

APPLICATION AND AGREEMENT FOR
IRREVOCABLE STANDBY LETTER OF CREDIT

BRANCH BANKING AND TRUST COMPANY

LOUISVILLE KENTUCKY

DATE July 1, 2016

IRREVOCABLE STANDBY LETTER OF CREDIT

NO. 9580886423

Advise by ☒ Registered Mail
☐ Full details by SWIFT/Telex

The undersigned hereby requests that you issue an Irrevocable Standby Letter of Credit, as follows:

Such Letter of Credit to be in the form attached hereto as Exhibit A and incorporated herein by reference

Beneficiary: The Travelers Indemnity Company

Address: Attn: R. Thomas Coffey One Tower Square, 8 MN HARTFORD, CT 06183-0000

Applicant Board of Education of Jefferson County, Kentucky

Address: 3332 NEWBURG RD LOUISVILLE, KY40218-0000

Expiration Date: July 1, 2017

Currency and Amount \$4,000,000.00

Available by drafts, at sight unless otherwise stated:

drawn at your option on you or any of your correspondents, when accompanied by the following documents:

Drafts must be drawn and presented no later than 4:00 p.m. on July 1, 2017

A fee for this Credit is due and payable as long as this Credit remains open, as follows:

\$30,000.00 Origination fee to be paid at signing of loan documents and upon each renewal of this Credit (if applicable)

Special instructions and/or other conditions:

IRREVOCABLE STANDBY LETTER OF CREDIT AGREEMENT

In consideration of the issuance by the Bank of one or more irrevocable standby letters of credit in accordance with the Application, the Bank and the Applicant agree as follows with respect to each Credit issued:

1. DEFINITIONS:

- (a) "Adjusted LIBOR Rate" means a rate of interest per annum equal to the sum obtained by adding (i) the ☐ One Month LIBOR ☐ Three Month LIBOR plus (ii) _____ % per annum, which shall be adjusted [] monthly on the first day of each LIBOR Interest Period or [] quarterly on the first day of each LIBOR Interest Period. The One/Three Month LIBOR, as applicable, means the average rate (rounded upwards, if necessary, to the next higher _____ of 1.0%) quoted on Reuters Screen LIBOR01 Page (or such replacement page) on the determination date for deposits in U.S. Dollars offered in the London interbank market for one/three month(s), as applicable, determined as of 11:00am London time two (2) Business Days prior to the commencement of the applicable LIBOR Interest Period, provided that if the above method for determining LIBOR shall not be available, the rate quoted in *The Wall Street Journal* or a rate determined by a substitute method of determination agreed on by Applicant and Bank. LIBOR Interest Period means the period, as may be elected by the Borrower, commencing on the date the Application is first made and (i) if adjusted monthly, ending on the numerically corresponding day of each month thereafter or (ii) if adjusted quarterly, ending on the numerically corresponding day of each quarter thereafter; provided that:

(a) any LIBOR Interest Period which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such LIBOR Interest Period shall end on the next preceding Business Day; and

(b) any LIBOR Interest Period which begins on a day for which there is no numerically corresponding day in a subsequent month if adjusted monthly or in a subsequent quarter if adjusted quarterly, or which begins on the last Business Day of a month, shall end on the last Business Day of the appropriate subsequent month if adjusted monthly or quarter if adjusted quarterly.

- (b) "Agreement" means this Irrevocable Standby Letter of Credit Agreement, as amended from time to time.

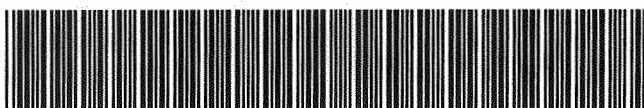
- (c) "Applicable Rate" means an interest rate per annum of or equal to ☐ _____ %; ☒ BB&T Prime Prime Rate plus 0.000 % adjusted Monthly, on the 1st _____; or ☐ the Adjusted LIBOR Rate plus _____ %. If checked here ☐ the interest rate will not exceed a fixed rate of _____ % and will not decrease below a minimum rate of _____ %.

