



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER  
 DNR209028

PAGE  
 6

ADDRESS CORRESPONDENCE TO ATTENTION OF  
 FRANK WHITTAKER  
 304-558-2316

VENDOR

**Lester Mobile Home Sales**  
**PO Box 262**  
**Ike's Fork, WV 24845**

SHIP TO

DIVISION OF NATURAL RESOURCES  
 PANTHER STATE FOREST  
 POST OFFICE BOX 287  
 ROUTE 3/2, PANTHER CREEK ROAD  
 PANTHER, WV  
 24872 304-938-2252

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
09/19/2008				

BID OPENING DATE: 10/29/2008 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
ADDENDUM ACKNOWLEDGEMENT						
I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.						
ADDENDUM NOS. :						
NO. 1		✓				
NO. 2						
NO. 3						
NO. 4						
NO. 5						
I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF THE BIDS.						
VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.						
 ..... SIGNATURE Lester Mobile Home Sales, Inc. COMPANY Oct. 28th, 2008 ..... DATE					RECEIVED 09 OCT 28 PM 3:53 PURCHASING DIVISION STATE OF WV	

SEE REVERSE SIDE FOR TERMS AND CONDITIONS.

SIGNATURE 	TELEPHONE 304-938-2993	DATE Oct. 28th, 2008
TITLE President	ADDRESS CHANGES TO BE NOTED ABOVE	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**GENERAL TERMS & CONDITIONS**  
**REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

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**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in case of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130

STATE OF WEST VIRGINIA  
Purchasing Division

# PURCHASING AFFIDAVIT

**VENDOR OWING A DEBT TO THE STATE:**

*West Virginia Code* §5A-3-10a provides that: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

**PUBLIC IMPROVEMENT CONTRACTS & DRUG-FREE WORKPLACE ACT:**

*West Virginia Code* §21-1D-5 provides that: Any solicitation for a public improvement construction contract shall require each vendor that submits a bid for the work to submit at the same time an affidavit that the vendor has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the West Virginia Code. A public improvement construction contract may not be awarded to a vendor who does not have a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the West Virginia Code and who has not submitted that plan to the appropriate contracting authority in timely fashion. For a vendor who is a subcontractor, compliance with Section 5, Article 1D, Chapter 21 of the West Virginia Code may take place before their work on the public improvement is begun.

**ANTITRUST:**

In submitting a bid to any agency for the state of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the state of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the state of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the state of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership or person or entity submitting a bid for the same materials, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

**LICENSING:**

Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

**CONFIDENTIALITY:**

The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendors should visit [www.state.wv.us/admin/purchase/privacy](http://www.state.wv.us/admin/purchase/privacy) for the Notice of Agency Confidentiality Policies.

Under penalty of law for false swearing (West Virginia Code §61-5-3), it is hereby certified that the vendor acknowledges the information in this said affidavit and is in compliance with the requirements as stated.

Vendor's Name: Lester Mobile Home Sales, Inc.

Authorized Signature: Edward Lester, Jr. Date: Oct. 28th. 2008

Name of Bidder:

Lester Mobile Homes

Address of Bidder:

P.O. Box 262  
Ikes Fort WVA  
24845

Phone Number of Bidder:

304-938-2993

WV Contractors License No

WV011145

We, the undersigned, having examined the site and being familiar with the local conditions affecting the cost of the work and also being familiar with the general conditions to bidders, drawings, and specifications, hereby proposes to furnish all materials, equipment, and labor to complete all work in a workmanlike manner, as described in the Bidding documents.

Base Bid: Lump sum for all labor, materials, and equipment as stipulated in the Bidding Documents, written in numbers.

\$96,900.<sup>00</sup>

Base Bid: Lump sum for all labor, materials, and equipment as stipulated in the Bidding Documents, written in words.

Ninety Six Thousand Nine Hundred & <sup>00</sup>/<sub>100</sub>.

