

RESOLUTION NO. 22 - 23

**AN RESOLUTION RELEASING THE LETTER OF CREDIT FOR
FOXX CREEK ESTATES**

WHEREAS, the Village of Chatham (“Village”) is an Illinois Municipal Corporation existing and operating under the Illinois Municipal Code and the laws of the State of Illinois; and,

WHEREAS, the Village required a letter of credit for plat 9 of Foxx Creek Estates subdivision; and,

WHEREAS, R.L.P. Development Company, Inc. initially secured letter of credit no. 11003665-22910-01 dated March 14, 2017 from Marine Bank in the amount of \$210,000.00 for plat 9 of Foxx Creek Estates; and,

WHEREAS, in accordance with Ordinance No. 18-11, R.L.P. Development Company, Inc. provided a subsequent letter of credit dated March 9, 2018 in the amount of \$182,000.00 attached hereto as **Exhibit A**; and,

WHEREAS, the March 9, 2018 letter of credit was intended to replace the March 14, 2017 letter of credit, but the March 14, 2017 was not released; and,

WHEREAS, a release of the March 14, 2017 letter of credit has been requested; and,

WHEREAS, the corporate authorities of the Village of Chatham believe it is in the best interests of the Village to release the March 14, 2017 letter of credit.

NOW THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois, as follows:

Section 1. Recitals. The foregoing recitals shall be and are hereby incorporated into and made a part of this Resolution as if fully set forth in this Section 1.

Section 2. Release of Letter of Credit. Irrevocable Letter of Credit numbered 11003665-22910-01 and dated March 14, 2017 from Marine Bank is hereby released in full. The

Village President or his designee is authorized to execute any documents to effectuate the release contemplated by this Resolution.

Section 3. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval.

	AYE	NAY	ABSTAIN	ABSENT
KRISTEN CHIARO	✓			
MEREDITH FERGUSON	✓			
JOHN FLETCHER	✓			
BRETT GERGER				
TIM NICE	✓			
CARL TRY	✓			
DAVE KIMSEY				
TOTAL	5	0	0	1

APPROVED by the President of the Village of Chatham, Illinois this 23 day of May, 2023.


Dave Kimsey, Village President

Attest: 
Dan Holden, Village Clerk

EXHIBIT A
March 9, 2018 Irrevocable Letter of Credit



IRREVOCABLE STANDBY LETTER OF CREDIT

ORIGINAL DATE OF ISSUE: March 9, 2018

EXPIRATION DATE: March 9, 2019

LETTER OF CREDIT NO.: 11003665-28800-01

AMOUNT: ONE HUNDRED EIGHTY TWO THOUSAND EIGHT HUNDRED AND NO/100THS DOLLARS (U.S. \$182,800.00)

BENEFICIARY: Village of Chatham
116 East Mulberry
Chatham, Illinois 62629

ACCOUNT PARTY: RLP Development Company, Inc.
514 East Vandalia Street
Edwardsville, Illinois 62025

Marine Bank ("Bank") hereby opens an irrevocable letter of credit (the "Letter of Credit") in favor of Village of Chatham (the "Beneficiary" of "Village") in the maximum amount of ONE HUNDRED EIGHTY TWO THOUSAND EIGHT HUNDRED AND NO/100THS DOLLARS (U.S. \$182,800.00) (the "Maximum Amount"), subject to the following terms and conditions:

1. **DRAFTS:** Funds under this Letter of Credit, up to the Maximum Amount, are only available to Beneficiary against Beneficiary's sight draft(s) drawn on Bank on or before the close of business on March 9, 2019, and such drafts must state: "Drawn under Irrevocable Letter of Credit, Number 11003665-28800-01 dated March 9, 2018, of Marine Bank." Drafts must be accompanied by:

- a. Copy of letter from Village to RLP Development Company, Inc. designated by the Village as a final inspection letter and detailing work to be completed including cost estimates.
- b. Statement signed by the Village Engineer of the Village of Chatham, Illinois as follows: "The public improvements for which this credit is security have not been completed as required by the code of the Village of Chatham, and Marine Bank is hereby released of liability under this credit to the extent of each draw under the credit."

2. **PURPOSE:** The development of sidewalks and drainage systems for Plat 9 in the Foxx Creek Subdivision.

3. **PARTIAL DRAWING:** Partial drawings are permitted under this Letter of Credit. The original Letter of Credit must be presented to the Bank for endorsement with respect to any payment or cancellation.

