrevocable Letter of Credit No.: \_\_\_\_\_

Expiry Date: \_\_\_\_\_

Beneficiary: Commonwealth of Pennsylvania  
Department of Transportation  
Engineering District \_\_\_\_-0

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PennDOT Highway Occupancy Permit (HOP) No.: \_\_\_\_\_

PennDOT HOP Application No.: \_\_\_\_\_

HOP Applicant/Permittee Name (If different from Letter of Credit Applicant):

\_\_\_\_\_

**TO WHOM IT MAY CONCERN:**

We hereby open our **IRREVOCABLE LETTER OF CREDIT** No. \_\_\_\_\_ in your favor for the account of the above-named Letter of Credit applicant and authorize you to draw on us at our office located at:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

up to an aggregate amount of US \$\_\_\_\_\_.

( \_\_\_\_\_ ) by presentment of:

- 1. Your written demand to pay on sight and in a form substantially similar to Exhibit A hereof
- AND
- 2. The original of this Irrevocable Letter of Credit and any amendments thereto.

This Letter of Credit is non-transferable. Partial drawings are permitted.

This Letter of Credit shall remain in effect until \_\_\_\_\_, provided, however, that this Letter of Credit shall be automatically and annually extended without amendment for 1 (one) year from the present or any future expiration date thereof, unless at least 60 (sixty) days prior to any such expiration date the Issuer provides written notice to the Department of Transportation, at the above address, of its decision not to renew this Letter of Credit for such additional 1 (one) year period. Upon receipt of such notice, the Department of Transportation may immediately draw upon this Letter of Credit for the full amount remaining. The notice required hereunder will be deemed to have been given when received by you.

This Letter of Credit may be reduced by \_\_\_\_\_%, to US\$ \_\_\_\_\_, upon receipt by the Issuer of the Department of Transportation’s written acknowledgement that all work authorized under the referenced Highway Occupancy Permit, and any supplements thereto, is completed and accepted and that the Letter of Credit may be reduced.

This Letter of Credit is subject to, and governed by, the laws of the Commonwealth of Pennsylvania and International Standby Practices (ISP 98). The issuer hereby agrees it is subject to the jurisdiction of the courts of the Commonwealth of Pennsylvania.

\_\_\_\_\_  
(Issuing Officer)

**EXHIBIT A**

Demand for payment under Irrevocable Letter of Credit No. \_\_\_\_\_

Re: Letter of Credit issued on \_\_\_\_\_ by \_\_\_\_\_

(Date)

(Issuer)

in the original amount of \$ \_\_\_\_\_ to Commonwealth of Pennsylvania,

(Dollars)

Department of Transportation, for account of \_\_\_\_\_

(Letter of Credit Application)

**TO WHOM IT MAY CONCERN:**

Please pay, upon sight hereof, the amount of \$ \_\_\_\_\_ for account of the above Letter of Credit.

We certify that (1) the above amount is properly and legally due to the Commonwealth by the Letter of Credit Applicant; (2) the amount previously drawn is \$ \_\_\_\_\_, and (3) after payment hereof, the balance available under the Letter of Credit is \$ \_\_\_\_\_.

Commonwealth of Pennsylvania

Department of Transportation

BY \_\_\_\_\_

(District Executive)

## Instructions on Completing Form M-950 L

The Letter of Credit (LOC) should not be issued until the Department is in a position to issue the highway occupancy permit.

1. Agreement Number is assigned by the District Office using the standard 6-digit number DD.C.Y.NN. where DD = District, C = County, Y = last number of current year, NN =sequential number of security documents in that County for current year (01-99).
2. Federal ID Number: LOC Applicant's Federal Identification Number.
3. Issuing Bank's Name: Name of issuer.
4. Issuing Bank's Address: Issuer's complete mailing address.
5. Applicant's Name: Name of LOC Applicant.
6. Applicant's Address: LOC Applicant's complete mailing address.
7. Issue Date: Date LOC is issued by issuer.
8. Irrevocable No.: Number assigned by the issuer.
9. Expiry Date: Three (3) years after issuance of the HOP if permit has been issued or three (3) years after LOC issuance date unless otherwise directed by the Department.
10. Beneficiary: Engineering District organization number (e.g., 7-0) and mailing address.
11. Department Permit No.: 8-digit HOP number if HOP is issued; otherwise leave blank.
12. Department Application No.: 6-digit HOP application number.
13. HOP Applicant Name: If the HOP applicant/permittee differs from the LOC applicant, indicate so here. Otherwise, mark "N/A."
14. Irrevocable LOC number (assigned by the issuer).
15. Complete address where the demand letter (Exhibit A) may be presented for collection.
16. Numerical amount of security as determined by the District.
17. Written amount of required security.
18. Expiry date which is three (3) years after issuance of the HOP if permit has been issued or three (3) years after LOC issuance date unless otherwise directed by the Department.
19. Typically 80% reduction unless otherwise directed by the Department.
20. Numerical amount equivalent to the percentage the LOC is being reduced.
21. The signatures must comply with the Signature Authority Guidelines found in Appendix F of the Right of Way Manual.

Exhibit A is a part of the LOC and must be included with the security document (Exhibit A is used only to demand payment from the issuer).