# IRREVOCABLE STANDBY LETTER OF CREDIT

ISSUER: PIONEER COMMUNITY BANK  
PO BOX 368  
IAEGER, WV 24844

Date of Issue: <u>10-28-2008</u> Letter of Credit Number: <u>#033</u>	
Amount: U.S. \$ <u>96,900.00</u> ( <u>NINETY SIX THOUSAND NINE HUNDRED AND NO/100</u> U.S. DOLLARS)	
For Benefit Of: <b>Beneficiary Name and Address</b>	For Account Of: <b>Applicant Name and Address</b>
STATE OF WEST VIRGINIA-DEPT OF ADMINISTRATION PO BOX 50130, CHARLESTON, WV 25305	LESTER MOBILE HOME SALES, INC PO BOX 27 IAEGER, WV 24844

LETTER OF CREDIT Issuer establishes this Irrevocable Standby Letter of Credit (Letter of Credit) in favor of Beneficiary in the amount indicated above. Beneficiary may draw on this Letter of Credit with a Draft (or Drafts, if the maximum number of drawings is greater than one) together with the documents described below. Each Draft shall be signed on behalf of Beneficiary and be marked "Drawn under [Issuer name] Letter of Credit No [Letter of Credit number] dated [Letter of Credit date]." Drafts must be presented at Issuer's address shown above on or before the Expiration Date. The presentation of any Draft shall reduce the Amount available under this Letter of Credit by the amount of the Draft.

This Letter of Credit sets forth in full the terms of Issuer's obligation to Beneficiary. This obligation cannot be modified by any reference in this Letter of Credit, or any document to which this Letter of Credit may be related.

This Letter of Credit expires on the Expiration Date.

## DRAWINGS

- Partial drawings shall not be permitted under this Letter of Credit
- Partial drawings are permitted. The maximum number of drawings that may be made is \_\_\_\_\_.

DOCUMENTS. Each Draft must be accompanied by the following, an original and two copies except as stated:

- The original Letter of Credit, together with any amendments
- A sight draft drawn by Beneficiary on Issuer
- A signed statement by Beneficiary including the following statement:
- Other documents:

Issuer shall be entitled to accept a draft and the documentation described above, as required by the terms of this Letter of Credit, from any person purporting to be an authorized officer or representative of Beneficiary without any obligation or duty on the part of Issuer to verify the identity or authority of the person presenting the draft and such documentation.

## SPECIAL INSTRUCTIONS:

EXPIRATION DATE. This Letter of Credit expires at the close of business at Issuer's address at 9:00 AM (Time) on 04-30-2009 (Date). Issuer agrees to honor all Drafts presented in strict compliance with the provisions of this Letter of Credit on or before the Expiration Date.

If Beneficiary has not drawn the full amount of this Letter of Credit prior to the Expiration Date, the Expiration Date shall be extended for a period of \_\_\_\_\_ days from the Expiration Date, unless Issuer notifies Beneficiary in writing at least \_\_\_\_\_ days prior to the Expiration Date that Issuer elects not to extend this Letter of Credit. In any event, this Letter of Credit shall expire on \_\_\_\_\_ without any notice from Issuer to Beneficiary.

TRANSFERABILITY. This Letter of Credit is  transferable  non-transferable

APPLICABLE LAW This Letter of Credit shall be governed by:

the Uniform Customs and Practice for Documentary Credits, 2006 Revision, International Chamber of Commerce Publication No 600 (UCP), or any later version or amendment

the International Standby Practices 1998 (ISP98)

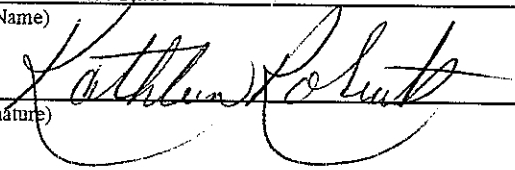
This Letter of Credit shall also be governed by the laws of WEST VIRGINIA, the United States of America, so long as such laws are not inconsistent with the UCP or ISP, as applicable

PIONEER COMMUNITY BANK

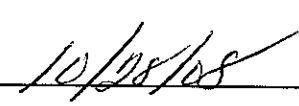
(Issuer Name)

By \_\_\_\_\_

(Signature)



(Date)



KATHLEEN ROBERTS, LOAN OFFICER

(Signer Name and Title)

**IRREVOCABLE STANDBY LETTER OF CREDIT APPLICATION**

Issuer Name and Address: PIONEER COMMUNITY BANK  
PO BOX 368  
IAEGER, WV 24844

DATE AND PARTIES. The date of this Irrevocable Standby Letter of Credit Application (Application) is \_\_\_\_\_  
The parties and their addresses are:

