

THIS AGREEMENT entered into this 21<sup>st</sup> day of March, 2014, between the BOARD OF SUPERVISORS OF PULASKI COUNTY, VIRGINIA, (herein "County") and DIVERSIFIED DEVELOPERS, INC. (herein "Diversified"), a Nevada corporation whose business address is 5217 Dominion Drive, Dublin, Virginia, 24084.

WHEREAS, Diversified owns two tracts of real property in the Massie Magisterial District of Pulaski County, Virginia, one containing approximately 82 acres (Tax Map No. 056-001-0000-059A) and another containing approximately 23 acres (Tax Map No. 056-009-0000-0234) and being collectively known as ShaeDawn Industrial Park (herein "ShaeDawn"), a portion of which is zoned for industrial use and which is in need of an industrial access roadway to facilitate economic development and employment opportunities at ShaeDawn; and

WHEREAS, the access roadway is being developed in two phases with Phase One of the project consisting of the development of the roadway on, over and across ShaeDawn, and Phase Two consisting of necessary improvements in or around the intersection of Bagging Plant Road and Route 100; and

WHEREAS, the County has procured financing for Phase One in the amount of \$650,000.00 from the Virginia Commonwealth Transportation Board ("CTB") and has procured financing in the amount of \$548,527.50 for Phase Two from Appalachian Regional Commission - Local Access Road Funds ("ARC-LAR"); and

WHEREAS, in order to obtain the funding from CTB for Phase One of the project, the County and Diversified were each required to commit an additional \$75,000.00 toward completion of Phase One; and

WHEREAS, the County has been required to make certain additional commitments to VDOT in order to facilitate the project, including a commitment to ensure completion of Phase

Two of the project if VDOT authorizes commencement of work on Phase One separately and in advance of Phase Two of the project; and

WHEREAS, in light of such commitments and to facilitate its role in the project, the County desires an agreement between the parties as to the allocation of financial responsibility for (i) any costs and expenses associated with Phase One of the project in excess of the funding provided by CTB, coupled with the additional \$75,000.00 to be paid by the County and the additional \$75,000.00 to be paid by Diversified; and (ii) any costs and expenses associated with Phase Two of the project in excess of the funding provided by ARC-LAR; and

WHEREAS, in order to facilitate the project, Diversified has agreed to accept financial responsibility for any cost overruns associated with Phase One and Phase Two of the project;

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt of which is expressly acknowledged by the parties, the parties do hereby agree as follows:

1. Diversified agrees to indemnify and reimburse the County for all Phase One project costs in excess of \$800,000, being the funds made available for Phase One through the financing provided by CTB together with additional funds that have heretofore been committed to this portion of the project by the County and Diversified.

2. Diversified agrees to indemnify and reimburse the County for all Phase Two project costs in excess of the \$548,527.50 in funding provided by ARC-LAR.

3. Diversified agrees to provide appropriate access to ShaeDawn for planning and construction of an industrial access road and shall also execute any deeds necessary for the right of way to the Commonwealth of Virginia upon completion of said road.

4. All amounts due from Diversified under this Agreement shall be totaled and invoiced by the County when the Project (Phase I and Phase II) have been completed. Amounts due from Diversified shall be paid by Diversified within thirty (30) days of receipt by Diversified of an invoice from the County.

5. Failure by Diversified to pay all sums due within the time frames described by the preceding paragraphs shall constitute a default under this Agreement. Upon any event of default, the County shall have the right to immediately institute suit in the Pulaski County Circuit Court to collect all sums due.

6. In the event either party is required to file suit to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys fees incurred in connection with any such litigation.

7. As security for Diversified's obligations hereunder, including payment of the County's reasonable attorneys' fees and costs in the event of Diversified's default, Diversified shall provide the County with an irrevocable letter of credit in favor of the County in the amount of \$175,000.00 (one hundred and seventy-five thousand dollars) , issued by a federally insured commercial lending institution approved by the County, the form and conditions of which shall also be subject to the County's approval. The term of the letter of credit shall be a minimum of one (1) year and shall be renewable for additional terms to the extent the Project has not been completed or the sums due from Diversified under this Agreement have not been paid. The letter of credit may be terminable upon receipt by the County of all sums due from Diversified.

8. This Agreement constitutes the entire agreement of the parties and supersedes all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. No provision of this Agreement shall be altered, amended,

revoked or waived except by an instrument in writing signed by the parties sought to be charged with such amendment, revocation or waiver.

9. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and/or assigns. The foregoing notwithstanding, this Agreement is not intended to, and shall not create any rights in any third party, whether as a third party beneficiary or otherwise.

10. If any provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be affected or impaired.

11. Each party agrees to do all things and take all such actions, and to make, execute and deliver such other documents and instruments as shall be reasonably required to carry out the provisions and intent of this Agreement.

12. Each of the parties represents to the other that such party has full power and authority to execute, deliver and perform this Agreement.

13. This Agreement may be executed in several counterparts, and all counterparts so executed shall constitute one agreement binding on all parties, notwithstanding the fact that all the parties have not signed the original or the same counterpart.

14. The parties agree that this Agreement shall be governed by the laws of the Commonwealth of Virginia, without reference to its choice of law provisions.

15. The parties agree that time is of the essence in this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed on the date first written herein above.

BOARD OF SUPERVISORS OF  
PULASKI COUNTY, VIRGINIA

BY: *Peter M. Huber*  
Peter M. Huber, County Administrator

COMMONWEALTH OF VIRGINIA,  
COUNTY OF PULASKI, to-wit:

This day personally appeared before me Peter M. Huber, County Administrator, and  
acknowledged his signature to the foregoing Agreement.

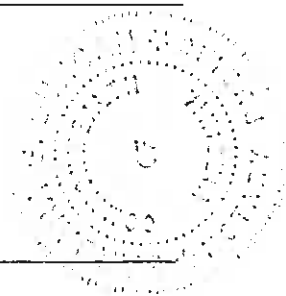
Given under my hand this 21<sup>st</sup> day of MARCH, 2014.

My commission expires: 2-28-15

*Barbara B. Duncan*  
Notary Public

DIVERSIFIED DEVELOPERS, INC.

BY: *James A. Hager*  
ITS: President



COMMONWEALTH OF VIRGINIA  
COUNTY OF Pulaski, to-wit:

I, *Tina J. Hudson*, a Notary Public in and for the State and County aforesaid,  
do certify that *James A. Hager*, whose name is signed to the foregoing deed on  
behalf of Diversified Developers, Inc., personally appeared before me and acknowledged the same.

Given under my hand this 21<sup>st</sup> day of March, 2014.

My commission expires: 8/31/17



*Tina J. Hudson*  
Notary Public