- (d) "Applicant" means the undersigned.

- (e) "Application" means this Application by the Applicant for the issuance of irrevocable standby letters of credit, on the Bank's form as amended from time to time.

ACCOUNT# / NOTE#

9580886423 00001



- (f) "Bank" means Branch Banking and Trust Company, a North Carolina banking corporation, with its executive offices in Winston-Salem, North Carolina, and its successors and assigns.
- (g) "Beneficiary" means the entity designated on the Application as the Beneficiary.
- (h) "Clean Advances" means advances made pursuant to a Credit containing provisions for one or more payments by the Bank without the presentation of documents other than a draft or other simple demand for payment.
- (i) "Credit" means one or more irrevocable standby letters of credit, and any substitutions, extensions, and amendments thereof, issued by the Bank in accordance with the Application and Agreement, whereby the Bank acting at the request and on the instruction of the Applicant or on its own behalf
 - (i) is to make a payment to or to the order of a third party or to accept and pay drafts drawn by the Beneficiary, or authorizes another bank to effect such payment, or to accept and pay such drafts, or
 - (ii) authorizes another bank to negotiate drafts against stipulated documents, provided the terms and conditions contained herein are complied with, or
 - (iii) incurs a deferred payment undertaking.
- (j) "Default Rate" means a variable rate per annum equal to the Bank's announced Prime Rate plus 5.0%.
- (k) "Draft" means an instrument, whether negotiable or non-negotiable, that orders the payment of money.
- (l) "Expiry Date" or "Expiration Date" means the date specified in the Application as the last date on which drafts may be presented for payment under the Credit. If the Expiry Date is a bank holiday, the last date on which the draft may be presented is the first banking day following the holiday.
- (m) "Instrument" means any draft, bill of exchange, cable or written demand for payment.
- (n) "ISP98" means International Standby Practices (ISP 98), ICC Publication No. 590.
- (o) "Prime Rate" means the rate of interest per annum announced by the Bank from time to time as its Prime Rate, which is one of several rate indexes employed by the Bank when extending credit and may not necessarily be the Bank's lowest lending rate.
- (p) "Property" means goods and merchandise and all documents relative thereto, securities, funds, choses in action, and any other form of property, whether real, personal, or mixed, and all rights or interests therein.
- (q) "Security Agreement" means an agreement that creates a security interest in favor of the Bank.
- (r) "Uniform Commercial Code" or "UCC" means the Uniform Commercial Code as adopted in the State of Kentucky as amended from time to time.

Any capitalized terms herein that are not defined have the meanings ascribed to them in the UCC or the ISP98.

