

**CONTRACT FOR CONSTRUCTION OF
REQUIRED IMPROVEMENTS
NO. PD-16-03-02 (2004010124-78246)**

THIS CONTRACT, made and entered into this 10th day of May, 2017 by and between **DIVOSTA HOMES, L.P., a Delaware limited partnership**, owner of the property being platted as Lakes At Waterway Village PD – Pod 3R, hereinafter referred to as "Developer," and **INDIAN RIVER COUNTY**, a political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as "County".

WITNESSETH:

WHEREAS, Developer is commencing proceedings to effect a subdivision of land within Indian River County, Florida; and

WHEREAS, a final plat of the subdivision within the unincorporated area of Indian River County shall not be recorded until the Developer has installed the required improvements or has guaranteed to the satisfaction of the County that such improvements will be installed; and

WHEREAS, Developer requests the approval and recordation of a certain plat to be known as **Lakes At Waterway Village PD – Pod 3R**; and

WHEREAS, the required improvements are to be installed after recordation of this plat under guarantees posted with the County.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES HEREIN CONTAINED, the parties agree as follows:

1. Developer agrees to construct on or before **May 23, 2018**, in a good and workmanlike manner, those improvements described as follows:

See Exhibit "A" attached hereto

or otherwise required by the Indian River County Code in connection with the approval of said plat. A copy of the plat shall be recorded in the Public Records of Indian River County, Florida upon the final approval of the Board of County Commissioners and made a part hereof for all purposes.

2. Developer agrees to construct said improvements strictly in accordance with the land development permit, the most recent set of plans and specifications for this subdivision approved by the County and on file in the Planning

and Development Division, and all County development regulations and standards, including conditions and requirements of any applicable County right-of-way permit, all of which are hereby incorporated by reference and made a part hereof.

3. In order to guarantee performance of this contract, Developer shall simultaneously herewith furnish an irrevocable letter of credit, having an expiration date of not less than ninety (90) days beyond the date set forth in Paragraph 1, provided by a banking institution authorized to transact such business in this state, in a form to be approved by the County, naming Developer as customer and WELLS FARGO, as the underwriting bank, in the amount of \$447,439.71, which amount is not less than one hundred twenty-five percent (125%) of the estimated total cost of improvements remaining to be constructed, as determined in accordance with the County's Subdivision and Platting Ordinance. It is understood that the full amount of the letter of credit shall remain available to the County and shall not be reduced during the course of construction. Developer may at any time substitute guarantees, subject to the approval as to form and amount by the County.

4. Up to \$1,000,000.00, or the limits of any applicable underlying or excess insurance coverage carried by Developer or to be obtained during the course of the construction of the subdivision improvements, Developer agrees to indemnify, hold harmless, and defend the County against any and all claims, damages, losses, and expenses, including attorney's fees, for property damage, personal or bodily injury, or loss of life, arising from the negligent acts or omissions of the Developer, its officers, employees, agents, or contractors, subcontractors, laborers, or suppliers, relating to the construction of the required improvements, including all those improvements to be constructed on existing publicly dedicated or County-owned property, such as street, sidewalk, bikepath, lighting, signalization, traffic control, drainage, water, or sewer improvements.

5. The County agrees to approve the plat for recordation in the Public Records of Indian River County, Florida upon a finding as to compliance with all applicable provisions of the County's Subdivision and Platting Ordinance and upon execution hereof. The County shall accept those areas specifically dedicated to the County for the purposes indicated on the plat at the time of plat recordation. However, nothing herein shall be construed as creating an obligation upon the County to perform any act of construction or maintenance within such dedicated areas until such time as the required improvements are satisfactorily completed.

Developer shall remain responsible for utility meter boxes, sewer clean outs, and drainage culvert inverts, to be in good repair, accessible, correctly plumbed, and not covered with topsoil, concrete or impervious material for the 1-year maintenance period commencing after County issuance of a Certificate of Completion. Notice of this ongoing responsibility shall be provided by Developer to any subsequent builder/homeowner.

