

**LETTER OF CREDIT  
MAINTENANCE AGREEMENT**

For: \_\_\_\_\_

Account # \_\_\_\_\_

**THIS AGREEMENT**, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
between \_\_\_\_\_ (hereinafter called the Subdivider”),  
with its principal place of business at \_\_\_\_\_ and  
the City of John’s Creek, a political subdivision of the State of Georgia, (hereinafter  
called “City”), and \_\_\_\_\_,  
(hereinafter called “Issuer”), with its principal place of business  
at \_\_\_\_\_.

**WITNESSETH**

**WHEREAS**, the Subdivision and Development Regulations of City of Johns  
Creek Code of Ordinance and Resolution, as amended requires the deposit of security for  
maintenance of construction.

**WHEREAS**, the Subdivider has received approval of the construction plans in  
accordance with the plans and specifications on file with Community Development  
Department for the improvements within the \_\_\_\_\_  
\_\_\_\_\_ Subdivision; and

**WHEREAS**, the Subdivider certifies that any and all persons, firms or  
corporations providing labor and/or materials required for construction of said  
improvements will be paid in full; and

**WHEREAS**, The Community Development Department has accepted a plat of  
said Subdivision to be filed for record subject to the posting of the required performance  
security; and

**WHEREAS**, the parties have agreed that the Issuer is acceptable to all parties to  
act in such capacity;

**NOW, THEREFORE**, in consideration of the foregoing premises, it is hereby agreed:

1. The Subdivider has secured the attached unconditional irrevocable Letter of Credit in the sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_) with the Issuer, to guarantee that the materials, workmanship and design are in acceptable condition for a minimum of 18 months from acceptance of this Agreement by the Community Development Department Director.
2. This Issuer agrees to disburse funds to the full amount of the Letter of Credit only upon receipt of "Proper Authorization" as hereinafter defined. "Proper Authorization" shall mean authority in written form from the City of Johns Creek Community Development Department Director stating that a disbursement is authorized:
  - a. To the Subdivider upon delivery of "Proper Authorization" from the Community Development Department Director. The City, through the Community Development Department Director, shall issue such "Proper Authorization" upon finding that the improvements meet City of Johns Creek standards a minimum of 18 months from the acceptance of this Agreement by the City.
  - b. To the City upon deliver of "Proper Authorization" from the Community Development Agency Director, upon his determination that any portion or all of the said materials, workmanship and design is unacceptable. The City is authorized, but not obligated to correct any defective materials or workmanship and unacceptable design and in use for such purposes the funds acquired from the Letter of Credit.
3. The full amount of the Letter of Credit shall be held by the Issuer as security guaranteeing materials, workmanship and design for a minimum period of 18 months after the acceptance of this Agreement by the City unless "Proper Authorization" is delivered to the Issuer by the Community Development Agency Director under Item 2(b) above. However, the Issuer on one or more occasions may release all or any portion of such funds upon delivery of "Proper Authorization" from the Community Development Director at any time and the City agrees to release said funds if the Subdivider shall make other arrangements approved by the City in accordance with the Subdivisions and Developments Ordinances for the balance of the minimum 18 month period. If the materials, workmanship and design are acceptable for a minimum 18 months from the date of acceptance of this Agreement by the City, the Community Development Director shall upon approval by the City authorize the Issuer in writing to release the full amount of the Letter of Credit held by the Issuer to the Subdivider.

4. The Issuer hereby acknowledges that it has extended an unconditional irrevocable Letter of Credit, referred to in Item 1 above, and represents that it has no obligation whatsoever to any of the parties hereto except to release said funds within ten (10) days upon deliver of "Proper Authorization" from the Community Development Department Director. The Subdivider does hereby release and hold the Issuer harmless from any an all claims whatsoever by it against the Issuer for releasing such funds to the City in accordance with the terms thereof. This Agreement shall not be terminated or otherwise allowed to expire, prior to its maturity date of \_\_\_\_\_, 20\_\_\_\_, without at least thirty (30) days written notice to that effect from the Issuer to both the City and Subdivider.
5. If the funds are inadequate to pay for any costs covered by this Agreement, the Subdivider shall pay any and all costs beyond coverage.

**WITNESS** the hands and official seals of the parties hereto on the day and year first above written.

**CITY OF JOHNS CREEK, GEORGIA**

**By:** \_\_\_\_\_  
**Community Development Director**

**(Corporate Seal)**

**SUBDIVIDER:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**(Corporate Seal)**

**ISSUER:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_