

AGREEMENT

THIS AGREEMENT made and entered into at Van Buren, Arkansas, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between \_\_\_\_\_(Developer) and \_\_\_\_\_(Financial Institution) for the use and benefit of the City of Van Buren, Arkansas.

WHEREAS, the laws of the State of Arkansas and the ordinances of the City of Van Buren require the posting of a good and sufficient bond or the deposit of a sufficient sum of money by Developer to secure the construction of \_\_\_\_\_(type of improvements) and other improvements required by the ordinances of the City of Van Buren;

WHEREAS, an estimate of the cost of making such improvements has been obtained and is in the amount of \$ \_\_\_\_\_;

WHEREAS, the Financial Institution and the Developer are willing to enter into an undertaking that they will meet the requirements of the laws and ordinances aforesaid;

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties, it is agreed as follows:

1. The Financial Institution irrevocably binds itself, its successors and assigns, as follows: The Developer now has, and will be required to maintain, on deposit with the Financial Institution, or the Financial Institution agrees to make available to Developer, cash funds equal to the sum of \$ \_\_\_\_\_ .

2. If the Developer fails to complete all of the improvements within the time limits set forth in this agreement, the financial institution and the Developer agree that the duly authorized officials of the City of Van Buren may, at their sole election and without the necessity of action by the Developer, withdraw and use the sums in such account up to 100% of the \$\_\_\_\_\_ sum as is necessary for the purpose of completing such improvements. The remaining balance and any interest accruing on such account remain the property of the Developer. If it becomes necessary for the City to complete the foregoing mentioned improvements, the obligation for funds withdrawn and used by the city remains with the Developer and the City of Van Buren will incur no obligation to the Financial Institution or the Developer

for the use of such funds.

3. The Developer agrees to complete the aforementioned described improvements within \_\_\_\_\_ months from the date of this agreement. This agreement shall remain in effect until released by the City by written acceptance of constructed improvements or by otherwise expressly releasing the agreement in writing.

4. The purpose of this Agreement is to guarantee that the required improvements shall be completed.

FINANCIAL INSTITUTION

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

ATTEST:

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

DEVELOPER

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