

MEMORANDUM OF AGREEMENT

WHEREAS, in approximately September 2011, the Marshall County Fiscal Court (Court), the City of Benton (City), and the Marshall County Children's Arts Center (Center) participated and cooperated in a joint effort to obtain grant funding to facilitate the Center's current structure located 1202 Elm Street in Benton, Kentucky 42025;

WHEREAS, in addition to the grant funding, matching funds were required, and the Center requested and received assistance from the City and the County in obtaining a loan to secure those matching funds;


WHEREAS, the City and the County acted as guarantors on the loan, with the Center being the entity primarily responsible for the loan payments;

WHEREAS, the state auditor has requested that an agreement between the County and the Center be executed to reflect the duties and obligations of these two parties;

NOW THEREFORE, it is understood and agreed to by the parties as follows:

1. The Center shall at all times be recognized as the party primarily responsible for the payment of the loan referenced above, which includes payment of principal and interest.
  
2. If the Center defaults on said loan for any reason and the County is held liable for any amounts outstanding on the loan, the County shall have the right of indemnification against the Center to recoup any and all payments made by the County as a result of the Center's default.

Agreed to by the parties on this the 2 day of MARCH, 2021.

  
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KEVIN NEAL, JUDGE-EXECUTIVE  
Marshall County Fiscal Court

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Chair,  
Marshall County Arts Commission