



# Huntsville, Alabama

308 Fountain Circle  
Huntsville, AL 35801

## Cover Memo

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**Meeting Type:** City Council Regular Meeting **Meeting Date:** 3/14/2024

**File ID:** TMP-3929

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**Department:** Legal

**Subject:**

**Type of Action:** Approval/Action

Resolution authorizing the City Clerk to invoke ServisFirst Bank Letter of Credit No. 10100151 for the Preserve at Clayton's Pond II.

Resolution No.

**Finance Information:**

**Account Number:** NA

**City Cost Amount:** NA

**Total Cost:** NA

**Special Circumstances:**

**Grant Funded:** NA

**Grant Title - CFDA or granting Agency:** Click or tap here to enter text.NA

**Resolution #:** NA

**Location: (list below)**

**Address:** Preserve at Clayton's Pond II

**District:** District 1  District 2  District 3  District 4  District 5

**Additional Comments:**

**RESOLUTION NO. 23-\_\_\_\_\_**

**WHEREAS**, ServisFirst Bank issued a certain letter of credit (No. 10100151) a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

**WHEREAS**, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Huntsville, Alabama, that the City of Huntsville City Clerk be and is hereby authorized to present for payment to ServisFirst Bank Letter of Credit No. 10100151, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

**ADOPTED** this the 14th day of March, 2024.

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President of the City Council  
of the City of Huntsville,  
Alabama

**APPROVED** this the 14th day of March, 2024.

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Mayor of the City of  
Huntsville, Alabama

IRREVOCABLE STANDBY LETTER OF CREDIT

MARCH 17, 2023

BENEFICIARY:  
CITY OF HUNTSVILLE  
320 FOUNTAIN STREET  
HUNTSVILLE, AL 35801

APPLICANT:  
DANESH FOROUGH I  
5016 DALE ROAD  
HUNTSVILLE, AL 35803

DATE OF ISSUANCE: MARCH 17, 2023  
DATE OF EXPIRATION: MARCH 18, 2024  
LOCATION OF EXPIRATION: AT OUR COUNTERS AT 300 GALLERIA PARKWAY SE, SUITE 350,  
ATLANTA, GEORGIA 30339

STANDBY LETTER OF CREDIT REFERENCE: 10100151

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT #10100151 IN AN AMOUNT NOT EXCEEDING THE AGGREGATE OF \$23,700.00 (TWENTY-THREE THOUSAND SEVEN HUNDRED US DOLLARS) FOR THE ACCOUNT OF DANESH FOROUGH I AND AVAILABLE BY YOUR SIGHT DRAFT(S) DRAWN ON US. THIS STANDBY IS ISSUED IN CONNECTION WITH ARTICLE 5 SIDEWALK, LETTER OF CREDIT FOR ARTICLE 5 SIDEWALK, LETTER OF CREDIT FOR THE PRESERVE AT CLAYTON POND PHASE II, A RESUBDIVISION OF TRACT 22, GREEN MOUNTAIN AUCTION PROPERTY (PLAT BOOK 33, PAGE 23) AND LOT 3 OF GREEN MT. ESTATES PH II A RESUBDIVISION OF TRACT 23 OF GREEN MOUNTAIN AUCTION PROPERTY (PLAT BOOK 38, PAGE 63) PROJECT.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE AT SIGHT AGAINST THE FOLLOWING DOCUMENTS:

- 1) SIGHT DRAFT DRAWN ON US MENTIONING "DRAWN UNDER SERVISFIRST BANK STANDBY LETTER OF CREDIT REFERENCE NUMBER: 10100151, DATED MARCH 17, 2023.
- 2) BENEFICIARY'S WRITTEN STATEMENT PURPORTED TO BE SIGNED BY THE CITY OF HUNTSVILLE CLERK- TREASURER STATING, "WE HEREBY CERTIFY THAT DANESH FOROUGH I IS IN DEFAULT FOR FAILURE TO COMPLETE THE LANDSCAPING AS PER PLANS, REGULATIONS AND SPECIFICATIONS OF THE CITY OF HUNTSVILLE."
- 3) BENEFICIARY SHALL HAVE RETURNED TO ISSUER ANY AND ALL BENEFICIARY CONSENT FORMS SENT WITH ANY AMENDMENT, CLEARLY INDICATING DECLINE OR CONSENT IN ANY AND ALL SUCH FORMS. IN ANY EVENT, ANY AND ALL SUCH FORMS SHALL BE PRESENTED AT THE TIME OF A DEMAND IN THE PRECEDING REQUESTED MANNER.

