Sample Securities for Commercial entrances

Three Types of Securities to choose from:

1) Letter of Credit

2) Surety

3) Certified check (with escrow agreement and W-9 Form filled out on line at... [link to website])
Dear Sir or Madam:

We hereby establish our Irrevocable Commercial Letter of Credit in favor of the State of Delaware, Department of Transportation as beneficiary at the request of and for an account of ____________________________________________________________________________ (applicant), for an amount or amounts not to exceed ____________________________________________________________________________ ($__________).  

This letter of credit is subject to the following terms and conditions:

1. Effective Date: ___________________
2. This credit is to be available by sight draft being presented to ____________________________________________________________________________ (Name of Bank) at the main office at ____________________________________________________________________________ (Address).
   All drafts so drawn must bear the clause “Drawn Under” and the following information: Bank Name, Letter of Credit Number, and date.
3. The sight draft must be signed by the Director of Maintenance and Operations stating that “__________ (applicant) has failed to perform construction of the following site entrance, in accordance with the entrance construction permit and the irrevocable letter of credit in favor of the State of Delaware, Department of Transportation, pertaining thereto. Demand is hereby made in the amount of the enclosed draft.”
4. This letter of credit will expire on ______________. The bank agrees to notify the State thirty (30) calendar days prior to expiration to permit a request for an extension or to permit the State to draw thereon. Bank agrees that such notice will be sent by registered mail to the appropriate Public Works Engineer as indicated below and shall contain the Projects name, applicant name and county where the property is located.

   State of Delaware  
   Department of Transportation  
   Central District  
   c/o Public Works Engineer  
   930 Public Safety Blvd  
   Dover, DE  19901

Bank agrees that such notice will be effective only if it is sent by registered mail. In the event such notice is not given, this letter of Credit shall automatically renew until such notice is received. It shall then expire (60) sixty calendar days from the receipt of such notice. This credit will automatically terminate as of the date the State of Delaware, Department of Transportation, notifies Bank that it has accepted the entrance and exit appurtenances.

5. Except as otherwise stated herein, no modification or revocations may be made by the undersigned to the irrevocable credit created hereby, without the express written approval of the Public Works Engineer, Department of Transportation.

6. All bank charges connected with this Letter of Credit are for the account of the applicant.

7. This Letter of Credit is neither negotiable nor assignable.

   Attest: Notary Public

   SWORN TO AND SUBSCRIBED,
   Before Me This _______ Day,
   Of ____________________, __________.
   (Month)  (Year)

   ________________________________
   (Printed Name)

   ________________________________
   (Notary Public)
Surety for Entrance Construction

KNOW ALL MEN by These Presents that: _____________________________________________
(property owner) whose address is _________________________________________________

hereinafter called “Developer” and __________________________________ as surety legally
authorized to do business in Delaware, whose address is ______________________________

hereinafter called “Surety” is held firmly bound unto the State of Delaware in the sum of
___________________________________________________________ ($______ )
(said sum being 150% of the total price agreed upon by the Division of Highway and the
Developer for the construction of the entrance and exit appurtenances as set forth in this
agreement,) to be paid to the said State of Delaware for the use and benefit of DelDOT if the
Developer fails to meet the conditions of this obligation.

SEALED with our seals and dated this ______ day of ________________ , ______.

NOW THE CONDITIONS OF THIS OBLIGATION IS SUCH that if the Developer, who is
responsible for the construction of the entrance and exit appurtenances set forth in this agreement
for the property known as ________________________________________, fails to construct
such entrance and exit appurtenances in accordance with the provisions of the fully executed
permit for entrance construction, as determined by DelDOT, the bond shall be forfeited in favor of
the State of Delaware. Bond forfeiture shall occur within sixty (60) days of receipt of written
notification by the Delaware Department of Transportation. Should the Developer complete all
construction in accordance with the aforesaid permit, then this obligation shall be void and of no
effect, or else shall be and remain in full force and virtue until such entrance and exit
appurtenances are accepted by DelDOT.

EXECUTED by the parties hereto the day and year first herein written.

Attest:    Secretary                      Attest:    Owner/Developer
BY: ____________________________          BY: ____________________________
      (Signature)                          (Signature)

__________________________________________                  _________________________________
      (Printed Name)                          (Printed Name)

Attest:    Notary Public

SWORN TO AND SUBSCRIBED,
Before Me This ______ Day, Of __________, 20____,

____________________________________________________
      (Notary Public)
Escrow Agreement for Entrance Construction

KNOW ALL MEN by These Presents that:

_____________________________________________
(property owner) whose address is ____________________________________________,
_____________________________________________________

and whose Employee Federal Identification Number is ____________________________________________,
hereinafter call “Developer” having furnished DelDOT a certified check in the amount of ____________________________________________,
($ __________) to be deposited in the Department Escrow Account (said sum being 150 percent of the total price agreed upon by DelDOT and the Developer for the construction of the entrance and exit appurtenances as set forth in this agreement,) to be deposited into DelDOT’s Escrow Account, does hereby relinquish said amount to the State of Delaware, to which payment will and truly be made we bind ourselves, our successors and assigns, firmly by these presents.

SEALED with our seals and dated this _________ day of ________________, ________.

NOW THE CONDITIONS OF THIS OBLIGATION are such that if the Developer, who is responsible for the construction of the entrance and exit appurtenances set forth in this agreement for the property known as ___________________________________________, fails to construct such entrance and exit appurtenances in accordance with the provisions of the fully executed permit for entrance construction, as determined by DelDOT, the funds shall be forfeited in favor of the State of Delaware. Forfeiture shall occur within sixty (60) days of receipt of written notification by DelDOT. Should the Developer complete all construction in accordance with the aforesaid permit, then this obligation shall be void and of no effect, or else shall be and remain in full force and virtue until such entrance and exit appurtenances are accepted by DelDOT. Upon completion of all work to the satisfaction of DelDOT the funds held in escrow shall be released by DelDOT.

EXECUTED by the parties hereto the day and year first herein written.

Attest: Witness
BY: _______________________
    (Signature)
    (Printed Name)

Attest: Owner/Developer
BY: _______________________
    (Signature)
    (Printed Name)

Attest: Notary Public
SWORN TO AND SUBSCRIBED,
Before Me This _________ Day,
Of ________________, __________.

__________________________________________
(Signature)