ESCROW AGREEMENT
(Contracts in excess of $100,000.00)

This Escrow Agreement is made this _______ day of ________, 2009 between Monroe County Community School Corporation (The Owner), CDI, Inc. (The Contractor), and Old National Trust (The Escrow Agent).

Concurrently herewith, the Owner and the Contractor have entered into a Construction contract which is in excess of $100,000.00 dated December 9, 2008 covering the Project Number 938, which is by this reference incorporated herein. Pursuant to the provisions of IC 36-1-12-14, the parties agree as follows:

1.) To the extent that the Owner retains funds out of the payments applied for by the Contractor under the provisions of the Construction Contract providing payments based on the value of the Work in place and the materials stored, the Owner shall place the funds so retained in an escrow account(s). This Escrow Agreement shall have no application to payments withheld by the Owner pursuant to provisions of the Construction Contract or otherwise, which are intended to protect the Owner from loss on account of: Defective work not remedied; claims filed on reasonable evidence; failure of the Contractor to make payments when due to subcontractors, or for material or labor; reasonable doubt that the contract can be completed for the balance then unpaid; damage to another Contractor; failure or refusal of the Contractor to prosecute the Work in strict compliance with applicable progress schedules; any similar provisions; or for any other reason described in the General Conditions or other contract provisions between the Owner and Contractor. Additionally, this Escrow Agreement shall not be construed as a waiver of Owner’s rights to said deposited funds as security or payment for damages which might become due Owner from Contractor under the terms of said Construction Contract.

2.) The Escrow Agent shall promptly invest all escrowed principal in obligations selected by the escrow agent, the maturity of which shall not exceed the duration of the contract or a Repurchase Agreement with a national bank. Any such Repurchase Agreement shall be collateralized by U.S. government securities. The selection of the investment shall be made by the Escrow Agent in its discretion.

3.) The income from and earnings on and all gains derived from the investment and reinvestment of the funds (escrow income) shall be held in the escrow account(s). The Escrow Agent shall deposit all funds and hold all investments in a separate escrow fund so that a quarterly accounting can be made to the Contractor of all deposits and investments made in such fund.
4.) The Escrow Agent may commingle the escrow funds with other escrow funds or invested construction funds held by it pursuant to other escrow agreements or trust instruments to which Owner or Contractor are parties. To expedite the handling of the investments and reinvestments of the escrow funds, the Escrow Agent may cause all savings accounts, securities, obligations and investments (other than bearer instruments) to be registered in its own name, or in the name of its nominees, or in such form that title may pass by delivery.

5.) The Escrow Agent shall hold all of the escrow funds and shall release the principal thereof only upon the execution and delivery to it of an escrow release executed by the Owner and by the Contractor specifying the portion or portions of the principal of the escrow funds to be released and the person or persons to whom such portions are to be released. Such release of escrow funds shall be no more than thirty (30) days from date of receipt by the Escrow Agent of the release executed by the Owner and Contractor. No income earned on the escrow funds shall be released until the final withdrawal of principal.

6.) The Escrow Agent shall be compensated for its services from funds deposited to the Escrow Account.

CDI, Inc.
Contractor

By Rick J. Harruff, President

Old National Trust
Escrrow Agent

By (Trust Officer’s Signature)

David R. Crow
(Trust Officer’s Printed Name)

One Main St., P.O. Box 966
Address

Evansville, IN 47708

Monroe County Community School Corporation
Owner

812-465-0616
Telephone Number

By:
OLD NATIONAL TRUST

Corporate Trust Services
One Main Street | P.O. Box 966 | Evansville, IN 47708
Tel. (812) 465-0616 | Fax (812) 464-1560 | Toll Free (800) 830-0362

RE: CDI INC AND MONROE COUNTY COMMUNITY SCHOOL
BINFORD ELEMENTARY SCHOOL RENOVATIONS PROJECT

Escrow agent fee

Escrow fee (one-time) $ 50.00

Transaction Activity Fee

Included in the Administrative Fee:

A fund assessment of $.30 per $1,000.00 is charged for funds invested in the short-term money market fund chosen by our investment section.

Respectfully Submitted By: OLD NATIONAL TRUST COMPANY

Dated: JANUARY 6, 2009
David R Crow
Vice President
Corporate Trust Manager

All out-of-pocket expenses deemed necessary and incurred in the acceptance or the administration of these accounts by Old National Trust Company, including but not limited to attorneys' and agents' fees, extra-ordinary time and expenses of Old National Trust Company, postage, wire transfer fees, travel, and redemption expenses, are to be reimbursed in addition to payment for services rendered. Old National Trust Company reserves the right to amend this proposal if our underlying assumptions are incorrect, and, although not anticipated, also reserves the right to increase fees as the cost of doing business increases.