

**EROSION
LETTER OF CREDIT
MAINTENANCE AGREEMENT
(UDC § 15-63)**

For Enclave at Powder Springs Subdivision

Account # 60042981

THIS AGREEMENT, entered into this 23rd day of February, 2018, between Powder Springs DD Investments, LLC (hereinafter called the "Subdivider" with its principal place of business at 1132 West Peachtree Street NW, Atlanta, GA 30309 and the City of Powder Springs, a Georgia municipal corporation, (hereinafter called "City"), and CharterBank, (herein after called "Issuer"), with its principal place of business at 3016 Atlanta Road, Smyrna, GA 30080.

WITNESSETH:

WHEREAS, the Subdivider is obligated under the terms of the Unified Development Code of the City of Powder Springs for the maintenance of public improvements, including but not limited to water lines and sewer lines located in the subdivision known as Enclave at Powder Springs for a period of two (2) years following recordation of the final plat or completion of required improvements, whichever occurs later.

WHEREAS, the Subdivider has received approval of the constructed improvements in accordance with the construction plans and specifications on file and now must provide adequate surety for the maintenance thereof; and

WHEREAS, the Subdivider certifies that any and all persons, firms, or corporations providing labor and/or materials required for construction of said improvements will be paid in full; and

WHEREAS, the parties have agreed that the Issuer is acceptable to all parties to hold the funds in a Letter of Credit to secure Subdivider's obligations hereunder;

NOW, THEREFORE, in consideration of the foregoing premises, it is hereby agreed:

1. The Subdivider has secured the attached unconditional irrevocable Letter of Credit, in the sum of Thirty-One Thousand Four Hundred Forty and no/100 dollars (\$31,440.00) with the Issuer, to guarantee all improvements against defects in materials, workmanship, and design and further guarantee that all such improvements will be

maintained in first-class condition for a minimum of two (2) years following recordation of the final plat or completion of all required improvements, whichever occurs later. The Issuer will not release any of the funds subject to the Irrevocable Letter of Credit except in accordance with the terms hereof.

2. The Bank agrees to disburse funds to the full amount of the Irrevocable Letter of Credit only upon receipt of "Proper Authorization" as hereinafter defined. "Proper Authorization" shall mean authority in written form from the City of Powder Springs stating that a disbursement is authorized:
 - (a) To the Subdivider upon delivery of "Proper Authorization" from the City of Powder Springs. The City, through the Community Development Department, shall issue such "Proper Authorization" upon finding that the improvements meet City standards within the two-year term hereof.
 - (b) To the City upon delivery of "Proper Authorization" from the Community Development Department, upon its determination that any portion or all of the said materials, workmanship, or design is unacceptable. The City is authorized, but not obligated, to correct any defective materials or workmanship and unacceptable design and to use the funds acquired from the Irrevocable Letter of Credit for such purposes.
3. The full amount of the Irrevocable Letter of Credit shall be held by the Issuer as security guaranteeing materials, workmanship, and design for the period stated herein unless "Proper Authorization" is delivered to the Bank by the City of Powder Springs Community Development Department under Item 2(b) above. However, the Issuer on one or more occasions may release all or any portion of such funds upon delivery of "Proper Authorization" from the Community Development Department at any time and the City agrees to release said funds if the Subdivider shall make other arrangements approved by the City in accordance with the Unified Development Code for the balance of the two-year term. If the materials, workmanship, and design are acceptable for two (2) years following recordation of the final plat or completion of all required improvements, whichever occurs later, the Community Development Department shall upon approval by the City authorize the Issuer in writing to release the full amount of the Irrevocable Letter of Credit held by the Issuer to the Subdivider.
4. The Issuer hereby acknowledges that it has issued the Irrevocable Letter of Credit, referred to in Item 1 above, and represents that it has no obligation whatsoever to any of the parties hereto except to release said funds within 10 days upon delivery of "Proper Authorization" from the City of Powder Springs Community Development Department. The Subdivider does hereby release and hold the Issuer harmless from any and all claims

whatsoever by it against the Issuer for releasing such funds to the City in accordance with the terms thereof. This Agreement shall not be terminated or otherwise allowed to expire without at least 30 days written notice to that effect from the Issuer to both the City and Subdivider.

- 5. If the funds are inadequate to pay for any costs covered by this Agreement, the Subdivider shall pay any and all costs beyond coverage.
- 6. Should any provision governing the subject Irrevocable Letter of Credit conflict with the terms of this Agreement, the terms of this Agreement shall control.


WITNESS the hands and official seals of the parties hereto on the day and year first above written.

CITY OF POWDER SPRINGS, GEORGIA

BY: _____

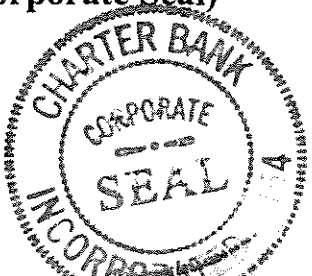
(Corporate Seal)

SUBDIVIDER:
Powder Springs DD Investments, LLC

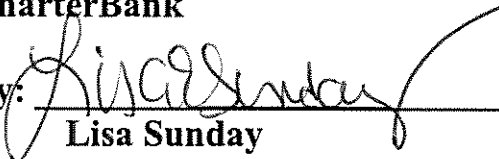
By:  _____
Douglas C. Davidson

Title: MANAGER

(Corporate Seal)



ISSUER:
CharterBank

By:  _____
Lisa Sunday

Title: Senior Vice President

Approved as to form:

By: _____
City Attorney