ESCROW AGREEMENT

THIS ESCROW AGREEMENT made and entered into by and between KeyBank (herein called “Escrow Agent”), Monroe County Community School Corporation (herein called “Owner”) and Ryan Fire Protection, Inc. (herein called “Contractor”).

WHEREAS, the Owner and the Contractor have entered into a Contract (“the Contract”) dated January 20, 2009, in the amount of $177,920.00 for the project known as Fairview Elementary School, providing for the construction by the Contractor of a public work subject to provisions of Indiana code: IC 36-1-12; and

WHEREAS, said Construction Contract provides that portions of payments by Owner to Contractor shall be retained by owner (said payments herein referred to as “retainage”) and;

NOW THEREFORE, it is agreed as follows:
1. Owner will hereafter deliver or cause to be delivered to Escrow Agent the retainage under the Contract to be held in accordance with the terms of this Agreement.
2. Escrow Agent shall invest and reinvest all escrowed principal and income therefrom in any obligation eligible generally under the laws of the State of Indiana for investment of funds held by Trustees. In making such investments, the escrow Agent shall take into account any information supplied by Contractor or Owner concerning the time or times when such Escrow Principal and income will be paid out on the funds consistent with security of the fund and the period of investment. For purposes of this escrow Agreement, the Escrow Agent is hereby directed to invest all monies hereunder in its Keybank Treasury Funds, the assets if which are obligations of or guaranteed by the United States of America and which funds are rated “A” or “AmG” or higher by Standard & Poor’s Corporation.
3. The Escrow Agent shall hold the escrowed principal and income until receipt of notice from the Owner and the Contractor, specifying the part of the escrowed principal and/or income to be released from escrow and the person to whom that portion is to be released. After receipt of the notice, the Escrow Agent shall remit the designated part of escrowed principal and/or income.
4. In the absence of the above-stated joint written authorization for release of escrowed funds, the Escrow Agent shall pay over to the Owner the net sum held by it pursuant to this Agreement upon receiving from the Owner a copy of a written Notice of Termination showing that the owner has terminated the employment of the Contractor.
5. In the absence of such a joint written authorization and in the absence of the termination of the Contractor as provided above, then, disbursements by one Escrow Agent shall be made in a manner directed by a certified copy of a judgment of a court of record establishing the rights of the parties to said funds.
6. This Escrow Agreement shall constitute the direction from the Owner and Contractor to the Escrow Agent of the manner in which the retainage is to be paid to the Escrow Agent, and to be paid by the Escrow Agent, pursuant to Indiana Code.
7. The retainage to be held pursuant to this Escrow Agreement shall consist of:
   Ten percent (10%) of the dollar value of the work satisfactory completed up to Fifty percent (50%) completion.
8. This agreement and anything done or performed hereunder by either the Contractor or Owner shall not be construed to prejudice or limit the claims which either party may have against other arising out of the aforementioned construction agreement.
9. This agreement constitutes the entire understanding between the parties regarding the deposit of Retainage in escrow and the duties of the Escrow Agent with respect to the investment and payment of Escrow Principal and Escrow Income. This Agreement, however, is not a part of the Contract and nothing done or performed hereunder by any party shall be construed to prejudice or limit any rights which either party may have against the other party arising out of the Contract.

10. The Escrow Agent shall not be liable to the Owner or the Contractor for any loss or damage not caused by the gross negligence or willful misconduct of the Escrow Agent.

11. The duties and liabilities of the Escrow Agent shall be determined solely by the express provisions of this Agreement, and the Escrow Agent shall not be bound in any way by any other agreement, including without limitation, the contract listed above. Owner and Contractor will jointly and severally indemnify and hold the Escrow Agent harmless from and against any and all loss, liability and expense (including interest, penalties and reasonable attorney’s fees) which may arise out of any action taken or omitted by the Escrow Agent in accordance with this Agreement.

12. Agent herein may resign by giving thirty (30) days’ notice in writing to all parties in the agreement. Upon receipt of notice from all parties of the succeeding Escrow Agent, escrowed funds, less fees due, will be forwarded to such successor agent. In the event sixty (60) days’ elapse from the date of Agent’s notice of resignation, and no successor is appointed, Escrow Agent will forward to the Owner the balance in the account.

13. This Escrow Agreement shall be construed by the laws of the State of Indiana.
ESCROW AGENT
KeyBank, Indiana

By: [Signature]

Dated: 2/12/09

Address: 10 W. Market Street
Indianapolis, IN 46204

OWNER
Monroe County Community School Corporation

By: [Signature]

Signed: [Signature]

Dated: [Signature]

Address: MCCSC Business Office
315 North Drive
Bloomington, IN 47401

CONTRACTOR
Ryan Fireprotection, Inc.

By: [Signature]

James Art – Chief Financial Officer

Dated: 2/10/09

Address: 9740 East 148th Street
Noblesville, IN 46060

PROJECT: Fairview Elementary School

ADDRESS: MCCSC Business Office
ATTN: Timothy Thrasher
315 North Drive
Bloomington, IN 47401

Please reference the following account number on all deposits and inquiries:

359683013817