

# Reliable Bank and Trust Company

GEORGETOWN, KENTUCKY 40324

## Letter of Credit

December 10, 2006

Georgetown-Scott County Planning Commission  
230 E. Main Street  
Georgetown, Kentucky 40324

Irrevocable Letter of Credit No. 1234 Issued on Behalf of \_\_\_\_\_

Dear Sir:

We have opened our IRREVOCABLE LETTER OF CREDIT in your favor and available to you by your draft(s) drawn on RELIABLE BANK AND TRUST COMPANY, Georgetown, Kentucky, payable at sight for any sums not exceeding TEN THOUSAND THREE HUNDRED DOLLARS (\$10,300.00) [the principal amount of this letter of credit] for the account of \_\_\_\_\_. All drafts against the above IRREVOCABLE LETTER OF CREDIT must bear the following legend:

Drawn under Reliable Bank and Trust Company of  
Georgetown, Kentucky, Letter of Credit Number 1234,  
dated December 10, 2006.

Each draft against the above IRREVOCABLE LETTER OF CREDIT 1234 must be accompanied by the written certificate of the Georgetown-Scott County Planning Commission that the draft is presented as a result of \_\_\_\_\_ having defaulted or failed to complete the following improvements on or before the expiration of December 10, 2007 [one year from the date of IRREVOCABLE LETTER OF CREDIT 1234]. The estimated costs of completing the specific required improvements secured by this letter of credit are:

Required improvements	Estimated cost[s]
Landscaping for 100 Wisteria Lane	\$10,300.00 [original principal amount of this letter of credit]

However, it is expressly understood that no draft may be drawn against IRREVOCABLE LETTER OF CREDIT 1234 for a default or failure to install any portion of the required improvements, unless the draft is accompanied by the Planning Commission Engineer's verified certificate providing the following:

- a. A specific listing of those portions or items of the required improvements that remain unfinished; and
- b. An estimate of the reasonable cost(s) of completion of those unfinished items, provided however, no amount may be drawn against IRREVOCABLE LETTER OF CREDIT 1234 in excess of the initial estimated cost of completion set out above, less any prior partial releases of this letter of credit.

As the project progresses for which this letter of credit is given as security, the Applicant whose obligations this letter of credit secures may seek one or more partial releases of the original principal amount of this letter of credit. Partial releases shall be given, if at all, in the sole discretion of the Planning Commission. Such partial releases shall reduce the principal amount available to secure the installation of the remaining required improvements.

RELIABLE BANK & TRUST COMPANY certifies that drafts pursuant to and in compliance with the provisions of this letter of credit shall be duly honored upon presentation and delivery in conformity with the terms of this letter of credit, presentation to be on or before December 10, 2007.

Sincerely,

RELIABLE BANK & TRUST COMPANY

By: \_\_\_\_\_  
John Smith, President