



U.S. BANK NATIONAL ASSOCIATION
GLOBAL DOCUMENTARY SERVICES, BC-MN-H20G
800 NICOLLET MALL
MINNEAPOLIS, MN 55402

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IRREVOCABLE STANDBY LETTER OF CREDIT NO. SLCMSP002068

FEBRUARY 24, 2022

BENEFICIARY:
CITY OF LEE'S SUMMIT
FINANCE DEPARTMENT
ATTN: BETTE WORDELMAN, FINANCE DIRECTOR
220 SE GREEN STREET
LEE'S SUMMIT, MO 64063

APPLICANT/OBLIGEE:
CLAYTON PROPERTIES GROUP, INC. DBA SUMMIT HOMES
120 SE 30TH ST
LEE'S SUMMIT, MO 64082

AMOUNT: \$153,472.00

EXPIRATION DATE: FEBRUARY 15, 2023, OR AS EXTENDED

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT ("LETTER OF CREDIT") IN YOUR FAVOR FOR THE ACCOUNT OF CLAYTON PROPERTIES GROUP, INC. DBA SUMMIT HOMES, 120 SE 30TH ST, LEE'S SUMMIT, MO 64082 ("OBLIGEE") FOR A MAXIMUM AGGREGATE AMOUNT NOT EXCEEDING ONE HUNDRED FIFTY-THREE THOUSAND FOUR HUNDRED SEVENTY-TWO AND 00/100 U.S. DOLLARS (\$153,472.00) REPRESENTING THE FOLLOWING:

COMPLETION OF WORK RELATED TO HIGHLAND MEADOWS 6TH PLAT ("IMPROVEMENTS") REQUIRED FOR HIGHLAND MEADOWS 6TH PLAT - CURBS, GUTTERS, SIDEWALK, DRIVES, STREET SIGNAGE ("PROJECT") AND ACCORDING TO ENGINEERING COST ESTIMATE.

THE CITY MAY DRAW UPON THIS LETTER OF CREDIT UPON WRITTEN NOTIFICATION TO THE BANK THAT THE OBLIGEE HAS DEFAULTED IN ITS OBLIGATION TO THE CITY TO CONSTRUCT, INSTALL AND / OR COMPLETE THE DEVELOPMENT RELATED IMPROVEMENTS REQUIRED FOR THE PROJECT BY FEBRUARY 15, 2023 ("INITIAL EXPIRATION DATE") OR IF THE OBLIGEE HAS FAILED TO POST A NEW LETTER OF CREDIT OR OTHER SUFFICIENT SECURITY APPROVED BY THE CITY'S DIRECTOR OF FINANCE, PRIOR TO INITIAL EXPIRATION DATE, SECURING THE CONSTRUCTION, INSTALLATION AND / OR COMPLETION OF THE IMPROVEMENTS.

THIS LETTER OF CREDIT MAY BE DRAWN UPON, AT THE ELECTION OF THE CITY (I) BY PHYSICAL PRESENTATION OF THE LETTER BY THE CITY TO U.S. BANK NATIONAL ASSOCIATION, 800 NICOLLET MALL, MINNEAPOLIS, MN 55402, ATTN: GLOBAL DOCUMENTARY SERVICES, BC-MN-H20G, OR (II) BY MAILING THE LETTER OF CREDIT AND APPROPRIATE DOCUMENTATION BY U.S. MAIL OR BY COURIER SERVICE TO THE LOCATION SPECIFIED ABOVE.

THE WRITTEN NOTIFICATION SHALL BE ON OFFICIAL CITY LETTERHEAD, SIGNED BY THE CITY MANAGER, THE CITY'S FINANCE DIRECTOR, OR OTHER AUTHORIZED OFFICIAL OF THE CITY. THE AMOUNT OF THE LETTER OF CREDIT SHALL BE REDUCED AUTOMATICALLY BY THE AMOUNT OF ANY DRAW HEREUNDER. A COPY OF THIS LETTER OF CREDIT (AND ANY AMENDMENTS) MUST ACCOMPANY ANY PRESENTED DOCUMENTS.