APPLICANT  
LESTER MOBILE HOME SALES, INC  
PO BOX 27  
IAEGER, WV 24844

BENEFICIARY  
STATE OF WEST VIRGINIA-DEPT. OF ADMINISTRATION  
2019 WASHINGTON ST , EAST, PO BOX 50130, CHARLESTON, WV

APPLICATION. Applicant requests that Issuer issue an Irrevocable Standby Letter of Credit (Letter of Credit) in favor of Beneficiary for the account of Applicant up to the aggregate sum of \$ 96,900.00 ( NINETY SIX THOUSAND NINE HUNDRED AND NO/100 U.S Dollars). The Letter of Credit should be available by draft or drafts drawn in United States dollars on you at sight when accompanied by the following documents:

- The original Letter of Credit, together with any amendments.
- A sight draft drawn by Beneficiary on Issuer.
- A signed statement by Beneficiary including the following statement:

Other documents:

Issuer should advise of the existence of this Letter of Credit by certified United States First Class mail to:

- Advising Bank (provide name and address: \_\_\_\_\_)
- Beneficiary

EXPIRATION. This Letter of Credit will expire at Issuer's office at 9:00 AM (time) on 04-30-2009 (date).

DRAWINGS.  Partial drawings should not be permitted under this Letter of Credit  
 Partial drawings will be permitted. The maximum number of drawings that may be made on this Letter of Credit is \_\_\_\_\_.

TRANSFERABILITY. This Letter of Credit is  transferable  non-transferable.

SPECIAL INSTRUCTIONS:

PAYMENT. Applicant authorizes Issuer to debit drawings, fees, and other charges incurred under this Letter of Credit and Reimbursement Agreement to account No. \_\_\_\_\_, or to any other account or accounts as agreed in this Application or Reimbursement Agreement.

INTEREST. Applicant agrees to pay Issuer interest on all amounts owing under the terms of this Application and Reimbursement Agreement from the date Issuer is first entitled to demand payment at a rate of:

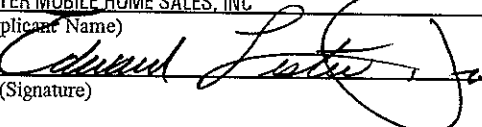
- 6.750 percent
- \_\_\_\_\_ percent above Issuer's prime rate then in effect. The Prime Rate is quoted by \_\_\_\_\_ as adjusted and announced from time to time. This Index is used by Issuer as a benchmark for determining the interest rate on certain commercial loans and, depending on the circumstances, loans may be priced at or above the Prime Rate. The interest rate applicable to this Application will change as the Prime Rate changes.
- \_\_\_\_\_

FEES AND CHARGES. Applicant agrees to pay the following fees and charges for this transaction:

REIMBURSEMENT AGREEMENT. This Application is subject to a Reimbursement Agreement, dated 10-28-2008, executed by Applicant in favor of Issuer (Reimbursement Agreement). By signing this Application, Applicant acknowledges receipt of a copy of the Reimbursement Agreement and agreement with its terms.

SIGNATURE BY APPLICANT(S) Applicant agrees to fulfill the terms and conditions specified in this Application and authorizes Issuer to issue an Irrevocable Standby Letter of Credit in favor of Beneficiary in any form not materially inconsistent with the information in this Application. Applicant acknowledges and agrees, that acceptance of this Application by the Issuer does not constitute a commitment or agreement by the Issuer to issue or open the Letter of Credit described in this Application and that the opening of the Letter of Credit is subject to approval by the Issuer and receipt by Applicant of an indication of such approval.

LESTER MOBILE HOME SALES, INC  
(Applicant Name)

By   
(Signature)

By \_\_\_\_\_  
(Signature)

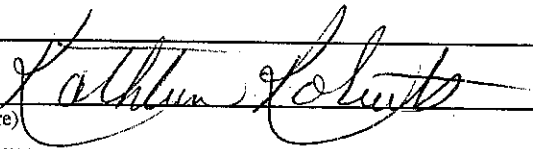
EDWARD LESTER, JR  
(Name and Title of Signer)

\_\_\_\_\_  
(Name and Title of Signer)

ACCEPTANCE BY ISSUER. Issuer agrees to issue an Irrevocable Standby Letter of Credit pursuant to the terms of this Application and the separate Reimbursement Agreement

PIONEER COMMUNITY BANK

Dated: \_\_\_\_\_

By   
(Signature)

KATHLEEN ROBERTS, LOAN OFFICER  
(Name and Title of Signer)