Satisfactory completion in accordance with the land development permit, plans, specifications, and ordinance requirements of Indian River County shall be determined by the County and shall be indicated by specific written approval of the Public Works Director or his designated representative, after receipt of a signed and sealed Certificate of Completion from the project engineer of record. Once the required improvements are completed to the satisfaction of County, Developer acknowledges that Developer is responsible for posting a 1-year warranty for road and drainage improvements as well as utility facilities, if applicable, in the amount of 25% of the costs of such improvements; and that appropriate warranty agreement and bill(s) of sale will need to be entered into. The funds posted under this Contract for Construction of Required Improvements will not be released until the applicable 1-year warranty postings and appropriate warranty agreement and bill(s) of sale are in place.

6. In the event the Developer shall fail or neglect to fulfill its obligations under this contract and as required by the Indian River County Code, the Developer, as principal, and the letter of credit (or any County approved substituted guarantees) shall be jointly and severally liable to pay for the cost of construction and installment of the required improvements and warranty to the final total cost, including but not limited to engineering, construction, legal and contingent costs, including reasonable attorney's fees incurred by the County, together with any damages, either direct or consequential, which the County may sustain as a result of the failure of Developer to carry out and execute all provisions of this contract and applicable ordinances of the County. In no event, however shall the liability of the underwriting bank (or any County approved substituted guarantees) under this paragraph exceed the total amount of the original obligation stated in the letter of credit (or any County approved substituted guarantees).

7. The parties agree that the County at its option shall have the right, but not the obligation, to construct and install or, pursuant to receipt of competitive bids, cause to be constructed and installed the required improvements in the event Developer shall fail or refuse to do so in accordance with the terms of this contract. Developer expressly agrees that the County may demand and draw upon the existing letter of credit (or any County approved substituted guarantees) for the final total cost of the improvements and warranty. Developer shall remain wholly liable for any resulting deficiency, should the letter of credit (or any County approved substituted guarantees) be exhausted prior to completion of the required improvements. In no event shall the County be obligated to expend public funds, or any funds other than those provided by the Developer, or the underwriting bank (or any County approved substituted guarantees) to construct and warranty the required improvements. Developer hereby gives permission to County, County's contractors and subcontractors to go on its property, known as proposed Lakes At Waterway Village PD – Pod 3R, for purposes of completing the required improvements. If any portion of the property is sold by Developer, Developer acknowledges that the granting of this permission will be preserved and recited in any document transferring title to Developer's successor and/or assigns.

8. Any letter of credit (or any County approved substituted guarantees) provided to the County by Developer with respect to this contract shall exist solely for the use and benefit of the County and shall not be construed or intended in any way, expressly or impliedly, to benefit or secure payment to any subcontractor, laborer, materialman or other party providing labor, material, supplies, or services for construction of the required improvements, or to benefit any lot purchaser(s), unless the County shall agree otherwise in writing.

9. This agreement is the full and complete understanding of the parties and shall not be construed or amplified by reference to any other agreement, discussion, or understanding, whether written or oral, except as specifically mentioned herein. This agreement shall not be assigned without the express written approval of the County. Any amendment, deletion, modification, extension, or revision hereof or hereto shall be in writing, executed by authorized representatives of both parties.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and year first above written.


DIVOSTA HOMES, L.P., a Delaware limited partnership

By DIVOSTA HOMES HOLDINGS, LLC, a Delaware limited liability company, its General Partner

WITNESSES

sign: 
print name: PATRICK A. GONZALEZ

By 
Brent Baker, Division President

sign: 
print name: Abbey Benecchi

DEVELOPER

INDIAN RIVER COUNTY FLORIDA

By: 
Jason E. Brown
County Administrator

Authority: Resolution No. 2005-121
COUNTY

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

BY 
WILLIAM K. DEBAAAL
DEPUTY COUNTY ATTORNEY

projected BCC plat approval date: May 23, 2017

EXHIBIT "A"

