

AGREEMENT FOR THE RELEASE OF DISBURSING ACCOUNT FUNDS

This AGREEMENT FOR THE RELEASE OF DISBURSING ACCOUNT FUNDS ("Agreement") made and entered into this 1 day of 5/20/13, ~~2012~~, by and between First Sealord Surety Inc., in Liquidation, Crawford Mechanical Services, Inc., ("Principal") and Pioneer and Technology Center ("Obligee").

WITNESSETH:

On or about August 10, 2010, Obligee entered into a Contract with Principal for renovation of existing building, plumbing portion ("Original Contract").

First Sealord Surety, Inc. ("FSSI"), as Surety, and Principal, executed the required Performance and Payment Bond numbered 2010-02890 in the amount of \$1,224,500.00 naming as Pioneer and Technology Center as Obligee.

FSSI, as a condition of the issuance of the Performance and Payment Bonds, required that Principal enter into a Disbursing Agreement wherein Obligee would forward earned contract balances to FSSI and FSSI would place those funds in a segregated account (the "Disbursing Account"). The Disbursing Account is dedicated, in large part, to paying obligations of the Principal on the Project in accordance with the terms of the Disbursing Agreement.

On February 8, 2012, FSSI was placed into Liquidation by Consent Order issued by the Commonwealth Court of Pennsylvania and Michael F. Consedine, Insurance Commissioner of the Commonwealth of Pennsylvania was appointed the Statutory Liquidator of FSSI ("Liquidator")

Liquidator has determined that the funds held in the Disbursing Account created under the Disbursing Agreement entered into by FSSI are not the general funds of the estate of FSSI, but that FSSI retains an interest in those funds as provided by its General Agreement of Indemnity with the Principal, the Disbursing Agreement, and as otherwise provided at law and in equity, for its use in the reduction of claims and potential claims under the Performance and Payment Bond and in satisfaction of other debts owed by Principal to FSSI.

Liquidator has further determined that the estate of FSSI does not have the means or staffing to continue the operation of the Disbursing Agreement and related Disbursing Account.

Principal and Obligee have requested the release of the remaining funds held by FSSI under the Disbursing Agreement, and Liquidator, in reliance upon representations made by the Principal and Obligee and the terms of this Agreement, hereby agrees to such release of the remaining balance held by FSSI subject to the provisions that follow herein.

NOW THEREFORE, Liquidator, Principal and Obligee agree as set forth below:

1. Principal and Obligee acknowledge that Liquidator has entered into this Agreement in reliance on representations made by the Principal and Obligee in certain affidavits that are attached to and are made a part of this Agreement. (Attachment 1 & 2)
2. Principal and Obligee have reviewed, agree with and do not dispute the Liquidator's

accounting of the Disbursing Account and the balance remaining.

X _____ 3. Principal and Oblige agree that the remaining Disbursing Account funds received from the Liquidator pursuant to this Agreement will first be paid to the vendors, subcontractors, material suppliers and other individuals or entities that have earned and are due payment on the Project as listed in Principal's Affidavit and any other payment obligations arising from or relating to the Original Contract of which the Principal or Oblige is or becomes aware, including but not limited to any payment owed on an obligation as to which a stop payment was issued by the Liquidator in connection with the closing of the Disbursing Account.

X _____ 4. The Principal ~~and Oblige~~ agree to indemnify and hold harmless FSSI and the Liquidator from any claims under the Payment Bond that accrue prior to the date of this Agreement but this indemnification shall be limited to an amount no greater than the funds released less amounts paid to outstanding obligations of Principal from those funds pursuant to the above paragraph.

X _____ 5. Liquidator upon execution of this Agreement shall close the Disbursing Account and stop payment on any non-negotiated instruments previously issued from the Disbursing Account. The remaining funds shall be delivered in the form of a check payable jointly to Principal and Oblige and mailed to Oblige. The remaining funds paid to Principal and Oblige shall equal the closing balance less unpaid fees, premiums or other debts owed FSSI by Principal and bank fees and charges accrued at closing.

6. Nothing in this Agreement shall act to alter, amend, waive or otherwise change the obligations owed by the Principal under the General Agreement of Indemnity or other agreements provided to FSSI, or obligations of the Principal or Oblige that accrue to the benefit of FSSI or the Liquidator at law or in equity.

7. Nothing in this Agreement shall be construed as an admission of liability by FSSI or the Liquidator to any claim existing or that may arise and neither FSSI nor the Liquidator waive any right or defense under the Performance and Payment bonds whether at law or in equity that may exist or accrue to FSSI or the Liquidator's benefit or to the benefit of Principal.

