

The Bank of Commerce
65 East Wallace
Driggs, Idaho 83422
(208)354-8633
driggs@bofc.bank

L/C Number: 4012806347

RE: IRREVOCABLE STANDBY LETTER OF CREDIT

TETON COUNTY IDAHO
150 COURTHOUSE DRIVE
DRIGGS, ID 83422
Attention: TETON COUNTY IDAHO

Dear TETON COUNTY IDAHO:

On behalf of HIGHLAND RANCH LLC and JEFFREY JOHN SHOLL, The Bank of Commerce ("Issuer") has established this Irrevocable Standby Letter of Credit ("Credit") in favor of TETON COUNTY IDAHO ("Beneficiary"), up to the maximum stated amount of Five Hundred Thousand Two Hundred Sixty and 81/100 Dollars (\$500,260.81). This Credit shall expire on June 15, 2027 ("Expiration Date").

Payment to the Beneficiary will be made upon presentation of a sight draft drawn on us.

This Credit must be presented with the Beneficiary's drawing. A draft must bear upon its face the statement "Drawn under Letter of Credit No. 4012806347" and be accompanied by the following documents:

- A. The original letter of credit, together with any amendments.
- B. A sight draft drawn by Beneficiary on Issuer.
- C. The following other documents:
 1. INVOICE FORWARDED UNDER THIS LETTER OF CREDIT IS UNPAID & HAS BEEN THAT WAY FOR A PERIOD OF AT LEAST 30 DAYS.
 2. A SIGNED STATEMENT BY THE TETON COUNTY ENGINEER, OR THE TETON COUNTY PLANNING ADMINISTRATOR CERTIFYING THAT:
 - i. ANY PORTION OF THE PUBLIC OR PRIVATE IMPROVEMENTS REQUIRED BY TETON COUNTY ORDINANCE ON THE DANIEL HIGHLAND SUBDIVISION, AS SPECIFIED IN THE PLANS AND SPECIFICATIONS FOR THE DANIEL HIGHLAND SUBDIVISION PREPARED BY HARMANY DESIGN AND ENGINEERING, STAMP 11539, DATED 4/24/25 APPROVED BY THE TETON COUNTY ENGINEER, HAVE NOT BEEN COMPLIED WITH IN ACCORDANCE WITH SAID PLANS AND SPECIFICATIONS OR,
 - ii. PROJECT IMPROVEMENTS HAVE BEEN COMPLETED AND INSPECTED BY TETON COUNTY ENGINEER WITH ACCOMPANYING DOCUMENTATION AND INVOICES FOR PAYMENT FOR CONSTRUCTION, PARTIAL AND SEVERAL DRAWS WILL BE ACCEPTED ANY DRAFT MAY DRAW UP TO THE REMAINING BALANCE FOR WORK NOT COMPLETED UP TO THE LIMIT OF THE ENGINEER ESTIMATE REFERENCED AND NOT EXCEEDING THE COMMITMENT BALANCE.

This Credit is not transferable. Any successor or assignee of the Beneficiary will not constitute a transferee of Credit.

The Issuer will honor a draft drawn and presented under and in compliance with the terms this Credit contemplates if presented to Issuer at Issuer's address set forth above on or before the Expiration Date.

This Agreement shall be governed by and construed in accordance with the laws of the state of Idaho.

The Uniform Customs and Practice for Documentary Credits ("UCP") as most recently published by the International Chamber of Commerce ("ICC") is incorporated herein by reference and shall apply to the Credit. The UCP shall prevail in the case of a conflict between the UCP and the laws of the state of Idaho.

UPON EXPIRATION OF THIS LETTER OF CREDIT, THE BENEFICIARY AGREES TO RETURN THE ORIGINAL LETTER OF CREDIT TO THE BANK OF COMMERCE AT P.O. BOX 1887, IDAHO FALLS, IDAHO 83403.

The Bank of Commerce

By: Aaron Hansen
Its: Vice President

Date