# IRREVOCABLE STANDBY LETTER OF CREDIT REIMBURSEMENT AGREEMENT

DATE AND PARTIES The date of this Irrevocable Standby Letter of Credit Reimbursement Agreement (Agreement) is 10-28-2008

The parties and their addresses are:

## APPLICANT

LESTER MOBILE HOME SALES, INC  
PO BOX 27  
IAAEGER, WV 24844

## ISSUER

PIONEER COMMUNITY BANK  
PO BOX 368  
IAEGER, WV 24844

**CONSIDERATION AND SCOPE.** In consideration of Issuer opening any Letter of Credit (Credit) in Applicant's favor, Applicant agrees to the terms of this Agreement. This Agreement shall govern any Credit issued by Issuer on or after the date of this Agreement, except as expressly provided to the contrary in writing when the Credit is applied for and issued. This Agreement is not a commitment by Issuer to issue any Credit. Any Credit issued and subject to this Agreement will be pursuant to a separate Letter of Credit Application (Application for Credit) that is accepted by Issuer. In this Agreement, "Beneficiary" means any beneficiary of any Credit.

**REIMBURSEMENT TERMS** Applicant agrees to reimburse Issuer immediately for Credit according to the following terms.

- (a) **Payment Of Draw Amounts.** Applicant agrees to pay Issuer upon demand the amount of any draft or request for payment Issuer has honored or will honor purporting to be drawn or made under any Credit. If requested by Issuer, Applicant shall pay such amounts in advance of the date Issuer or a confirming bank is to honor the draft or request for payment. Applicant shall pay such amount in good U.S. funds at the Issuer's address indicated in the DATE AND PARTIES section of this Agreement.
- (b) **Payment of Fees.** Applicant agrees to pay the following fees, plus interest on such amounts at the rate indicated in the corresponding Application for Credit: (1) all out-of-pocket expenses incurred by Issuer or its correspondents or imposed by its correspondents in connection with this Agreement; (2) any commission and other fees as may be agreed to between Applicant and Issuer or, in the absence of such agreement, in such reasonable amounts as may be determined by Issuer; and (3) the amount determined by Issuer to adequately reimburse it for its increased cost to maintain any Credit caused by any change in any law or regulation or in the interpretation of any law or regulation (such increases may include, among other things, a tax or governmental charge, a reserve or similar requirement, or the need to include the Credit in Issuer's calculations relating to its capital requirements).
- (c) **Payment of Interest.** Applicant agrees to pay Issuer interest on all amounts owing under the terms of this Agreement at the rate specified in the Application for the Credit. Interest shall begin to accrue on the date Issuer is first entitled to demand payment according to the terms of this Agreement. Issuer's acceptance of interest does not waive its right to demand and require immediate payment of amounts owing under this Agreement. No provision of this Agreement shall require the payment of interest at a rate greater than the maximum rate allowed by applicable law.
- (d) **Authorization to Charge Applicant's Account.** Applicant authorizes Issuer to charge Applicant's account as indicated in the Application for Credit for all amounts due under this Agreement and any Credit.

**SECURITY.** This Agreement is secured by the following described security instruments or agreements:

SECURITY AGREEMENT-PCB CERT OF DEPOSIT #13066

**CONDITIONS.** Applicant will satisfy all of the following conditions prior to any obligation by the Issuer to issue any Credit. These are the minimum conditions under which Issuer would consider issuing any Credit, but satisfaction of these conditions does not commit Issuer to issuing any Credit under this Agreement.

- (a) There has not been a default under this Agreement or any other agreement Applicant has with Issuer, nor would issuance of Credit cause such a default.
- (b) Issuer has received all documents, information, certifications, and warranties as Issuer may require, all properly executed, if appropriate, on forms acceptable to Issuer. This includes, but is not limited to, Applications for Credit, security instruments, and other supporting documentation.
- (c) Applicant will have performed and complied with all conditions required for issuance of Credit in this Agreement and all other agreements made in conjunction with issuing Credit.
- (d) The warranties and representations contained in this Agreement are true and correct at the time of applying for the Credit.
- (e) Applicant's most recent financial statements and other financial reports, delivered to Issuer, are current, complete, true and accurate in all material respects and fairly represent Applicant's financial condition.
- (f) No proceeding under the United States Bankruptcy Code have been commenced by or against Applicant or any affiliate of Applicant.

(g) The Application for Credit has been approved by Issuer in accordance with Issuer's internal standards and procedures for letter of credit transactions.

