

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, _____ (hereinafter called the "Principal"), and _____ a Surety company authorized to do business in the State of Kentucky (hereinafter called the "Surety"), are held and firmly bound unto the City of Pikeville, a political subdivision of the County of Pike, State of Kentucky, in the penal sum of _____ DOLLARS (\$ _____) for the payment of which we bring ourselves, our heirs, executors, administrators, successors and assigns to the faithful performance of a certain written agreement dated the _____ day of _____, 19____, given by the Principal (in said agreement called the "Owner") to rights of way in a certain subdivision known as _____ a copy of which said agreement is hereto attached and by reference made a part thereof.

NOW THEREFORE, the conditions of this obligation are such that, if the Principal shall in all respects comply with the terms and conditions of said agreement, within the times therein specified, and shall in every respect fulfill his obligations thereunder, this obligation shall be void; otherwise the same shall remain in full force and virtue. The Principal and the Surety jointly and severally agree that said City shall have the right to construct or pursuant to public advertisement and receipt and acceptance of bids, cause to be constructed said streets, utilities and other improvements, in case the Principal should fail or refuse so to do in accordance with the terms of said agreement, and in the event that the City should exercise and give effect to such right, the Principal and Surety shall be jointly and severally liable hereunder to pay to and indemnify the City upon completion of such construction, the final cost to the City thereof including, but not limited to, engineering, legal and contingent costs together with any damages, either direct or consequential, which the City may sustain on account of the failure of the Principal to carry out and execute all the provisions of said agreement.

IN WITNESS WHEREOF the Principal and the Surety have executed these presents this the _____ day of _____, 19____.

By: _____
(If a Corporation)

Its: _____

Corporate Seal
Surety

ATTEST: _____
(If a Corporation)

By: _____
Its Attorney-in-Fact

Its _____

_____ BANK, Pikeville, Kentucky 41501

IRREVOCABLE COMMERCIAL LETTER OF CREDIT

To: City of Pikeville
Planning and Zoning Commission

No.: _____

Date: _____, 19__

We hereby authorize you to draw on _____ BANK of Pikeville,
Kentucky; Drafts at sight for any sum or sums not exceeding a total of
\$ _____ (_____);
(amount) (written amount)

for the account of _____ Development Company, Inc.,
Mr. John Doe, President. All drafts must be marked:

Drawn under _____ BANK, of Pikeville, Kentucky

Letter of Credit No. _____, Dated: _____, 19__

This credit must accompany any draft which exhausts the credit and must be
surrendered concurrently with the payment of such draft.

We hereby agree with the drawers, endorsers, and bona fide holders of all
drafts under and in compliance with the terms of this credit, that such
drafts will be duly honored upon presentation to the drawee.

This letter of Credit expires: _____
(date)

Bank Officer (Signatures as required)

The attached Memorandum of Agreement expresses the understanding between
the _____ BANK, of Pikeville, Kentucky and the City of
Pikeville Planning and Zoning Commission in undertaking the above Irrevocable
Commercial Letter of Credit and is hereby made a part thereof.