4. **ACCOUNT PARTY:** This Letter of Credit is available and all drafts must be drawn on Bank for the account of RLP Development Company, Inc., account number 11003665-28800-01. The Account Party will pay a service fee of 1% of the Maximum Amount.

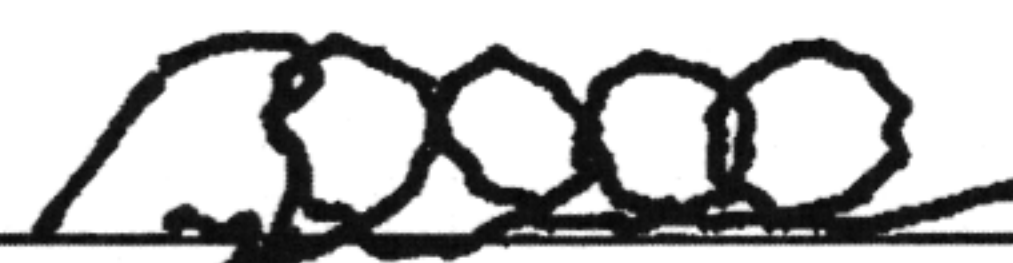
5. **OBLIGATION OF ISSUED:** Bank agrees with the drawers, endorsers and good faith holders to duly honor drafts drawn and negotiated in compliance with the terms of this Letter of Credit upon presentation to Marine Bank, 3050 Wabash Avenue, Springfield, Illinois 62704.

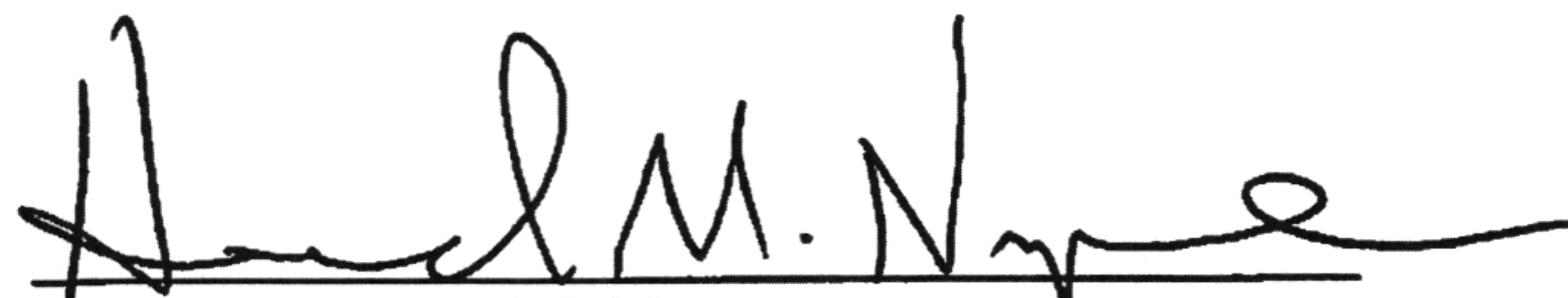
6. **MODIFICATION:** This Letter of Credit sets forth in full the terms of our undertaking and this undertaking shall not, in any way, be modified, amended or amplified by reference to any document, instrument or agreement referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates, unless in writing and signed by authorized signatories of the Bank.

We hereby engage with you that your demand for payment accompanied by documents drawn under in compliance with the terms of this credit will be duly honored upon presentation as specified. Except as far as otherwise expressly stated herein, this Letter of Credit is subject to Article 5 of Uniform Commercial Code, as set forth in 810 ILCS 5/1-101 *et seq.*

We hereby agree with the drawers, endorsers, and bona fide holders of drafts drawn under and in compliance with the terms of this debt, that such drafts will be duly honored on due presentation to the drawee on or before March 15, 2018. All parties hereto agree that the outstanding obligation hereunder may be released only upon the written authorization of the Village Engineer and said Village of Chatham. This letter of credit shall be automatically extended for additional periods of one year from the expiration date or each future expiration date unless at least sixty days (60) prior to such date, the Bank shall notify you in writing, by registered mail at the above address, that we elect not to renew this letter of credit for such additional period. If we shall make such election, the Village Engineer of the Village of Chatham shall release Marine Bank of all further obligation under this letter of credit at the end of said sixty-day period, provided, however, that nothing contained herein shall be construed to limit the right of the Village of Chatham to make drafts against this letter until its initial expiration date or any date to which said letter is automatically extended as described above.

MARINE BANK


By: Roger W. Chandler
Its: President


Attest: Howard M. Neuger
Its: Executive Vice President & General Counsel