

INSTRUCTIONS FOR COMPLETION  
OF  
DEFECT BOND (LETTER OF CREDIT)

1. Irrevocable Letter Of Credit Number (must match exactly the attached Letter Of Credit)
2. Numerical date of the day (followed by “st, nd, rd, or th” as appropriate) on date document is executed by all parties.
3. Month of date the document is executed by all parties.
4. Year of date the document is executed by all parties.
5. Name(s) of individual and/or Entity responsible as Principal.
6. Name of City or County where Principal is located.
7. Name of State where Principal is located.
8. Type of entity that the Principal is. (Corporation, LLC, Partnership, Owner of property)
9. Name of State where Principal is organized.
10. Name of City or County where Principal is located.
11. Name of State where Principal is located.
12. Amount of Bond required (must be spelled out)
13. Amount of Bond required in Numerical format (i.e.: \$50,000.00)
14. Name of Financial Institution that issued the Letter Of Credit.
15. Date (Month, Day, Year) the Letter Of Credit was issued by the Financial Institution.
16. Name of proposed Project/Subdivision.
17. Signature of individual signing on behalf of Principal.
18. Title of individual signing on behalf of Principal. (i.e.: Owner, President, Managing Member, General Partner as appropriate). (Anyone other than the owner of the subject property must show evidence of authority to sign on behalf of the company)
19. Name of the State where the signatures were notarized.
20. The Name of the City or County where the signatures were notarized.
21. Numerical date of the day (followed by “st, nd, rd, or th” as appropriate) on date the signatures are notarized.
22. The month on the date the signatures are notarized.
23. The year on the date the signatures are notarized.
24. Name of individual signing on behalf of Principal.
25. Title of individual signing on behalf of Principal.
26. Name of Entity, if #5 above is not an individual.
27. Signature of Notary.
28. Date (Month, Day, Year) of notary’s commission expiration.
29. Notary Registration Number.
30. Signature of Assistant City Attorney.

**DEFECT BOND (LETTER OF CREDIT)**

IRREVOCABLE LETTER OF CREDIT NUMBER: \_\_\_\_\_ **(1)** \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that on this **(2)** Day of **(3)**, 20**(4)**  
\_\_\_\_\_ **(5)** \_\_\_\_\_ of the City of **(6)**, **(7)**, a  
\_\_\_\_\_ **(8)** \_\_\_\_\_ organized and existing under the laws of the State of  
\_\_\_\_\_ **(9)** \_\_\_\_\_, as Principal, with principal office in the City of **(10)**, State of  
\_\_\_\_\_ **(11)** \_\_\_\_\_ is held and firmly bound unto City of Chesapeake, Department of Public  
Works, as Obligee, in the sum of \_\_\_\_\_ **(12)** \_\_\_\_\_  
(\$\_\_\_\_\_ **(13)** \_\_\_\_\_) lawful money of the United States of America, for the payment of  
which sum, well and truly to be made, we hereby bind ourselves, our successors and assigns,  
jointly and severally, firmly by these presents. It is understood that the Principals obligation will  
be secured by Letter of Credit No. \_\_\_\_\_ **(1)** \_\_\_\_\_, issued by \_\_\_\_\_ **(14)** \_\_\_\_\_, dated  
\_\_\_\_\_ **(15)** \_\_\_\_\_;

WHEREAS, the above-bounded Principal has constructed and the above-named Obligee  
is about to accept the following project/subdivision located in the Subdivision of  
\_\_\_\_\_ **(16)** \_\_\_\_\_ in the City of  
Chesapeake, Virginia.

THE CONDITION OF THIS OBLIGATION IS SUCH that the above-bonded Principal  
shall indemnify and save harmless the City of Chesapeake, Department of Public Works from all  
loss, cost, damage, charge, liability or expense incurred in the repair of said physical  
improvements due to faulty construction which may be found by the City of Chesapeake,  
Department of Public Utilities within twenty four (24) months from the date that all physical

improvements are accepted by the City of Chesapeake and that the Department of Public Works has certified that all outstanding bills owed to the City of Chesapeake by the Principal in regard to the above referenced subdivision, including but not limited to inspection fees, have been paid in full to the City of Chesapeake, then this obligation shall be null and void; otherwise it will remain in full force and effect.

By: \_\_\_\_\_ **(17)** \_\_\_\_\_

\_\_\_\_\_ **(18)** \_\_\_\_\_  
(Title)

NOTARIZATION OF SIGNATURES

STATE OF \_\_\_\_\_ **(19)** \_\_\_\_\_,

CITY OF \_\_\_\_\_ **(20)** \_\_\_\_\_, to-wit:

The foregoing instrument bearing date of \_\_\_\_\_ **(3)** \_\_\_\_\_ **(2)** 20 **(4)** \_\_\_\_\_, was acknowledged before me this \_\_\_\_\_ **(21)** \_\_\_\_\_ day of \_\_\_\_\_ **(22)** \_\_\_\_\_, 20 **(23)** \_\_\_\_\_, by \_\_\_\_\_ **(24)** \_\_\_\_\_, \_\_\_\_\_ **(25)** \_\_\_\_\_, of \_\_\_\_\_ **(26)** \_\_\_\_\_.

\_\_\_\_\_ **(27)** \_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_ **(28)** \_\_\_\_\_ Registration No: \_\_\_\_\_ **(29)** \_\_\_\_\_

Approved as to form:

\_\_\_\_\_ **(30)** \_\_\_\_\_  
Assistant City Attorney