

## IRREVOCABLE LETTER OF CREDIT

**Borrower:** Advanced Roofing Inc  
PO Box 3314  
Kalispell, MT 59903

**Lender:** Three Rivers Bank of Montana  
Three Rivers Bank - Idaho Location  
233 E. Idaho  
P.O.Box 7250  
Kalispell, MT 59901  
(406) 755-4271

**Beneficiary:** Bigfork School District #38  
Bigfork, MT 59911

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**NO.: 20230518**

**EXPIRATION DATE.** This letter of credit shall expire upon the close of business on 09-30-2023 and all drafts and accompanying statements or documents must be presented to Lender on or before that time (the "Expiration Date").

**AMOUNT OF CREDIT.** Lender hereby establishes at the request and for the account of Borrower, an Irrevocable Letter of Credit in favor of Beneficiary for a sum of Three Hundred Forty-six Thousand Five Hundred Seventy-nine & 79/100 Dollars (\$346,579.79) (the "Letter of Credit"). These funds shall be made available to Beneficiary upon Lender's receipt from Beneficiary of sight drafts drawn on Lender at Lender's address indicated above (or other such address that Lender may provide Beneficiary in writing) during regular business hours and accompanied by the signed written statements or documents indicated below.

**WARNING TO BENEFICIARY: PLEASE EXAMINE THIS LETTER OF CREDIT AT ONCE. IF YOU FEEL UNABLE TO MEET ANY OF ITS REQUIREMENTS, EITHER SINGLY OR TOGETHER, YOU SHOULD CONTACT BORROWER IMMEDIATELY TO SEE IF THE LETTER OF CREDIT CAN BE AMENDED. OTHERWISE, YOU WILL RISK LOSING PAYMENT UNDER THIS LETTER OF CREDIT FOR FAILURE TO COMPLY STRICTLY WITH ITS TERMS AS WRITTEN.**

**DRAFT TERMS AND CONDITIONS.** Lender shall honor drafts submitted by Beneficiary under the following terms and conditions: Letter of Credit to: Advanced Roofing LLC for the benefit of Bigfork School District #38 Draft(s) drawn in conformity with the conditions of the credit will be honored by us if presented at our office at 233 East Idaho, Kalispell, MT 59901 on or before 1:00p.m. Mountain Standard Time on August 30, 2023. This letter of credit will be automatically extended without amendment for the term of the contract. Upon receipt of such notice, you may immediately draw upon this Letter of Credit #20230518 by means of your sight draft and referencing our Letter of Credit number.

Upon Lender's honor of such drafts, Lender shall be fully discharged of Lender's obligations under this Letter of Credit and shall not be obligated to make any further payments under this Letter of Credit once the full amount of credit available under this Letter of Credit has been drawn.

Beneficiary shall have no recourse against Lender for any amount paid under this Letter of Credit once Lender has honored any draft or other document which complies strictly with this Letter of Credit, and which on its face appears otherwise in order but which is signed, issued, or presented by a party or under the name of a party purporting to act for Beneficiary, purporting to claim through Beneficiary, or posing as Beneficiary without Beneficiary's authorization. By paying an amount demanded in accordance with this Letter of Credit, Lender makes no representation as to the correctness of the amount demanded and Lender shall not be liable to Beneficiary, or any other person, for any amount paid or disbursed for any reason whatsoever, including, without limitation, any nonapplication or misapplication by Beneficiary of the proceeds of such payment. By presenting upon Lender or a confirming bank, Beneficiary certifies that Beneficiary has not and will not present upon the other, unless and until Beneficiary meets with dishonor. Beneficiary promises to return to Lender any funds received by Beneficiary in excess of the Letter of Credit's maximum drawing amount.

**USE RESTRICTIONS.** All drafts must be marked "DRAWN UNDER Three Rivers Bank of Montana IRREVOCABLE LETTER OF CREDIT NO. 20230518 DATED 05-18-2023," and the amount of each draft shall be marked on the draft. Only Beneficiary or Beneficiary's transferee may complete a draft and accompanying statements or documents required by this Letter of Credit and make a draw under this Letter of Credit. This original Letter of Credit must accompany any draft drawn hereunder.

Partial draws are permitted under this Letter of Credit. Lender's honor of a partial draw shall correspondingly reduce the amount of credit available under this Letter of Credit. Following a partial draw, Lender shall return this original Letter of Credit to Beneficiary with the partial draw noted hereon; in the alternative, and in its sole discretion, Lender may issue a substitute Letter of Credit to Beneficiary in the amount shown above, less any partial draw(s).

**PERMITTED TRANSFEREES.** This Letter of Credit may be transferred by Beneficiary upon prior written notice to Lender of the transfer. The transferee shall be deemed the new Beneficiary of this Letter of Credit and the documents of the transferee, including drafts required under this Letter of Credit, will be processed by Lender (or any intermediary) without the original Beneficiary's intervention and without any further obligation of Lender to the original Beneficiary.

**TRANSFEREES REQUIRED DOCUMENTS.** When the presenter is a permitted transferee under the "Permitted Transferees" paragraph above (the "Permitted Transferee"), the documents required for a draw shall include all documents required elsewhere in this Letter of Credit, except that such documents may be in the name of and executed by either the original Beneficiary or the presenter permitted by the "Permitted Transferees" paragraph above.

**COMPLIANCE BURDEN.** Lender is not responsible for any impossibility or other difficulty in achieving strict compliance with the requirements of this Letter of Credit precisely as written. Beneficiary understands and acknowledges: (i) that unless and until the present wording of this Letter of Credit is amended with Lender's prior written consent, the burden of complying strictly with such wording remains solely upon Beneficiary, and (ii) that Lender is relying upon the lack of such amendment as constituting Beneficiary's initial and continued approval of such wording.

**NON-SEVERABILITY.** If any aspect of this Letter of Credit is ever declared unenforceable for any reason by any court or governmental body having jurisdiction, Lender's entire engagement under this Letter of Credit shall be deemed null and void ab initio, and both Lender and Beneficiary shall be restored to the position each would have occupied with all rights available as though this Letter of Credit had never occurred. This non-severability provision shall override all other provisions in this Letter of Credit, no matter where such provision appears within this Letter of Credit.

**GOVERNING LAW.** This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Montana without regard to its conflicts of law provisions, and except to the extent such laws are inconsistent with the 2007 Revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce, ICC Publication No. 600. This Agreement has been accepted by Lender in the State of Montana.

**EXPIRATION.** Lender hereby agrees with Beneficiary that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to Lender on or before the Expiration Date unless otherwise provided for above.

**IRREVOCABLE LETTER OF CREDIT  
(Continued)**


**Loan No: 20230518**

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**Dated: May 18, 2023**

**LENDER:**

**THREE RIVERS BANK OF MONTANA**

By:  5/19/2023 | 8:14 AM MDT  
Joel Rosenberg, Senior Vice President Commercial  
Portfolio

**ENDORSEMENT OF DRAFTS DRAWN:**

<u>Date</u>	<u>Negotiated By</u>	<u>Amount in Words</u>	<u>Amount in Figures</u>
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Advanced Roofing, Inc.  
P.O. Box 3314  
Kalispell, MT 59903

# Invoice

Date	Invoice #
5/19/2023	3202

Bill To
Bigfork School District #38 600 Commerce St Bigfork, MT 59911

Project
Elementary Hail Re-roof

Terms
Due on receipt

Description	Amount
Invoice represents 50% of proposal price plus price of letter of credit, to cover the cost of materials	178,489.90
Thank you for your business.	<b>Total</b> \$178,489.90