Subdivision Performance Bond Estimate For the Lakes at Waterway Village Plat 3R

EARTHWORK						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
MOBILIZATION	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -
MOBILIZATION/DEMOBILIZATION	1	LS	\$ 15,000.00	\$ 15,000.00	\$ -	\$ 15,000.00
NPDES	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 22,500.00	\$ 2,500.00
CLEARING & GRUBBING	20	AC	\$ 2,500.00	\$ 50,000.00	\$ 50,000.00	\$ -
POND AND SITE EXCAVATION	125,000	CY	\$ 2.20	\$ 275,000.00	\$ 247,500.00	\$ 27,500.00
FINAL SITE GRADING	33,700	SY	\$ 0.50	\$ 16,850.00	\$ 15,165.00	\$ 1,685.00
PAD STABILIZATION (SEED)	62,500	SY	\$ 0.40	\$ 25,000.00	\$ 22,500.00	\$ 2,500.00
BOC STABILIZATION (SOD)	7,560	SF	\$ 0.20	\$ 1,512.00	\$ 1,360.80	\$ 151.20
LAKE BANK STABILIZATION (SOD) (6,000' LF x 30' WIDTH)	180,000	SF	\$ 0.20	\$ 36,000.00	\$ 32,400.00	\$ 3,600.00
TOTAL				\$ 469,362.00	\$ 416,425.80	\$ 52,936.20

Handwritten initials/signature

ROADWAY						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
1 1/4" ASPHALT (FIRST COURSE)	4,200	SY	\$ 7.50	\$ 31,500.00	\$ 28,350.00	\$ 3,150.00
1" ASPHALT (FINAL COURSE)	4,200	SY	\$ 6.00	\$ 25,200.00	\$ -	\$ 25,200.00
6" ROCK BASE	4,200	SY	\$ 11.00	\$ 46,200.00	\$ 41,580.00	\$ 4,620.00
12" SUBGRADE	4,200	SY	\$ 2.20	\$ 9,240.00	\$ 8,316.00	\$ 924.00
2' VALLEY GUTTER	3,780	LF	\$ 11.00	\$ 41,580.00	\$ 37,422.00	\$ 4,158.00
CONCRETE SIDEWALK (COMMON AREA)	2,100	SY	\$ 40.00	\$ 84,000.00	\$ 75,600.00	\$ 8,400.00
SIDEWALK STABILIZATION (2' SOD)	8,000	SF	\$ 0.20	\$ 1,600.00	\$ 1,440.00	\$ 160.00
SIGNAGE AND STRIPING	1	LS	\$ 2,000.00	\$ 2,000.00	\$ 1,800.00	\$ 200.00
TOTAL				\$ 241,320.00	\$ 194,508.00	\$ 46,812.00

Handwritten initials/signature

STORM DRAINAGE						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
18" RCP	66	LF	\$ 34.00	\$ 2,244.00	\$ 2,019.60	\$ 224.40
24" CAP	54	LF	\$ 51.00	\$ 2,754.00	\$ 2,478.60	\$ 275.40
24" RCP	537	LF	\$ 50.00	\$ 26,850.00	\$ 24,165.00	\$ 2,685.00
36" RCP	390	LF	\$ 83.00	\$ 32,370.00	\$ 29,133.00	\$ 3,237.00
36" CAP	37	LF	\$ 88.00	\$ 3,256.00	\$ 2,930.40	\$ 325.60
CONCRETE COLLARS	5	EA	\$ 3,000.00	\$ 15,000.00	\$ 13,500.00	\$ 1,500.00
CATCH BASINS / STORM MANHOLES	8	EA	\$ 4,000.00	\$ 32,000.00	\$ 28,800.00	\$ 3,200.00
TOTAL				\$ 114,474.00	\$ 103,026.60	\$ 11,447.40