2. **UNITED STATES CURRENCY DRAFTS.** As to Instruments drawn or purporting to be drawn under the Credit which are payable in the United States currency; in the case of each sight draft, demand or receipt, Applicant shall pay immediately upon demand to Bank or to order, at any of the Bank's offices as may be designated by the Bank, in immediately available United States currency, the amount of each draft. Any amount not promptly paid by Applicant to reimburse Bank for any Instrument paid shall accrue interest at the Applicable Rate until payment in full is received, provided; however, that failure to immediately reimburse the Bank for any instrument, paid shall be a default under this Agreement and such amount shall, at the option of the Bank, accrue interest at the Default Rate, until paid in full.
3. **FOREIGN CURRENCY DRAFTS.** As to Instruments drawn or purporting to be drawn under the Credit which are payable in currency other than United States currency: (a) in the case of each sight draft, demand or receipt, Applicant shall immediately upon demand pay to Bank or to order, at any of the Bank's offices as may be designated by the Bank, in immediately available United States currency, the equivalent of the amount paid at the Bank's then current selling rate of exchange at a rate determined by the Bank in its sole discretion; for cable transfers to the place of payment in the currency in which such draft, demand or receipt is payable, with interest from the date of payment of the draft; and (b) in the case of each time instrument, Applicant shall on demand pay to Bank or to order in immediately available United States currency but in any event in sufficient time to allow payment to reach its destination not later than one (1) business day prior to maturity, the equivalent of the amount of the time instrument, in United States currency at the Bank's then current selling rate of exchange for cable transfers to the place of payment in the currency in which the time instrument is payable. If for any reason, there is no generally current rate of exchange for effecting cable transfers, the Applicant shall pay to Bank on demand an amount in United States currency equivalent to the actual cost to the Bank of settlement of the Bank's obligation to the holder of the Instruments, plus interest at the Applicable Rate from the date of settlement through the date of Applicant's payment. The Applicant shall comply with all governmental exchange regulations applicable to the Credit, Instrument, or payments made relative thereto, and shall pay to Bank on demand in United States currency such amount as the Bank may be required to expend on account of such regulations. Any amount not promptly paid by Applicant to reimburse Bank for any foreign currency draft paid shall accrue interest at the Applicable Rate until payment in full is received, provided, however, that failure to immediately reimburse the Bank for any foreign currency draft paid by the Bank shall be a default under this Agreement and such amount shall, at the option of the Bank, accrue interest at the Default Rate, until paid in full.
4. **CLEAN ADVANCES.** If the Applicant requests the issuance of a Credit containing provisions for Clean Advances, Bank may in its discretion include such provisions in the Credit as the Bank deems appropriate under which any bank entitled to negotiate drafts under the Credit may, upon the request in writing from the Beneficiary, make one or more Clean Advances on or prior to the Expiration Date. The aggregate of such advances shall not be more than the amount specified for Clean Advances in the Application, and in no event shall any advance exceed the amount remaining available under the Credit at the time of advance. Applicant shall on demand pay to the Bank or to order in immediately available United States Currency the amount of the Clean Advances with interest for the periods in which such amount is outstanding at a rate to be determined in the Bank's discretion. Neither the Bank nor any other bank shall have any liability for any wrongful use of the funds so advanced.
5. **EXPENSES/ATTORNEY'S FEES.** Applicant shall pay immediately upon demand, all charges and expenses, including reasonable attorney's fees for the enforcement of any of its rights hereunder, which may be paid or incurred by the Bank in connection with the Credit, together with interest thereon at the Applicable Rate where chargeable.
6. **PAYMENTS OF INSTRUMENTS.** The Bank may honor, accept, pay, or purchase any Instrument presented to it if such Instrument and the required documents are presented on or before the Expiration Date.
7. **DOCUMENTS.** Except as to instructions given by Applicant in writing in the Application expressly to the contrary prior to Bank's issuance of the Credit: (a) the Bank and its correspondents may receive and accept any documents issued or purporting to be issued by or on behalf of the Beneficiary; (b) the Bank and its correspondents may honor Drafts for partial payment; and (c) the Bank and any of its correspondents may honor any Instruments or other documents otherwise in order purportedly signed or issued by an administrator, executor, trustee in bankruptcy, debtor in possession, assignee for the benefit of creditors, liquidator, receiver or other legal representative of the party authorized under the Credit to draw or issue such Instruments or other documents.
8. **COLLATERAL SECURITY.** To secure the payment and performance of any and all obligations and liabilities of Applicant under this Agreement, and further to secure any and all other obligations and liabilities owed by Applicant to the Bank, absolute or contingent, due or to become due, now existing or hereafter arising (collectively, "Obligations"), Applicant hereby grants and conveys to the Bank a security interest and lien in the following described "Collateral": (a) shipping documents, warehouse receipts, policies or certificates of insurance and other documents accompanying or relative to Instruments drawn under the Credit; (b) all property shipped under or pursuant to or in connection with the Credit, or in any way relative to the Credit and to any of the Instruments drawn thereunder; (c) all property, including balances in all deposit accounts, of Applicant now or at any time in the Bank's possession or control, or that of a third party acting in the Bank's behalf, whether for the express purpose of being used by the Bank as collateral security or any other purpose, including such property as may be in transit by mail or carrier to or from the Bank; (d) the real property and improvements described in a Mortgage granted by _____ dated _____ recorded in the Public Records of _____ County, Kentucky; (e) Assignment of Life Insurance Policy dated _____ executed by _____; and (f) the proceeds of each and all of the foregoing. Applicant, upon Bank's demand, shall deliver, convey, transfer, or assign to Bank, as additional Collateral for the Obligations, additional property of a value and character satisfactory to the Bank, or to