(h) Additional Conditions:

**WARRANTIES AND REPRESENTATIONS** Applicant has the right and authority to enter into this Agreement. The execution and delivery of this Agreement will not violate any agreement governing Applicant or to which Applicant is a party.

Applicant is duly organized and validly existing in all jurisdictions in which Applicant transacts business. Applicant has the power and authority to enter into this Agreement and to carry on Applicant's business as it is now being conducted and, as applicable, is qualified to do so in each jurisdiction in which Applicant operates.

The execution, delivery and performance of this Agreement and the obligation evidenced by this Agreement are within Applicant's powers, have been duly authorized, have received all necessary governmental approval, will not violate any provision of law, or order of court or governmental agency, and will not violate any agreement to which Applicant is a party or to which Applicant is or any of Applicant's property is subject.

Other than previously disclosed in writing to Issuer, Applicant has not changed Applicant's name or principal place of business within the last ten years and has not used any other trade or fictitious name. Without Issuer's prior written consent, Applicant does not and will not use any other name and will preserve Applicant's existing name, trade names and franchises.

**AUTHORITY.** Applicant understands that if Issuer approves Applicant's Application for Credit and issues the Credit, the Credit may be drawn upon by the Beneficiary regardless of any representations or agreements the Beneficiary may have made to Applicant to the contrary. In this respect, Applicant understands that Issuer will be unconditionally obligated to, and will, timely honor a properly presented draft drawn by the Beneficiary under the Credit. If there is a drawing, Applicant will repay Issuer as provided in this Agreement even if Applicant disputes the right of the Beneficiary to have drawn upon the Credit.

If Issuer and its correspondents believe in good faith that a request or notice was authorized by Applicant, they may rely on it. This applies to oral, written, electronic or other requests or notices.

**APPLICANT SHALL REVIEW CREDIT.** Applicant shall review each Credit before or promptly after it is issued, and will immediately inform Issuer of any problems. If Applicant does not immediately inform the Issuer of any problem, then Applicant may no longer object to that problem. If there are any amendments or modifications of the terms of the Credit, this Agreement shall be binding upon Applicant with regard to the Credit as amended.

**PROBLEMS WITH DOCUMENTS OR SIGNATURES.** Issuer and its correspondents may accept any document appearing on its face to be in order. This is true even if there is a problem with the form, sufficiency, correctness, genuineness, or legal effect of that document or with the authority of any person signing that document. Issuer may refuse to pay any draft or request for payment that does not strictly comply with a Credit even if Applicant waives that non-compliance, and even if Issuer shall have asked Applicant to waive any non-compliance.

**DELAYS, LOST DOCUMENTS, ACTS OF GOD.** Issuer and its correspondents shall not be responsible for any delayed, lost, or altered documents or communications. Also, Issuer and its correspondents shall not be responsible for interruptions of their businesses caused by acts of God, riots, civil disturbances, insurrections, wars, or other causes beyond their control or by labor disputes.

**REPRESENTATIVES.** If Issuer believes that a representative is acting for another person, then Issuer and its correspondents may treat any document signed by that representative as having been signed by that other person. Such a representative could include an administrator, executor, trustee in bankruptcy, or receiver of any of the property of that other person.

**FINANCIAL INFORMATION.** Applicant agrees to promptly provide such financial information as Issuer shall request, including any statements of financial condition and operations.

**LIMITATION OF LIABILITY.** Neither Issuer nor any of its correspondents shall be in any way responsible for any of Beneficiary's responsibilities to Applicant. If Issuer or any of its correspondents takes any act in connection with a Credit or any related draft, document or other communication, and it takes that act in good faith and according to United States or other applicable law, then that act shall be binding upon Applicant. Also, such act shall not cause Issuer or any of its correspondents to be liable to Applicant. "Act" includes any action, inaction, or omission. Issuer shall never be liable to Applicant for any incidental, consequential or special damages. Issuer shall not be responsible for any error, neglect, or default of any of Issuer's correspondents. None of the foregoing shall affect, impair, or prevent Issuer from exercising its rights under this Agreement.

