

MEMORANDUM OF AGREEMENT

WHEREAS, AN Irrevocable Commercial Letter of Credit, (hereinafter referred to as "Letter of Credit") dated _____, 19____, has been executed by the officers of _____ Bank, of Pikeville, Kentucky, (hereinafter referred to as "Bank"), to the City of Pikeville Planning and Zoning Commission (hereinafter referred to as "Planning Commission"), with a maturity date of _____, 19____; and

WHEREAS, the purpose of said Irrevocable Commercial Letter of Credit is to guarantee the performance of _____ (hereinafter referred to as "Subdivider" or "Developer"), in completing the plans and specifications in the developmental improvements of said _____ subdivision, as follows: _____

_____ which are duly required by the Planning Commission pursuant to its authority under the City of Pikeville Subdivision Regulations;

NOW, THEREFORE, IT IS AGREED BY THE PARTIES AS FOLLOWS:

1. Not later than ten (10) days prior to the maturity date of said Letter of Credit, the Planning Commission's Codes Enforcement Officer, by written letter, (Certified Mail) shall notify the Bank and state his opinion as to whether the Subdivider or Developer has completed the developmental improvements as set out above.
2. If the opinion of the Planning Commission's Codes Enforcement Officer is that the Subdivider or Developer has satisfactorily completed said developmental improvements, said Enforcement Officer shall state that the intent of the Planning Commission is to not make any draw against said Letter of Credit and that it is to be released at the date of maturity.
3. If the opinion of the Planning Commission's Codes Enforcement Officer is that the Subdivider or Developer has not satisfactorily completed said developmental improvements, said Enforcement Officer shall state one of the following:
 - a. The amount of the draw to be made against the Letter of Credit by said Planning Commission on said maturity date necessary to complete the developmental improvements; or

- b. That an extension or renewal of said Letter of Credit is recommended in order that the Subdivider or Developer may complete the developmental improvements as required above.
- 4. In the event the Codes Enforcement Officer recommends that the Bank extend or renew said Letter of Credit, said Enforcement Officer shall state the estimated sum and time necessary for the Subdivider or Developer to complete the developmental improvements as required above.
- 5. The Bank shall notify the Planning Commission whether said Bank intends to extend or renew the Letter of Credit, the sum and time of any further maturity date.
- 6. Said notice by the Bank to the Planning Commission shall be made prior to the maturity date of said Letter of Credit and in sufficient time for the Planning Commission to make a draw against the Letter of Credit for the sum necessary to complete the developmental improvements, in the event the Bank declines to extend or renew.

This _____ day of _____, 19__.

Pikeville, Kentucky

BANK of

CITY OF PIKEVILLE PLANNING
AND ZONING COMMISSION

BY: _____

BY: _____

APPROVED AS TO FORM
AND LEGALITY:

PIKEVILLE CITY ATTORNEY