make such cash payments as the Bank may require. The Bank may, but is not obligated to, transfer and register in the name of the Bank or its nominee all or any part of the Collateral, and to do so before or after the maturity of any of the Obligations with or without notice to Applicant. This Agreement shall constitute a Security Agreement under the UCC. Applicant shall execute such documents and/or security agreements deemed necessary or appropriate by the Bank to evidence and perfect its security interest. Applicant authorizes Bank to file any UCC Financing Statement it deems necessary to perfect its security interest in the Collateral.

9. **SETOFF.** Applicant authorizes the Bank, in the Bank's sole discretion, and whether or not the Collateral is deemed by the Bank to be adequate, to appropriate and apply upon any of the Obligations, whether or not then due, any and all moneys now or hereafter with the Bank on deposit or otherwise to the credit of or belonging to Applicant and to hold such moneys as security for the Obligations.
10. **DEFAULTS.** The following shall be Defaults under this Agreement: (a) failure to pay any of the Obligations when due, whether at maturity, by acceleration, or otherwise; (b) the occurrence of an Event of Default under any agreement relating to indebtedness for borrowed money with the Bank or any other lender (the effect of which is to cause or permit such indebtedness to become due prior to its stated maturity); (c) non-performance of any covenant or term contained in this Agreement or any other document executed in connection with the Obligations; (d) failure of any representation or warranty made by the Applicant herein or in any other Bank documentation executed by the Applicant to be true when made; (e) failure of Applicant with or without notice, to furnish satisfactory additional collateral or to make payments on account as agreed; (f) the death, suspension, dissolution or termination of existence of Applicant; (g) any petition in bankruptcy by or against Applicant, or any proceedings in bankruptcy, insolvency, or other laws relating to the relief of debtors, should be commenced for the relief or readjustment of any indebtedness of Applicant, either through reorganization, composition, extension or otherwise; (h) any assignment for the benefit of creditors; (i) the appointment of a receiver of any property of Applicant; and (j) the attachment or pledge by any mandatory order of court or other legal process of any funds or other property of Applicant which may be in the Bank's possession or control, or that of a third party acting in the Bank's behalf.
11. **REMEDIES.** Upon the occurrence of a Default, the Obligations shall, at the Bank's option, become due and payable immediately, and the Bank shall have the right to demand cash collateral in the full amount of the Obligations to secure the reimbursement obligations relating thereto, whereupon such amounts shall become immediately due and payable, in each such case without demand or notice, and the Bank shall have all of the rights and remedies available under the UCC, ISP98, and other applicable law. In addition, Applicant grants to Bank the power and authority to sell, assign, and deliver all or any of the Collateral at public or private sale, at the Bank's option either for cash or on credit or for future delivery, without assumption of any credit risk and without either demand, advertisement or notice of any kind, all of which are hereby expressly waived. At any sale, the Bank may, in its discretion, purchase the whole or any part of the property sold, free from any right of redemption on the part of the Applicant, all such rights being hereby expressly waived. Upon the sale or other disposition of any of the Collateral, after deducting all costs or expenses for care, safekeeping, collection, sale, delivery or otherwise, the Bank may apply the residue of the proceeds of the sale or other disposition thereof, to the payment or reduction, either in whole or part, or any of the Obligations, whether or not then due, making proper allowance for interest on the Obligations not then due, and return the surplus, if any, to Applicant or to the persons entitled thereto, all without prejudice to the Bank's right against Applicant with respect to Obligations which may remain unpaid. The expenses and attorney's fees incurred by the Bank in connection with the enforcement of its rights and remedies shall be paid by Applicant and shall be secured by the Collateral.
12. **EXCULPATION/INDEMNIFICATION.** Neither the Bank nor its correspondents shall be responsible for: (a) the use which may be made of the Credit or for any acts or omissions of the Beneficiary; (b) the existence, character, quantity, condition, packing, value or delivery of the property purporting to be represented by documents; (c) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any respect valid, insufficient, fraudulent or forged; (d) the time, place, manner or order in which shipment is made; (e) partial or incomplete shipment or omission to ship any of the property referred to in the Credit or in the Documents; (f) the character, adequacy, validity or genuineness of any insurance; (g) the solvency or responsibility of any insurer, or for any other risk connected with insurance; (h) any deviation from instructions, delay, default or fraud by the shipper or anyone else in connection with the property; (i) the solvency, responsibility