The users of the Credit shall be deemed Applicant's agents and Applicant shall assume all risks of their acts or omissions. Neither Issuer nor Issuer's correspondents shall be responsible for (a) the adequacy or validity of any insurance or insurer; (b) the validity, sufficiency or genuineness of documents, even if they are ultimately proven to be in any or all respects invalid, insufficient, fraudulent or forged; (c) the solvency or responsibility of any party issuing any documents; (d) delay in arrival or failure to arrive of any documents; (e) delay in giving or failure to give notice of arrival or any other notice; (f) failure of any draft to bear adequate reference to the Credit; (g) failure of documents to accompany any draft at negotiation or failure of any person to endorse on the Credit the amount of any draft or to surrender or take up the Credit or to send documents apart from drafts as required by the terms of the Credit, each of which provisions, if contained in the Credit itself, it is agreed may be waived by Issuer; or (h) errors, omissions, interruptions or delays in transmission or delivery of any message by mail, cable, telegraph, wireless or otherwise.

**INDEMNIFICATION AND REIMBURSEMENT FOR COSTS AND LOSSES.** Applicant will indemnify Issuer and its correspondents, and their officers, employees and agents, against their loss or damage in connection with any action Issuer or its correspondent shall take or not take in connection with any Credit, unless that loss or damage is caused by Issuer's or its correspondent's gross negligence or intentional misconduct. Applicant will also reimburse Issuer for Issuer's costs of enforcing this Agreement (including reasonable attorneys' fees) and for any dispute regarding this Agreement or any Credit.

**DEFAULT.** Applicant will be in default if any of the following occur:

- (a) Applicant fails to make a payment in full when due
- (b) Applicant makes an assignment for the benefit of creditors or becomes insolvent, either because Applicant's liabilities exceed Applicant's assets or Applicant is unable to pay Applicant's debts as they become due; or Applicant petitions for protection under federal, state or local bankruptcy, insolvency or debtor relief laws, or is the subject of a petition or action under such laws and fails to have the petition or action dismissed within a reasonable period of time not to exceed 60 days.
- (c) Applicant merges, dissolves, reorganizes, or ends its business existence, or a partner or majority owner dies or is declared legally incompetent.
- (d) Applicant fails to perform any condition or to keep any promise or covenant of this Agreement.
- (e) Applicant defaults on any other agreement Applicant has with Issuer
- (f) Applicant makes any verbal or written statement or provides any financial information that is untrue, inaccurate, or conceals a material fact at the time it is made or provided.
- (g) Applicant fails to satisfy or appeal any judgment against Applicant
- (h) Applicant changes Applicant's name or assumes an additional name without notifying Issuer prior to making such a change.
- (i) Applicant transfers all or a substantial part of Applicant's money or property
- (j) Issuer reasonably believes that Issuer is insecure

**REMEDIES.** In the event of a default by Applicant, Applicant will pay to Issuer the total undrawn amount of all Letters of Credit outstanding. That payment shall be held by Issuer without interest in Issuer's name as collateral for all of Applicant's obligations to Issuer, and may be applied to any payment that Applicant owes to Issuer at that time or a later time.

On or after default, to the extent permitted by law, Applicant agrees to pay all expenses of collection, enforcement or protection of Issuer's rights and remedies under this Agreement. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of this Agreement or any Application for Credit.

By choosing any one or more remedies, Issuer does not give up Issuer's right to use any other remedy. Issuer does not waive a default if Issuer chooses not to use a remedy. By electing not to use any remedy, Issuer does not waive Issuer's right to later consider the event a default and to use any remedies if the default continues or occurs again.

**WAIVERS AND CONSENT.** To the extent not prohibited by law, Applicant waives any right Applicant has to protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.

**AGREEMENT IS BINDING.** This Agreement shall be binding upon Applicant and its successors and assigns. This Agreement shall be enforceable by Issuer and its successors and assigns. Applicant may not transfer this Agreement without Issuer's written consent.

**ILLEGAL PROVISIONS.** If any provision of this Agreement is invalid, illegal or unenforceable, that provision shall be treated as though it were not in the Agreement. That invalidity, illegality or unenforceability shall not affect any other provision in this Agreement.

**LAW AND OTHER RULES.** This Agreement and each Credit shall be governed by:

the Uniform Customs and Practice for Documentary Credits, 2006 Revision, International Chamber of Commerce Publication No. 600 (UCP), or any later version or amendment.

the International Standby Practices 1998 (ISP98).

For example, Issuer's obligations to Applicant are limited according to the UCP or ISP, as applicable. This Agreement and each Credit shall also be governed by the laws of WEST VIRGINIA, the United States of America, so long as such laws are not inconsistent with the UCP or ISP, as applicable. In the event of a dispute, the exclusive forum, venue, and place of jurisdiction will be in WEST VIRGINIA, unless otherwise required by law.

