

Resolution No. 11-11

**A RESOLUTION APPROVING SUBSTITUTE SECURITY
PERTAINING TO HURSTBOURNE SUBDIVISION, PLAT 6**

WHEREAS, the construction of subdivision improvements for Hurstbourne Subdivision, Plat 6, is currently secured by a letter of credit issued by Illini Bank, which has been released except for the amount of \$4,200.00;

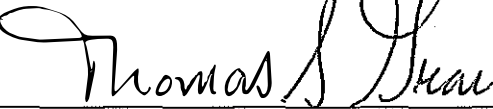
WHEREAS, the developer of Hurstbourne Subdivision, Plat 6 has requested the substitution of a new letter of credit for the existing letter of credit securing the construction of infrastructure for Hurstbourne Subdivision, Plat 6;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: Letter of credit No. 1100003, issued by Illinois National Bank on March 9, 2011, a copy of which is attached as Exhibit A, is hereby accepted as security with respect to construction of infrastructure for Hurstbourne Subdivision, Plat 6; and the prior letter of credit securing same is hereby released. The Village Attorney shall exchange the prior letter of credit for Letter of credit No. 1100003.

SECTION 2: This Resolution is effective immediately.

PASSED this 22 day of MAR, 2011.



Village President

ATTEST:

Pat Schold
Village Clerk



AYES:

5 HERR MAU BOYLE KAVANAGH SCHATTEMAN

NAYS:

0

PASSED:

3-22-11

APPROVED:

3-22-11

ABSENT:

1 REYNOLDS



Illinois National Bank
322 E. Capitol • Springfield, IL 62701 • (217) 747-5500

IRREVOCABLE STANDBY LETTER OF CREDIT

Illinois National Bank
322 E. Capitol
Springfield, IL 62701

To: Village of Chatham
c/o Mr. John Myers
1300 South 8th Street
Springfield, IL 62703

Date: March 9, 2011

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit No. 11 00003 in your favor for the account of **DENMAR BUILDERS, INC.** for a sum not exceeding Four Thousand Two Hundred and No/100---Dollars (\$4,200.00) available by your draft or drafts on Illinois National Bank at sight when accompanied by the following documents:

A copy of the final inspection letter from the Village of Chatham to the subdeveloper detailing work to be completed including cost estimates.

A copy of this Letter and your signed statement certifying you are entitled to draw under this letter.

A statement signed by the Village Engineer and Mayor of the Village of Chatham, Illinois, certifying that the improvements pertaining to Hurstbourne Subdivision, 6th Addition, for which this Letter of Credit is security have not been completed as required by the code of the Village of Chatham, and releasing Illinois National Bank of liability under this credit to the extent of each draw.

All sight drafts drawn under this Credit must be marked "Drawn under Illinois National Bank Irrevocable Standby Letter of Credit No. 11 00003 dated March 9, 2011".

This credit shall be governed by the Uniform Commercial Code as enacted in Illinois from time to time, and to the extent not modified by said law, the Uniform Customs and Practice for Documentary Credits as most recently published by the International Chamber of Commerce.

The original of this Letter of Credit must be submitted to us whenever a partial draw or cancellation of this Credit is requested. In every case of partial draw the Letter of Credit shall be promptly returned and remain valid for the balance unused.

We hereby agree with bona fide holders that all sight drafts drawn under and in compliance with the terms of this Credit shall meet with due honor upon presentation and delivery of the documents as specified if negotiated at our offices on or before March 9, 2012. This Letter of Credit shall be automatically extended for additional periods of one year from the expiration date unless sixty (60) days prior to such date the Bank shall notify the Village of Chatham, in writing and by registered mail at the above address, that we elect not to renew this Letter of Credit for such additional period.

The Letter of Credit shall by its terms secure payment not only of the construction of the public improvements for which it is intended but also of any additional review and inspection fees charged by the Village engineer and imposed by the Village pursuant to Section 155.02 of the Chatham Code of Ordinances.

Very truly yours,
ILLINOIS NATIONAL BANK

A handwritten signature in black ink, appearing to read "David Wirth", is written over a horizontal line.

By: David Wirth
Its: Vice President

RESOLUTION CERTIFICATE

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Chatham, Sangamon County, Illinois.

I do further certify that the Resolution attached hereto is a full, true, and exact copy of Resolution No. 11-11, adopted by the President and Board of Trustees of said Village on the 22 day of MAR, 2011, said Resolution being entitled:

**A RESOLUTION APPROVING SUBSTITUTE SECURITY
PERTAINING TO HURSTBOURNE SUBDIVISION, PLAT 6**

I do further certify that prior to the making of this certificate, the said Resolution was spread at length upon the permanent records of said Village, where it now appears and remains.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said Village this 22 day of MAR, 2011.



Pat Schab
Village Clerk