Handwritten initials/signature

SANITARY SEWER SYSTEM						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
8" PVC (SDR 26) 6-8' CUT	238	LF	\$ 24.00	\$ 5,712.00	\$ 5,140.80	\$ 571.20
8" PVC (SDR 26) 8-10' CUT	1,096	LF	\$ 32.00	\$ 35,072.00	\$ 31,564.80	\$ 3,507.20
8" PVC (SDR 26) 10-12' CUT	508	LF	\$ 36.00	\$ 18,288.00	\$ 16,459.20	\$ 1,828.80
4' DIA. MANHOLE 6-8' DEEP	2	EA	\$ 4,390.00	\$ 8,780.00	\$ 7,902.00	\$ 878.00
4' DIA. MANHOLE 8-10' DEEP	4	EA	\$ 6,330.00	\$ 25,320.00	\$ 22,788.00	\$ 2,532.00
4' DIA. MANHOLE 10-12' DEEP	4	EA	\$ 7,080.00	\$ 28,320.00	\$ 25,488.00	\$ 2,832.00
SINGLE SERVICE W/ CLEANOUT	14	EA	\$ 560.00	\$ 7,840.00	\$ 7,056.00	\$ 784.00
DOUBLE SERVICE W/ CLEANOUT	37	EA	\$ 640.00	\$ 23,680.00	\$ 21,312.00	\$ 2,368.00
TV LINES	1,842	LF	\$ 4.30	\$ 7,920.60	\$ 7,128.54	\$ 792.06
TOTAL				\$ 160,932.60	\$ 144,839.34	\$ 16,093.26

Handwritten initials/signature and date: 4/28/17

POTABLE WATER SYSTEM						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
8" C-900 WATERMAIN	2,034	LF	\$ 21.00	\$ 42,714.00	\$ 38,442.60	\$ 4,271.40
8" GV	2	EA	\$ 1,880.00	\$ 3,760.00	\$ 3,384.00	\$ 376.00
FIRE HYDRANT ASSEMBLY	3	EA	\$ 3,970.00	\$ 11,910.00	\$ 10,719.00	\$ 1,191.00
SAMPLE POINTS	3	EA	\$ 510.00	\$ 1,530.00	\$ 1,377.00	\$ 153.00
DOUBLE WATER SERVICE (2")	44	EA	\$ 1,610.00	\$ 70,840.00	\$ 63,756.00	\$ 7,084.00
FILL & FLUSH ASSEMBLY	1	EA	\$ 1,390.00	\$ 1,390.00	\$ 1,251.00	\$ 139.00
FITTINGS / BENDS	1	LS	\$ 10,000.00	\$ 10,000.00	\$ 9,000.00	\$ 1,000.00
CONNECT TO EXIST. WATERMAIN	2	LS	\$ 750.00	\$ 1,500.00	\$ 1,350.00	\$ 150.00
TESTING	1	LS	\$ 1,500.00	\$ 2,510.00	\$ 2,259.00	\$ 251.00
TOTAL				\$ 146,154.00	\$ 131,538.60	\$ 14,615.40

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4/29/17

43RD AVE PERIMETER BERM LANDSCAPE BUFFER (±980 LF)						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
TREES						
JAPANESE BLUEBERRY	8	EA	\$ 340.00	\$ 2,720.00	\$ -	\$ 2,720.00
YAUPON HOLLY	25	EA	\$ 300.00	\$ 7,500.00	\$ -	\$ 7,500.00
SOUTHERN MAGNOLIA	12	EA	\$ 350.00	\$ 4,200.00	\$ -	\$ 4,200.00
SOUTH FLORIDA SLASH PINE (12'-14')	21	EA	\$ 280.00	\$ 5,880.00	\$ -	\$ 5,880.00
SOUTH FLORIDA SLASH PINE (5'-6')	45	EA	\$ 150.00	\$ 6,750.00	\$ -	\$ 6,750.00
SYCAMORE	4	EA	\$ 330.00	\$ 1,320.00	\$ -	\$ 1,320.00
LIVE OAK (12'-14')	12	EA	\$ 405.00	\$ 4,860.00	\$ -	\$ 4,860.00
SABAL PALM (8'-18')	35	EA	\$ 160.00	\$ 5,600.00	\$ -	\$ 5,600.00
SHRUBS/GROUNDCOVERS						
COCOPLUM	332	EA	\$ 30.00	\$ 9,960.00	\$ -	\$ 9,960.00
AMERICAN BEAUTYBERRY	700	EA	\$ 3.50	\$ 2,450.00	\$ -	\$ 2,450.00
SMALL LEAF CLUSIA	255	EA	\$ 85.00	\$ 21,675.00	\$ -	\$ 21,675.00
DWARF FIRE BUSH	1,397	EA	\$ 5.00	\$ 6,985.00	\$ -	\$ 6,985.00
DWARF YAUPON HOLLY	1,434	EA	\$ 3.25	\$ 4,660.50	\$ -	\$ 4,660.50
MUHLY GRASS	743	EA	\$ 6.75	\$ 5,015.25	\$ -	\$ 5,015.25
SHORT LEAF WILD COFFEE	323	EA	\$ 7.12	\$ 2,299.76	\$ -	\$ 2,299.76
SAW PALMETTO	357	EA	\$ 15.00	\$ 5,355.00	\$ -	\$ 5,355.00
FAKAHATCHEE GRASS	412	EA	\$ 6.75	\$ 2,781.00	\$ -	\$ 2,781.00
DWARF VARIEGATED SCHEFFLERA	96	EA	\$ 4.00	\$ 384.00	\$ -	\$ 384.00
COONTIE	269	EA	\$ 8.00	\$ 2,152.00	\$ -	\$ 2,152.00
SOD	100,000	SF	\$ 0.20	\$ 20,000.00	\$ -	\$ 20,000.00
MULCH	300	CY	\$ 35.00	\$ 10,500.00	\$ -	\$ 10,500.00
PERIMETER IRRIGATION	1	LS	\$ 60,000.00	\$ 60,000.00	\$ -	\$ 60,000.00
TOTAL				\$ 193,047.51	\$ -	\$ 193,047.51

