



**First Interstate Bank**  
401 N. 31st St.  
P.O. Box 30918  
Billings, MT 59116-0918  
406-255-5000  
www.firstinterstatebank.com

**IRREVOCABLE STANDBY LETTER OF CREDIT NO. 1109600453**

October 6, 2011

**City of Billings  
PO Box 1178  
Billings, MT 59102**

**RE: Better Billings Foundation security for continuing performance of Sahara Park Development Agreement**

Dear Sir or Madam:

We hereby issue in your favor this Irrevocable Standby Letter of Credit (hereinafter called the Letter of Credit) in an amount up to but not exceeding ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) at the request of our customer, Better Billings Foundation, effective immediately and expiring at this bank on October 6, 2012. The purpose of this Letter of Credit is to create a primary obligation on the part of the bank to the City of Billings, Montana, (hereinafter called the City) relating to the above captioned matter. This instrument is not a guaranty and is independent of any subsequent contract or rights thereunder between the Better Billings Foundation and the City of Billings.

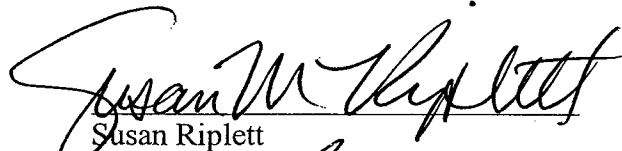
This Letter of Credit shall be deemed automatically extended without amendment for one year from the expiration date hereof, or any future expiration date in subsequent years, unless ninety (90) calendar days prior to any expiration date we shall notify you by Registered Mail or Express Courier that we elect not to consider this Letter of Credit renewed for any such additional period. Notice of non-renewal will be sent to the City Administrator, City of Billings, Montana.

Funds are available at any time prior to the expiration date, and we agree to honor this Letter of Credit upon receipt of a properly dated and signed letter demanding payment similar to the attached sample ("Exhibit C"). No other documentation or substantiation will be requested or required. Our check for the amount requested will be transmitted within ten (10) calendar days of the receipt of your letter so long as it is presented at our bank on or before the close of business on or before the expiration date.

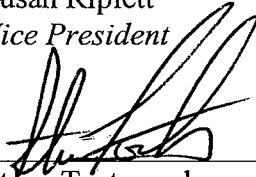
This Letter of Credit is drafted and issued in accordance with the terms and provisions of the Uniform Commercial Code as enacted in the State of Montana (Sections 30-5-101, MCA, et seq.).

This Letter of Credit is subject to and governed by the uniform customs and practice for documentary credits International Chamber of Commerce Publication no. 500 and the laws of the state of Montana. In the event of any conflict the laws of the state of Montana will control with venue in Yellowstone County, Montana.

Sincerely,



Susan Riplett  
*Vice President*



Steve Tostenrud  
*Vice President*

**SAMPLE DEMAND LETTER**

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
(month, day, year)

Bank President  
Bank Name  
Address

RE: Irrevocable Standby Letter of Credit No. \_\_\_\_\_  
dated \_\_\_\_\_, \_\_\_\_\_

Dear Sir:

This letter is a demand for payment as required by your Irrevocable Standby Letter of Credit captioned above. The City of Billings is hereby drawing on said Letter of Credit and demanding that you pay the City forthwith the amount of \$\_\_\_\_\_. Your check for that amount must be transmitted to our office within ten (10) days of your receipt of this letter.

Sincerely,

\_\_\_\_\_  
Tina Volek  
Billings City Administrator

**CERTIFICATE**

Name certifies: That he/she is the duly authorized representative of the City of Billings; that he/she has authority to take all necessary and proper action on behalf of the City of Billings including execution and delivery of the above demand letter; and that the above demand letter is a proper exercise of his/her authority on behalf of the City.

DATED this \_\_\_\_\_ day of \_\_\_\_\_.

By: \_\_\_\_\_  
Cari Martin  
City Clerk  
City of Billings

(Notary Seal)

Notary Public for State of Montana  
Residing at Billings, Montana.  
My commission expires on \_\_\_\_\_.