Public Contract
Retainage Escrow Agreement

THIS Escrow Agreement made and entered into this 6th day of April, 2009

By and between, Monroe County Community School Corporation, ("Owner"), Dalmatian Fire, Inc. ("contractor"), and Chase Bank, NA, as Escrow Agent("Agent") witnesseth:

WHEREAS, Owner and Contractor entered into a contract dated April 6, 2009,

provided for the construction by Contractor of a public building, work of improvement subject to the provisions of I.C. 36-1-12-14 (Bid Package 8 – Fire Sprinkler System at Hoosier Hills Career Center).

WHEREAS, pursuant to said statute, said construction contract provides that portions of payments by Owner to Contractor shall be retained by Owner (the “Retainage”) and placed in an escrow account;

NOW, THEREFORE, it is agreed as follows:

1. Owner will hereinafter deliver or cause to be delivered to Agent the Retainage, to be held in escrow in accordance with the terms of this agreement.

2. Agent shall promptly deposit the retainage in a separate account designating the names of Owner and Contractor; however, Agent is expressly authorized to commingle the Retainage with other funds held by the Agent for investment purposes.

Agent shall invest all cash proceeds held pursuant to this Agreement in any short-term or money market fund available to such accounts through Agent’s corporate affiliates and which are covered prudent to safeguard principal, to earn reasonable interest and make funds available within a reasonable time for distribution when required. Agent shall in its sole discretion vote any and all shareholder proxies which may be solicited from time to time in connection with such investment.

3. Agent shall hold the escrowed principal until receipt of written authorization from Owner specifying the portion or portions of the escrowed funds to be released from the escrow to Contractor. Upon receipt of such authorization, Agent shall consider it a direction and remit the designated portion of the escrowed principal as directed.
4. Income shall normally be accrued until termination, however, upon the written direction of Owner, income may be remitted to Contractor in proportion to the amount of principal disbursed. Before any remittance of income received hereunder, Agent shall deduct its fee, which shall be computed in accordance with the published retainage Escrow Fee Schedule in effect from time to time.

5. In the event of controversy, Agent shall pay over the net sum held by it hereunder as follows:
   a. **Payment by joint authorization**: Upon receipt of a joint written authorization executed by contractor and Owner, Agent shall make distribution in accordance with such written authorization.
   b. **Payment to Owner**: Upon receipt from Owner of a copy of the architect’s certificate pursuant to the General Conditions of the Owner’s contract with said architect, showing that the Owner has terminated the employment of the Contractor, agent shall pay the balance to the Owner.
   c. **Payment by court order**: Upon receipt of a certified or file-stamped copy of a court order resolving the disputed claim or directing a specific distribution of all or any portion of said funds, Agent shall make distribution in accordance with such order.

6. 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 the other arising out of the aforementioned construction contract.

7. The duties and responsibilities of Agent shall be limited to those expressly set forth herein, to hold such money and to pay and deliver to such persona and under such conditions as herein set forth. Agent shall act in good faith using its best judgment. Agent shall not be liable for any act taken or omitted in good faith and shall be fully protected when relying on any written notice, demand, certificate or document which it believes to be genuine.

8. This instrument constitutes the entire agreement between the parties regarding the duties of the Agent with respect to the investment and payment of escrowed funds.
Dalmatian Fire, Inc.
(Contractor)

By  Richard A. Ackley
Title  President

5670 W 73rd St
Indianapolis, IN  46278
Telephone: (317) 299-3889
Fax: (317) 299-4078

Monroe County Community School Corporation
(Owner)

By
Title

315 North Dr.
Bloomington IN, 47404

Chase Bank, NA
(Agent)

By  Barbara Olson
Vice President

P. O. Box 380
Lafayette, IN  47902
Telephone: (765) 423-0326
Fax: (765) 423-0813

Account Number Assigned:  2920211394

Please return signed copy to: Chase Bank, NA – Business Banking
Attn: Michele Wright
P. O. Box 380
Lafayette, IN  47902