**MORE THAN ONE APPLICANT** If more than one person (individual or organization) signs this Agreement as "Applicant," then the term "Applicant" means every such person, and each such person shall be jointly and severally liable for all obligations of the Applicant. Each Applicant's obligations are independent of any other Applicant's obligations. Issuer may sue any Applicant, or any number of Applicants together, to enforce this Agreement. Each such person shall be the agent of the other. Issuer may give any notices required under this Agreement to any one of those persons. Issuer may release any one of those persons without releasing the others. If any event listed above as an Event of Default shall occur with respect to any of those persons, it shall be an event of default. The duties and benefits of this Agreement will bind and benefit the successors and assigns of Issuer and Applicant.

**NO ORAL AGREEMENTS** This written Agreement, together with all documents executed pursuant to this transaction, represents the entire understanding between Issuer and Applicant. This Agreement may not be amended or modified by oral agreement. No amendment or modification of this Agreement is effective unless made in writing and executed by Applicant and Issuer.

**INTERPRETIATION** Whenever used, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Agreement.

**NOTICE, FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS** Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to the appropriate party's address listed in the DATE AND PARTIES section, or to any other address designated in writing. Notice to one party will be deemed to be notice to all parties. Applicant will notify Issuer in writing of any change in Applicant's name, address or other application information.

**ADDITIONAL TERMS:** Applicant agrees to the following additional terms:

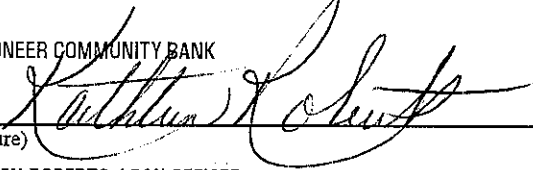
**SIGNATURES** By signing below, Applicant and Issuer agree to the terms of this Agreement and acknowledge receipt of a copy of this Agreement.

Applicant LESTER MOBILE HOME SALES, INC

By  \_\_\_\_\_  
(Signature)

EDWARD LESTER, JR  
(Name and Title)

Issuer PIONEER COMMUNITY BANK

By  \_\_\_\_\_  
(Signature)

KATHLEEN ROBERTS, LOAN OFFICER  
(Name and Title)

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name and Title)

## LETTER OF CREDIT VERIFICATION

Date Oct. 28, 2008

West Virginia Purchasing Division  
 Department of Administration  
 State Capitol Complex  
 2019 Washington Street, East  
 P.O. Box 50130  
 Charleston, WV 25305-0130

RE: Irrevocable Letter of Credit Number: 033  
 State Agency: State of West Virginia  
 Requisition Number: \_\_\_\_\_  
 Project Description: \_\_\_\_\_

We hereby open an Irrevocable Letter of Credit hereafter known as Letter of Credit Number 033, effective Oct. 28, 2008 in your favor for the account of Lester Mobile Home Sales, Inc. for a sum or sums not exceeding \$ 96,900.00, payable in part or in full upon demand and receipt from you of a Notice of Forfeiture

This Letter of Credit will expire on April 30, 2009. We agree to notify you by certified mail, return receipt requested, at least ninety (90) days prior to the maturity of our intention to either renew or not renew this Letter of Credit. Our failure to notify you will automatically extend the maturity for an additional period of twelve (12) months. Upon notification by you of forfeiture, the entire amount shall be confessed to judgment and be due and payable. At the time of expiration, you may either elect to obtain cash collateral by drawing your on-sight draft on us for an amount not to exceed the unused balance of this Letter or elect to let the Letter of Credit expire.

We will give prompt notice to both Lester Mobile Homes Sales, Inc. and you of any notice received or action filed: [1] alleging the insolvency or bankruptcy of the bank; or [2] alleging any violation of regulatory requirements to do business. In addition, we will give immediate notice to both Lester Mobile Homes Sales, Inc. and you in the event the bank becomes unable to fulfill its obligation under the Letter of Credit for any reason

This Letter of Credit is non-assignable, non-transferable and is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revisions), International Chamber of Commerce (Publication #500), and to the Uniform Commercial Code.

Sincerely,

Jamie E. Szymore  
President  
 (Title)

Pioneer Community Bank  
 PO Box 207 (Lending Institution)  
 Iaeger WV 24844

Bank Raised Corporate  
 Seal Affixed here