



IRREVOCABLE LETTER OF CREDIT NUMBER 9042815

June 17, 2014

Town of Vienna
127 Center Street, South
Vienna, VA 22180

Ladies and Gentlemen:

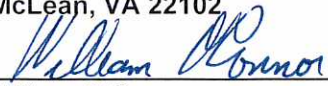
We hereby authorize the Town of Vienna, 127 Center Street, South, Vienna, VA 22180 to draw on us, Cardinal Bank for the account of Jerome A. Covell and Michael W. Covell of 224 Walnut Lane, Vienna, VA 22180 up to an aggregate amount of U.S. Dollars Five Hundred Thirty Five Thousand Two Hundred Sixty Two and 62/100 (\$535,262.62) available by your drafts at sight accompanied by certification of the Director of Public Works, that the developer failed to complete installation in accordance with a plan known as the Andrew Minor Final Plat. This Letter of Credit is irrevocable and unconditional.

We hereby further agree that:

- (a) Drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented at our office on or before June 17, 2015.
- (b) Funds available under this Letter of Credit shall be paid by us in such amounts and at such times as determined by the Director of Public Works, in his sole discretion, provided that the amount drawn shall not exceed the aggregate amount specified herein. Funds shall be remitted by electronic funds transfer for the benefit of the "Town of Vienna" in accordance with the delivery instructions accompanying your draft and notice of said transfer shall be simultaneously directed to the Finance Director.
- (c) We shall have no right, duty, obligation or responsibility to evaluate the performance or non-performance of the underlying contract between our customer and the beneficiary of this Letter of Credit.
- (d) We hereby agree that no change, extension of time, alteration or addition to work to be performed or to the plans and specifications relating to the same, shall in any way affect our obligations under this Letter of Credit, and we hereby waive notice of any such change, extension of time, alteration, or addition, on the understanding that no such change, extension of time, alteration, or addition shall increase the amount of our obligation under this Letter of Credit.
- (e) It is a condition of this Letter of Credit that it will be automatically extended for a period of one year from the extension date and on each successive expiration date with a maximum maturity date of five (5) years from issuance date unless thirty (30) days prior to an expiration date we notify the Director of Public Works, in writing by registered mail, that we elect not to renew this Letter of Credit for such additional period.

- (f) Upon receipt by you of such notice of non-renewal or in the event of a default, you may draw hereunder by means of your drafts on us, at sight accompanied by your written certification that you have not released liability under the aforesaid agreement or undertaking and the proceeds of your draft will be used by you to meet eventual payments under your agreement or until your undertaking is satisfied. You will refund to us the amount paid, less any amounts which may have been paid by you in the meantime under this agreement or undertaking. A default shall be deemed to have occurred on the part of the Developer whenever, in the sole judgment of the Director of Public Works, the Developer is not diligently and satisfactorily completing the improvement for which the Letter of Credit has been given as security or at the date the underlying agreement, or any extension thereof, expires.
- (g) If the issuer of this Letter of Credit becomes critically undercapitalized, as defined in the Code of Federal Regulations, or insolvent, as defined in any applicable federal or state statute or regulation, the Town of Vienna shall be immediately entitled to draw on this Letter of Credit. In such event, you may draw on this Letter of Credit by means of your drafts on us, at sight accompanied by certification of the Director of Public Works, that the issuer of this Letter of Credit has become critically undercapitalized, as defined in the Code of Federal Regulations, or insolvent, as defined in any applicable federal or state statute or regulation. The refund provisions of paragraph (f) above would also apply to a draft under this paragraph.
- (h) Except so far as otherwise expressly stated, this Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce in effect on the date of issuance. The amount of any draft drawn hereunder must be endorsed on the reverse side hereof. All drafts must be marked "Drawn under Cardinal Bank Letter of Credit Number 9042815 dated June 17, 2014."
- (i) Approval of this Letter of Credit by the County shall be deemed acceptance without further notice to the bank and/or the Developer.

Cardinal Bank
8270 Greensboro Drive, Suite 500
McLean, VA 22102


William O'Connor
Senior Vice President

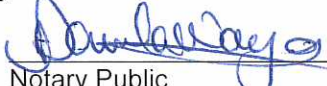
ACKNOWLEDGMENT

STATE OF Virginia
COUNTY/CITY OF Fairfax:

I, Daniela Wayer, a Notary Public in and for the State and County aforesaid, do hereby certify that William O'Connor, Senior Vice President whose name is signed to the foregoing, this day personally appeared before me in my State and County aforesaid and acknowledged the same.

Given under my hand this 20th day of June, 2014.

My commission expires: 05/31/2016
Registration Number: 7515113

 (SEAL)
Notary Public