8. The Agreement contains the entire agreement between the parties hereto with respect to the matters described herein and supersedes all prior agreements, oral or written, between the parties hereto with respect to such matters.

9. This Agreement may be executed in several counterparts and all so executed shall constitute one agreement, binding upon all of the parties hereto, notwithstanding that all of the parties are not signatories to the same counterpart.

10. This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

Signed this _____ day of _____, 2012

OBLIGEE: _____

Name and Title

Witness (Name)

PRINCIPAL: _____

Name and Title

Witness (Name)

LIQUIDATOR: First Seabord Surety, Inc., in Liquidation

Name and Title
Kenneth Shaffer, Administrative Officer
Pennsylvania Insurance Department
Bureau of Liquidations and Rehabilitations

Witness (Name)

Attachment 1

AFFIDAVIT OF OBLIGEE FOR THE RELEASE OF DISBURSING ACCOUNT FUNDS

Re: Project Name and Number
Principal
Bond Number
Escrow Account Number
Bank:

Pioneer CTC Phase II Renovation
CRAWFORD MECHANICAL SERVICES, INC
10-02890-~~PP~~ PP

I, Jerry A. Payne, TREASURER of Pioneer CTC,
(name) (title) (Obligee Name)

hereby certify under oath that I am the authorized representative of the above-identified Obligee and that I have reviewed the finances, files, records and correspondence (paper and electronic) of the Obligee for the above-identified Project, and I have discussed the Project with all agents of the Obligee and professionals retained by the Obligee, and agents of the above-referenced Principal, who are most knowledgeable concerning the Project. I have determined based upon my review and discussions detailed herein that as of the date of this Affidavit, no events of default have occurred under the Principal's Contract with the Obligee which could result in a claim under the Performance Bond for the above-identified Project, issued by First Sealord Surety.

In addition, based upon my inquires detailed herein, I have no knowledge of any claims being made or to be made under the Payment Bond issued by First Sealord Surety for the above-identified Project, except;

Claimant: Amount:

(If a separate schedule is used or required, attach it to this affidavit and reference the information above on that separate schedule)

I SWEAR UNDER THE PENALTY OF PERJURY THAT THIS AFFIDAVIT IS TRUE AND CORRECT.

Signed:

Jerry A. Payne

STATE OF

*

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to wit:

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COUNTY OF

I HEREBY CERTIFY that on this 15th day of March, 2012, before me, a Notary Public in and for the State and County aforesaid, personally appeared Jerry A. Payne, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing and annexed instrument and acknowledged that said individual executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Rebecca G. Kimmel
Notary Public

my commission expires June 16, 2014

Attachment 2

AFFIDAVIT OF PRINCIPAL FOR THE RELEASE OF DISBURSING ACCOUNT FUNDS

Re: Project Name and Number Pioneer and Tech Center
Obligee Pioneer and Tech Center
Bond Number 10-2840-PP
Escrow Account Number 0131023853
Bank: _____

I, Ross Miller (name), Accounting Manager (title) of Counford Mechanical Services (Principal Name)

hereby certify under oath that I am the authorized representative of the above-referenced Principal, I have reviewed the accounting records and project records related to the Project and Disbursing Account described above, and I have determined that the following vendors, subcontractors, material suppliers and other individuals or entities have earned and are due payment on the Project.

(Unpaid Amounts, If None state NONE)

Fastway Supplies \$2,640.11
Insulation \$721.51
Kirk Bros. Masonry \$122.15
Gumbell Rentals \$351.80

(If a separate schedule is used or required, attach it to this affidavit and reference the information above on the separate schedule).

In addition, I have reviewed the files, finances, records, and correspondence (paper and electronic) regarding the above-referenced Project. I have also discussed the project with the Principal's management including the project manager for the above-referenced Project, and I have determined that: (1) no events of default have occurred, nor have any events of default been asserted by the Obligee, under Performance Bond Number 10-2890-PP issued by First Sealord Surety, and (2) no Payment Bond claims have been, or are reasonably anticipated to be, asserted under Payment Bond Number 10-2890-PP issued by First Sealord Surety.

I SWEAR UNDER THE PENALTY OF PERJURY THAT THIS AFFIDAVIT IS TRUE AND CORRECT.

Signed: Ross Miller

STATE OF Ohio

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to wit:

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COUNTY OF Franklin

I HEREBY CERTIFY that on this 7 day of March, 2012, before me, a Notary Public in and for the State and County aforesaid, personally appeared Ross Miller, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing and annexed instrument and acknowledged that said individual executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

JASON V KECK
Notary Public, State of Ohio
Franklin County
My Commission Expires Aug. 2, 2016

Jason V. Keck
Notary Public