*Handwritten notes:*  
M 3-20-23  
MM 3/28/23  
SE 3/30/23  
Mw 3-30-23



ServisFirst Bank

300 Galleria Parkway SE, Suite 350  
Atlanta, GA 30339

WE HEREBY AGREE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION AND DELIVERY AT **300 GALLERIA PARKWAY SE, SUITE 350, ATLANTA, GEORGIA 30339** ON OR BEFORE MARCH 18, 2024 (EXPIRATION DATE).

YOU MAY CANCEL THIS LETTER OF CREDIT BY SENDING US A SIGNED LETTER ON YOUR LETTERHEAD AGREEING TO ITS CANCELLATION ALONG WITH THE LETTER OF CREDIT AND ANY AMENDMENT HERETO. NOTWITHSTANDING THIS, NON-RETURN OF THE ORIGINAL STANDBY LETTER OF CREDIT AND ANY AMENDMENT HERETO, AT TIME OF EXPIRATION, SHALL NOT PRECLUDE ISSUER FROM DEEMING ITS OBLIGATION UNDER THIS LETTER OF CREDIT TO BE DULY CANCELLED, AND THEREFORE TERMINATED FOR ALL PURPOSES.

THIS STANDBY LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES 1998 (INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO.590) (ALSO REFERRED TO AS "ISP98") AND, AS TO MATTERS NOT COVERED BY ISP98, IS GOVERNED BY THE LAW OF THE STATE OF ALABAMA AND APPLICABLE FEDERAL LAW.

  
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Maria Rose  
Vice President, Trade Finance Manager  
ServisFirst Bank

ml 3-20-23 SE 3/30/23  
MM 3/28/23 MW 3-30-23



Servis1st Bank

300 Galleria Parkway SE, Suite 350  
Atlanta, GA 30339

March 20, 2023

**BENEFICIARY:**

CITY OF HUNTSVILLE  
320 FOUNTAIN STREET  
HUNTSVILLE, AL 35801

LETTER OF CREDIT NUMBER: 10100151  
APPLICANT: DANESH FOROUGH  
EFFECTIVE DATE OF AMENDMENT: MARCH 20, 2023.  
Amendment Number:1

WE HEREBY AMEND OUR STANDBY LETTER OF CREDIT NUMBER 10100151 DATED MARCH 17, 2023, AS FOLLOWS:

**THE FOLLOWING PARAGRAPH IS DELETED:**

- 2) "BENEFICIARY'S WRITTEN STATEMENT PURPORTED TO BE SIGNED BY THE CITY OF HUNTSVILLE CLERK- TREASURER STATING, "WE HEREBY CERTIFY THAT DANESH FOROUGH IS IN DEFAULT FOR FAILURE TO COMPLETE THE LANDSCAPING AS PER PLANS, REGULATIONS AND SPECIFICATIONS OF THE CITY OF HUNTSVILLE."

**AND IS REPLACED BY THE FOLLOWING PARAGRAPH:**

- 2) BENEFICIARY'S WRITTEN STATEMENT PURPORTED TO BE SIGNED BY THE CITY OF HUNTSVILLE CLERK- TREASURER STATING, "WE HEREBY CERTIFY THAT DANESH FOROUGH IS IN DEFAULT FOR FAILURE TO COMPLETE THE SIDEWALK AS PER PLANS, REGULATIONS AND SPECIFICATIONS OF THE CITY OF HUNTSVILLE."


**ADDITIONALLY:**

PRESENTATIONS UNDER THIS LETTER OF CREDIT MAY BE DELIVERED TO SERVISFIRST BANK AT 401 MERIDIAN STREET, SUITE 100, HUNTSVILLE, ALABAMA 35801 WITH A COPY EMAILED TO INTERNATIONAL@SERVISFIRSTBANK.COM.

**ALL OTHER TERMS AND CONDITIONS OF THE LETTER OF CREDIT REMAIN UNCHANGED.**

**ISSUER:**

SERVISFIRST BANK  
401 MERIDIAN STREET, SUITE 100  
HUNTSVILLE, AL 35801

  
 MARIA E. ROSE  
 VICE PRESIDENT, TRADE FINANCE MANAGER  
 SERVISFIRST BANK

MM 3-28-23  
 SE 3/30/23  
 MW 3-30-23