or relationship to the property of any party issuing any documents in connection with the property; (j) the delay in arrival, or failure to arrive, of the property or any of the documents relating thereto; (k) the delay in giving, or failure to give, notice of arrival or any other notice; (l) any breach of contract between the shipper or vendor and the consignee or buyer; (m) the failure of any Instrument to bear any reference or adequate reference to the Credit, or the failure of documents to accompany any Instrument at negotiation, or the failure of any person to surrender or to take up the Credit, or to send forward documents apart from drafts as required by the terms of the Credit; (n) any errors, omissions, interruptions or delays in transmission or delivery of any messages by mail, cable, telegraph, wireless or otherwise; or (o) any act, error, neglect or default, omission, insolvency or failure in business of any of the Bank's correspondents. The happening of any one or more of the contingencies referred to in the preceding sentence shall not affect, impair or prevent the vesting of any of the Bank's rights or powers hereunder or the Applicant's obligations of reimbursement hereunder. Neither the Bank nor its correspondents shall be liable for any action, inaction or omission taken or suffered by the Bank, or by its correspondents, under or in connection with the Credit or the relative drafts, documents or property, if made in good faith, and in conformity with such foreign or domestic laws, customs or regulations as the Bank or its correspondents may deem to be applicable, and such action, inaction or omission shall be binding upon Applicant. Applicant indemnifies and holds the Bank harmless from all losses, costs, liabilities and damages which may be suffered by the Bank, including reasonable attorneys' fees, arising from or in connection with the Credit.
13. **AMENDMENT.** This Agreement may be modified only by written agreement between the Applicant and the Bank. The Credit may be modified upon request of the Applicant by written agreement between the Bank and the Beneficiary, and as permitted under the ISP98.
14. **ASSIGNMENT/TRANSFER.** The Bank may assign or transfer this Agreement, and any documents evidencing the Obligations, and may deliver the Collateral to the transferees, who thereupon shall become vested with all the powers and rights thereunder or in the documents transferred, and the Bank shall be forever relieved and fully discharged from any liability or responsibility with respect thereto; provided, however, the Bank shall retain all rights and power with respect to any and all documents, rights or property not so transferred.
15. **NO WAIVER.** No delay by Bank in exercising any of its rights and remedies, and no notice or demand, which may be given to or made upon Applicant by the Bank with respect to any right or remedy, shall constitute a waiver thereof, or limit or impair the Bank's right to take any action or to exercise any power of sale, or other rights or options, without notice or demand, or prejudice the Bank's rights as against Applicant in any respect.
16. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Kentucky. Any Credits issued by the Bank shall be governed by the terms and provisions of the Uniform Commercial Code and the terms and conditions of ISP98 or any subsequent revisions thereof, the terms of which are hereby incorporated by reference, unless expressly modified herein or excluded herefrom. In the case of conflict between the UCC and ISP98, the ISP98 shall control.
17. **USA PATRIOT ACT.** The Applicant hereby agrees to provide to the Bank the Applicant's legal name, address, tax identification number, and date of birth (if the Applicant is an individual), and any and all other information or documentation as requested by the Bank in order for the Bank to verify the identity of the Applicant in accordance with the USA Patriot Act.
18. **WAIVERS.** If the Applicant requests that: (a) documents be consigned directly to or in the name of Applicant, its broker, or any other third party; (b) negotiable documents be placed in the possession of the Applicant, its broker, or other third party; or (c) the Bank issue steamship or air releases or similar indemnity agreements or documents, the Applicant hereby authorizes the Bank to accept and pay any instruments drawn under such Credit, whether or not the documents as ultimately received are in compliance with the terms of such Credit. Applicant waives all defenses based upon any discrepancies in the documents and indemnifies and holds the Bank harmless from any liability, claims, damages, loss or expenses incurred in connection with any request made by Applicant under this paragraph. The Bank's rights and liens under this Agreement shall continue unimpaired, and Applicant shall remain obligated in accordance with this Agreement notwithstanding the release or substitution of any Collateral or of any rights or interests therein, or any delay, extension of time, renewal, compromise or other indulgence granted by the Bank relating to the Obligations, or any note, draft, bill of exchange or other Instrument given the Bank in connection with the Obligations. Applicant waives notice of any such delay, extension, release, substitution, renewal, compromise or other indulgence, and consents to be bound thereby as fully and effectively as if Applicant had expressly agreed thereto in advance.