JWM
4/29/17

COMMON AREA AND LAKESHORE LANDSCAPING						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
JAPANESE BLUEBERRY	12	EA	\$ 340.00	\$ 4,080.00	\$ 4,080.00	\$ -
LIVE OAK (12'-14')	122	EA	\$ 405.00	\$ 49,410.00	\$ 49,410.00	\$ -
LIVE OAK (20')	4	EA	\$ 1,500.00	\$ 6,000.00	\$ 6,000.00	\$ -
CABBAGE PALM (10'-20')	32	EA	\$ 300.00	\$ 9,600.00	\$ 9,600.00	\$ -
BALD CYPRESS (7'-8')	202	EA	\$ 125.00	\$ 25,250.00	\$ 25,250.00	\$ -
BALD CYPRESS (12')	52	EA	\$ 250.00	\$ 13,000.00	\$ 13,000.00	\$ -
JAPANESE PRIVET	14	EA	\$ 150.00	\$ 2,100.00	\$ 2,100.00	\$ -
SOUTHERN MAGNOLIA	4	EA	\$ 350.00	\$ 1,400.00	\$ 1,400.00	\$ -
SHRUBS/GROUNDCOVERS						
GREEN ISLAND FICUS	268	EA	\$ 3.00	\$ 804.00	\$ 804.00	\$ -
DWARF VARIEGATED SCHEFFLERA	63	EA	\$ 4.00	\$ 252.00	\$ 252.00	\$ -
SMALL LEAF CLUSIA	76	EA	\$ 85.00	\$ 6,460.00	\$ 6,460.00	\$ -
DWARF YAUPON HOLLY	543	EA	\$ 7.85	\$ 4,262.55	\$ 4,262.55	\$ -
SAND CORDGRASS	4,940	EA	\$ 6.75	\$ 33,345.00	\$ 33,345.00	\$ -
TOTAL				\$ 155,963.55	\$ 155,963.55	\$ -

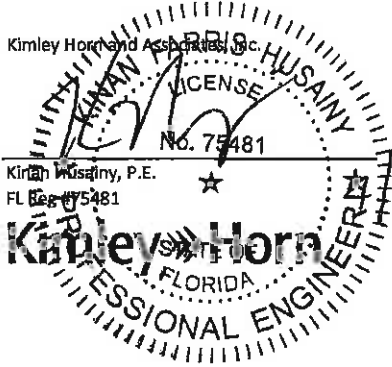
JWM
4/29/17

ENGINEERING AND SURVEY						
DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL	COMPLETE	INCOMPLETE
ENGINEERING SERVICES	1	LS	\$ 40,000.00	\$ 40,000.00	\$ 30,000.00	\$ 10,000.00
SURVEY SERVICES	1	LS	\$ 30,000.00	\$ 30,000.00	\$ 27,000.00	\$ 3,000.00
SET PRM'S, PCP'S, LOT CORNERS	1	LS	\$ 10,000.00	\$ 10,000.00	\$ -	\$ 10,000.00
TOTAL				\$ 80,000.00	\$ 57,000.00	\$ 23,000.00

Handwritten notes:
 10/28/17
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TOTALS	\$ 1,561,253.66	\$ 1,203,301.89	\$ 357,951.77
% OF TOTAL COMPELTE		77.07%	22.93%
PROPOSED BOND AMOUNT (125%)			\$ 447,439.71

Kimley Horn and Associates, Inc.