WE HEREBY AGREE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE DULY HONORED UPON THE PRESENTATION AND DELIVERY OF DOCUMENTS AS SPECIFIED TO US AT THE ADDRESS SPECIFIED ABOVE, NO LATER THAN THE INITIAL EXPIRATION DATE, OR AS EXTENDED.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE INITIAL EXPIRATION DATE HEREOF, UNLESS AT LEAST 60 DAYS PRIOR TO SUCH DATE, WE SHALL SEND YOU WRITTEN NOTICE, VIA CERTIFIED MAIL OR OVERNIGHT COURIER, THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT EXTENDED FOR SUCH ADDITIONAL ONE-YEAR PERIOD. THE EXPIRATION DATE IS NOT SUBJECT TO AUTOMATIC EXTENSION BEYOND FEBRUARY 15, 2033, AND ANY PENDING AUTOMATIC ONE-YEAR EXTENSION SHALL BE INEFFECTIVE BEYOND THAT DATE.

THIS LETTER OF CREDIT MAY BE CANCELLED PRIOR TO EXPIRY IF THE BENEFICIARY RETURNS THIS ORIGINAL LETTER OF CREDIT, AND ANY AMENDMENTS, TO THE ISSUING BANK, FOR CANCELLATION WITH A STATEMENT ADDRESSED TO U.S. BANK NATIONAL ASSOCIATION SIGNED BY THE BENEFICIARY (ORIGINAL SIGNATURE REQUIRED) STATING THAT THE LETTER OF CREDIT IS NO LONGER REQUIRED AND IS BEING RETURNED TO THE ISSUING BANK FOR CANCELLATION.

THE AMOUNT AVAILABLE UNDER THIS STANDBY SHALL BE AUTOMATICALLY REDUCED IN ACCORDANCE WITH THE TERMS OF BENEFICIARY'S REDUCTION DEMAND(S) IN THE FORM OF THE ANNEXED REDUCTION DEMAND COMPLETED AS INDICATED AND PRESENTED TO ISSUER AT THE ABOVE-STATED PLACE FOR PRESENTATION.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION) FOR THE INTERNATIONAL CHAMBER OF COMMERCE, ICC PUBLICATION NO. 600, AND TO THE EXTENT NOT INCONSISTENT THEREWITH THE LAWS OF THE STATE OF MISSOURI, INCLUDING WITHOUT LIMITATION THE UNIFORM COMMERCIAL CODE IN EFFECT THEREIN.

WE SHALL NOT BE LIABLE FOR ANY DELAY, NON-RETURN OF DOCUMENTS, NON-PAYMENT, OR OTHER ACTION OR INACTION COMPELLED BY A JUDICIAL ORDER OR BY ANY LAW OR REGULATION APPLICABLE TO US.

U.S. BANK NATIONAL ASSOCIATION



AUTHORIZED SIGNATURE



ANNEXED REDUCTION DEMAND

[INSERT DATE]

TO: U.S. BANK NATIONAL ASSOCIATION
800 NICOLLET MALL
MINNEAPOLIS, MN 55402
ATTN: GLOBAL DOCUMENTARY SERVICES, BC-MN-H20G

RE: STANDBY LETTER OF CREDIT NO. SLCMSP002068, DATED FEBRUARY 24, 2022, ISSUED BY U.S. BANK NATIONAL ASSOCIATION ("STANDBY")

THE UNDERSIGNED BENEFICIARY DEMANDS REDUCTION OF THE AMOUNT AVAILABLE UNDER THE STANDBY TO THE MAXIMUM AGGREGATE OF [INSERT CURRENCY/AMOUNT].

BENEFICIARY STATES THAT THIS DEMAND FOR REDUCTION IS BASED ON BENEFICIARY'S DETERMINATION REGARDING THE MAXIMUM AMOUNT OF STANDBY SUPPORT REQUIRED TO BE PROVIDED TO BENEFICIARY BY APPLICANT.

BENEFICIARY'S DEMAND AND STATEMENTS ARE MADE AS OF THE DATE HEREOF.

[BENEFICIARY'S NAME AND ADDRESS]

BY ITS AUTHORIZED OFFICER:

[INSERT ORIGINAL SIGNATURE]

[INSERT TYPED/PRINTED NAME AND TITLE]