19. FOREIGN ASSETS CONTROL REGULATIONS. Applicant represents and warrants that transactions in the merchandise covered by the Credit are not subject to the Foreign Assets Control Regulations ("FACR") issued by the United States Treasury Department and that any importation covered by this Application and Agreement conforms in every respect with all existing United States Government regulations and executive orders. Applicant acknowledges that if any Instrument is presented to the Bank under a Credit issued in connection with a transaction that is subject to any FACR, the Bank must establish a blocked account and deposit the payment into the blocked account. The payment by the Bank into a blocked account of any Draft drawn under a Credit issued in connection with a transaction subject to a FACR shall relieve the Bank from its obligations under the Credit. Applicant hereby indemnifies and holds the Bank harmless from losses, costs, damages, fines and penalties, including reasonable attorneys' fees, incurred by the Bank in connection with any Credit which supports a transaction subject to any FACR.
20. **WAIVER OF TRIAL BY JURY. UNLESS EXPRESSLY PROHIBITED BY APPLICABLE LAW, THE UNDERSIGNED HEREBY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY MATTERS OR CLAIMS ARISING OUT OF THIS AGREEMENT OR ANY LOAN DOCUMENT EXECUTED IN CONNECTION HEREWITH OR OUT OF THE CONDUCT OF THE RELATIONSHIP BETWEEN THE UNDERSIGNED AND BANK. THIS PROVISION IS A MATERIAL INDUCEMENT FOR BANK TO MAKE THE LOAN EVIDENCED BY THIS AGREEMENT. FURTHER, THE UNDERSIGNED HEREBY CERTIFY THAT NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT BANK WOULD NOT SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION IN THE EVENT OF LITIGATION. NO REPRESENTATIVE OR AGENT OF BANK, NOR BANK'S COUNSEL, HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.**
21. MISCELLANEOUS. This Agreement shall be binding upon Applicant, the heirs, executors, administrators, successors and assigns of Applicant, and shall inure to the benefit of, and be enforceable by the Bank, its successors, transferees and assigns. If this Agreement is terminated or revoked by operation of law as to Applicant, Applicant will indemnify and save the Bank harmless from any loss which may be incurred by the Bank in acting hereunder prior to the Bank's receipt of written notice of such termination or revocation; provided however Bank shall have a reasonable period of time to effect such termination or revocation of the Credit. If this Agreement is executed by two or more parties, they shall be jointly and severally liable, and the word "undersigned" shall be construed to refer to each of such parties in all the same manner and with the same effect as if each of them had signed separate Agreements. This Agreement shall not be revoked or impaired as to any one or more of the parties by the death of any of the others, or by revocation or release of any obligations of any one or more of the parties.