Kiran Husainy, P.E.
 FL Reg # 75481

Kimley Horn



Wells Fargo Bank, N.A.
 U.S. Trade Services
 Standby Letters of Credit
 794 Davis Street, 2nd Floor
 MAC A0283-023,
 San Leandro, CA 94577-6922
 Phone: 1(800) 798-2815 Option 1
 E-Mail: sfrade@wellsfargo.com

Irrevocable Standby Letter Of Credit

Number : IS0504077U
Issue Date : May 8, 2017

BENEFICIARY	APPLICANT
INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONERS 1801 27TH STREET VERO BEACH, FLORIDA 32960	PULTEGROUP, INC. ON BEHALF OF DIVOSTA HOMES, L.P. 4400 PGA BOULEVARD, SUITE 700 PALM BEACH GARDENS, FLORIDA 33410

LETTER OF CREDIT ISSUE AMOUNT USD 447,439.71 EXPIRY DATE AUGUST 23, 2018

LADIES AND GENTLEMEN:

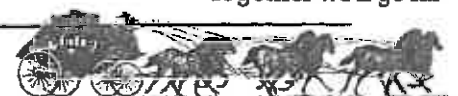
BY ORDER OF PULTEGROUP, INC. ON BEHALF OF DIVOSTA HOMES, L.P., A DELAWARE LIMITED PARTNERSHIP, WELLS FARGO BANK, N.A. HEREBY ESTABLISHES AN IRREVOCABLE LETTER OF CREDIT NO. IS0504077U IN YOUR FAVOR IN THE AMOUNT OF U.S. \$447,439.71 EFFECTIVE AS OF MAY 8, 2017, AND EXPIRING AT OUR OFFICE AT THE CLOSE OF BUSINESS ON AUGUST 23, 2018.

WE HAVE BEEN INFORMED THIS LETTER OF CREDIT IS PROVIDED TO YOU AS REQUIRED UNDER THE CONTRACT FOR CONSTRUCTION OF REQUIRED IMPROVEMENTS BETWEEN DIVOSTA HOMES, L.P. AND INDIAN RIVER COUNTY RELATING TO LAKES AT WATERWAY VILLAGE PD - POD 3R WHICH THE CONTRACT IS NUMBERED PD-16-03-02 (2004010124-78246).

WELLS FARGO BANK, N.A. SHALL MAKE FUNDS AVAILABLE UNDER THIS CREDIT TO YOU NOT EXCEEDING IN THE AGGREGATE THE AMOUNT OF THIS CREDIT AGAINST YOUR SIGHT DRAFT TO US MENTIONING THIS LETTER OF CREDIT NO. IS0504077U, ACCOMPANIED BY A LETTER FROM THE COUNTY ADMINISTRATOR OR HIS DESIGNEE, WITH APPROVAL SIGNATURES OF THE COUNTY ATTORNEY OR HIS DESIGNEE, AND THE DIRECTOR OF OFFICE OF MANAGEMENT AND BUDGET OR HIS DESIGNEE, STATING THAT DIVOSTA HOMES, L.P. HAS DEFAULTED UNDER THE TERMS OF THE AFOREMENTIONED CONTRACT FOR CONSTRUCTION OF REQUIRED IMPROVEMENTS, AND THAT THE AMOUNT OF THE DRAFT REPRESENTS THE AMOUNT REQUIRED BY THE COUNTY TO FULFILL THE PERFORMANCE OF SAID CONTRACT FOR THE CONSTRUCTION OF REQUIRED IMPROVEMENTS. DRAFTS PRESENTED FOR PAYMENT UNDER THE CREDIT SHALL BE MARKED, "DRAWN ON IRREVOCABLE LETTER OF CREDIT NO. IS0504077U OF WELLS FARGO BANK, N.A."

THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT, OR CONTRACT REFERRED TO HEREIN OR IN WHICH THIS LETTER OF CREDIT IS REFERRED TO OR TO WHICH THIS LETTER OF CREDIT RELATES AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT, OR CONTRACT.

Together we'll go far



WE HEREBY AGREE WITH YOU THAT YOUR SIGHT DRAFT(S) AND LETTER AS MENTIONED ABOVE SHALL BE DULY HONORED AND PAYMENT MADE UPON DUE PRESENTATION AT OUR OFFICE LOCATED AT THE ABOVE ADDRESS OR BY FACSIMILE TRANSMISSION SPECIFIED BELOW ON OR BEFORE THE ABOVE STATED EXPIRY DATE, OR ANY EXTENDED EXPIRY DATE IF APPLICABLE.

PRESENTATION OF DRAWING DOCUMENTS IN COMPLIANCE WITH THIS LETTER OF CREDIT SHALL BE PRESENTED AT OUR OFFICE AT 794 DAVIS STREET, 2ND FLOOR, MAIL CODE A0283-023, SAN LEANDRO, CA 94577-6922, ATTENTION: STANDBY LETTER OF CREDIT DEPT. ON OR BEFORE THE EXPIRATION DATE. ALTERNATIVELY, DRAWINGS MAY ALSO BE PRESENTED TO US BY FACSIMILE TRANSMISSION TO FACSIMILE NUMBER 336-735-0952 (EACH SUCH DRAWING, A "FAX DRAWING"); PROVIDED, HOWEVER, THAT A FAX DRAWING WILL NOT BE EFFECTIVELY PRESENTED UNTIL YOU CONFIRM BY TELEPHONE OUR RECEIPT OF SUCH FAX DRAWING BY CALLING US AT TELEPHONE NUMBER 1-800-798-2815 OPTION 1. IF YOU PRESENT A FAX DRAWING UNDER THIS LETTER OF CREDIT YOU DO NOT NEED TO PRESENT THE ORIGINAL OF ANY DRAWING DOCUMENTS, AND IF WE RECEIVE ANY SUCH ORIGINAL DRAWING DOCUMENTS THEY WILL NOT BE EXAMINED BY US. IN THE EVENT OF A FULL OR FINAL DRAWING THE ORIGINAL STANDBY LETTER OF CREDIT MUST BE RETURNED TO US BY OVERNIGHT COURIER. ANY CHANGE IN FAX NUMBER, PHONE NUMBER, OR ADDRESS AFFECTING PRESENTATION, MUST BE PROVIDED IMMEDIATELY IN WRITING TO THE ATTENTION OF OFFICE OF MANAGEMENT AND BUDGET, AT BENEFICIARY'S ADDRESS.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO AND GOVERNED BY THE LAWS OF THE STATE OF FLORIDA AND THE INTERNATIONAL STANDBY PRACTICE 1998 INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 (ISP98) AND, IN THE EVENT OF ANY CONFLICT, THE JURISDICTION IS IN FLORIDA, AND THE LAWS OF THE STATE OF FLORIDA WILL CONTROL.

Very Truly Yours,

WELLS FARGO BANK, N.A.

By:


Authorized Signature

The original of the Letter of Credit contains an embossed seal over the Authorized Signature.

Please direct any written correspondence or inquiries regarding this Letter of Credit, always quoting our reference number, to **Wells Fargo Bank, National Association**, Attn: U.S. Standby Trade Services

at either 794 Davis Street, 2nd Floor
MAC A0283-023,
San Leandro, CA 94577-6922

or 401 N. Research Pkwy, 1st Floor
MAC D4004-017,
WINSTON-SALEM, NC 27101-4157

Phone inquiries regarding this credit should be directed to our Standby Customer Connection Professionals

1-800-798-2815 Option 1
(Hours of Operation: 8:00 a.m. PT to 5:00 p.m. PT)

1-800-776-3862 Option 2
(Hours of Operation: 8:00 a.m. EST to 5:30 p.m. EST)