If Applicant is a Corporation:

WITNESS:

(Print Name)

(Print Name)

NAME OF CORPORATION

By:

(Print Name)

Title

By:

(Print Name)

Title

If Applicant is a Partnership, Limited Liability Company, Limited Liability Partnership or Limited Liability Limited Partnership:

WITNESS:

(Print Name)

(Print Name)

(Print Name)

Board of Education of Jefferson County, Kentucky

NAME OF PARTNERSHIP, LLC, LLP, OR LLLP

By:

(Print Name)

Title:

By:

(Print Name)

Title:

By:

(Print Name)

Title:

If Applicant is an Individual:

WITNESS:

(Print Name)

(Print Name)

BRANCH BANKING AND TRUST COMPANY

By:

Title:

Notary Acknowledgements for BB&T
Application and Agreement for
Irrevocable Standby Letter of Credit

COMMONWEALTH OF KENTUCKY
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20____,
by _____.

Notary Public, _____
My commission expires: _____

Exhibit A

FOR INTERNAL IDENTIFICATION
PURPOSES ONLY

Applicant _____

IRREVOCABLE LETTER OF CREDIT NO. 9580886423-00001
Board of Education of Jefferson County, Kentucky

TO: The Travelers Indemnity Company (Beneficiary)
Credit Risk Management
Attn: R. Thomas Coffey
One Tower Square, 8 MN
Hartford, CT 06183

We hereby establish this clean irrevocable Letter of Credit in favor of the aforesaid addressee ("Beneficiary") for drawings up to United States \$4,000,000.00 effective immediately. This Letter of Credit is issued, presentable and payable at our office at 401 West Main Street, Louisville, KY 40202 and expires with our close of business on July 1, 2017. After the Letter of Credit has been issued, it cannot be revoked or reduced without the consent of the Beneficiary.

The term "Beneficiary" includes any successor by operation of law of the named Beneficiary including, without limitation, any liquidator, rehabilitator, receiver or conservator.

We hereby undertake to promptly honor your sight draft(s) drawn on us, indicating our Credit No. 9580886423-00001, for all or any part of this Credit if presented at our office specified in paragraph one on or before the expiry date or any automatically extended expiry date. If you so choose, you will be able to draw on this Letter of Credit more than once, so long as the sum of the amounts which you have drawn does not exceed the full amount of the Letter of Credit. Any charges due and owing to the issuing bank from the account party or any other person or to the account party or any other person from the issuing bank may not be collected or deducted from the proceeds of the Letter of Credit.

This Letter of Credit sets forth in full the terms of our undertaking, and such undertaking shall not in any way be modified, amended or amplified by reference to any note, document, instrument or agreement 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 be incorporated herein by reference. The obligation of Branch Banking & Trust Company under this Letter of Credit is the individual obligation of Branch Banking & Trust Company, and is in no way contingent upon reimbursement with respect thereto.

It is a condition of this Letter of Credit that it is deemed to be automatically extended without amendment for one year from the expiry date hereof, or any future expiration date, unless 90 days prior to any expiration date we notify you by registered mail that we elect not to consider this Letter of Credit renewed for any such additional period. In that event, you may draw hereunder on or prior to the then relevant expiration date, up to the

full amount then available hereunder, against your sight draft(s) on us, bearing the number of this Letter of Credit.

This Letter of Credit is subject to and governed by the Laws of the State of Connecticut and the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce (Publication No. 600) and, in the event of any conflict, the Laws of the State of Connecticut will control. If this Credit expires during an interruption of business as described in Article 36 of said Publication 600, the bank hereby specifically agrees to effect payment if this Credit is drawn against within 30 days after the resumption of business.

Very truly yours,

Randy O. Spaw, Sr. Vice President
Branch Banking & Trust Company