

Application for an Irrevocable Standby Letter of Credit

Please type clear information in the boxes below. Applications that are illegible may be returned.

Date: July 01, 2022 **To:** Wells Fargo Bank, National Association – **Issuing Location:** ☐ North Carolina ☒ California

The Applicant(s) signing below hereby request that Wells Fargo Bank, National Association (“Wells Fargo”) issue in Wells Fargo’s name, an Irrevocable Standby Letter of Credit (“SBLC or Credit”) on substantially the terms below:

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| Beneficiary of Wells Fargo SBLC (name and address): San Gabriel Valley Water Company 11142 Garvey Avenue, PO Box 6010 El Monte, CA 91734 <input type="checkbox"/> A bank of your choosing (for use only when a local credit or guarantee is needed & Wells Fargo will select a local bank) | Advising Bank (if left blank, Wells Fargo may select): |
| Applicant/Obligor (name and address): San Bernardino County Waste System Division 222 West Hospitality Lane, 2nd Floor San Bernardino, CA 92415 | Account Party (name and address of entity to be named in Credit, if different from Applicant/Obligor): |
| Currency (in USD unless otherwise specified): Amount (in figures): \$1,229,400 (in words): One Million Two Hundred Twenty Nine Thousand Four Hundred | |
| Availability: Unless otherwise specified herein, the Credit is to be available for presentation on or before the Expiration Date: (1) Only with Wells Fargo's issuing office, at sight, by payment of draft(s) drawn on Wells Fargo. (Note: This is the default unless an option under (2) below is chosen.) or (2) Available with <input type="checkbox"/> The confirming bank or <input type="checkbox"/> Insert other: | |
| Expiration Date (mm/dd/yy format; this is the initial expiration date, if automatic extension is selected): 06/30/23 or <input type="checkbox"/> Expire one year from issue date <input checked="" type="checkbox"/> Expiration Date to Be Automatically Extended (select one option below): <input checked="" type="checkbox"/> Annually on the day and month anniversary of the above Expiration Date or <input type="checkbox"/> Annually on (mm/dd) or <input type="checkbox"/> Every calendar days or <input type="checkbox"/> Every months With calendar days as the minimum notice period to receive a notice of non-extension. | |
| Optional: Final Expiration Date (mm/dd/yy): | |
| Drawing Requirements (check and complete the appropriate boxes) (Note: For your convenience, sample drawing statements are provided in our instructions): <input type="checkbox"/> A Beneficiary’s signed and dated statement, worded substantially as follows: (attach additional signed sheet(s), if necessary, and label as attachments to this specific Application): Or: <input type="checkbox"/> Issue your Credit substantially in the form and with the wording attached to this Application. The attached specimen is approved by each Applicant. (Please label the attached specimen as an attachment to this specific Application.) | |
| Additional Requirements: <ul style="list-style-type: none"> Partial drawings are <input type="checkbox"/> permitted <input type="checkbox"/> prohibited (if left blank, partial drawings will be permitted) Multiple drawings are <input type="checkbox"/> permitted <input type="checkbox"/> prohibited (if left blank, multiple drawings will be permitted) (Note: Prohibited means that only one presentation may be made and honoured and that it may be for less than the full available SBLC amount) Facsimile drawings are <input type="checkbox"/> permitted <input type="checkbox"/> prohibited (if left blank, the SBLC will default to a paper presentation) | |
| <input type="checkbox"/> Transferable (Click here if allowing the Credit to transferable to a new beneficiary, in its entirety.) <ul style="list-style-type: none"> Transfer charges for account of <input type="checkbox"/> Applicant or <input type="checkbox"/> Beneficiary Transfer is to be completed by <input type="checkbox"/> Wells Fargo or <input type="checkbox"/> Insert other bank: | |

The Credit will be subject to The International Standby Practices of the International Chamber of Commerce ("ICC"), Publication 590 ("ISP98"), unless otherwise indicated in the space below:

- ☐ The ICC, Uniform Customs and Practices ("UCP") Note: Current revision in effect is UCP 600; or
- ☐ Any subsequent version of either publication in effect and in use by Wells Fargo on the date the Credit is issued.

Description of Standby Purpose for Wells Fargo use only. Please include a description of the goods, services, or other underlying contract details: Insurance

Credit Requesting Issuance of Guarantee or Another Credit/Undertaking (to be completed only if the above Beneficiary is a bank or financial institution and said Beneficiary is being requested to issue its guarantee, Credit, or similar supported by the Wells Fargo Credit):

- ☐ Please request the above named Beneficiary to issue and deliver its (specify requested issuance type: guarantee, letter of credit, etc.) in favor of (beneficiary of local issuance) for an amount (not exceeding the amount specified above), effectively immediately and related to (specify a contract or identifying reference number) to expire (specify an expiry date at least 15 days prior to the Credit date indicated above)

Note: If both the Wells Fargo Credit and the local bank guarantee/SBLC require an auto-extension clause, Wells Fargo may provide the local bank with an option to draw against the Wells Fargo Credit upon Wells Fargo notice of non-extension.

- ☐ Applicant shall attach the expected wording to be used for such issuance with the expectation that it will be substantially adhered to by the other bank.

Or:

- ☐ Local bank issuance is requested for a letter of credit or a guarantee based on their standard wording for a specific transaction type (bid bond, warranty period, etc.):

Note: Applicant/Obligor agree that until Wells Fargo is released from its obligations under or in connection with the letter of credit or guarantee (however titled) issued by the local bank, Applicant(s) shall remain liable for the Credit issued under this Application and the Standby Letter of Credit Agreement which may include instances where a liability for the local bank's letter of credit or guarantee exceeds the face amount of the Credit or continues beyond the Expiration Date stated in the Credit.

Other Instructions:

Transmission of Credit: Please transmit the original of the Credit yourself or through a bank selected by you to the following:

- ☐ Beneficiary ☐ Applicant ☐ Other:

Note: By selecting a party other than the Beneficiary, I acknowledge and understand the rights of the Beneficiary under an issued Credit are unchanged regardless of where the original has been delivered.

Applicant's Agreement and Signature: (Each party obligated either alone or jointly and severally with others to reimburse Wells Fargo with respect to the Credit must sign this Application below.)

Wells Fargo may, in its sole discretion, accept a photocopy, facsimile, electronically transmitted, or other reproduction of a signed copy of this Application (including a PDF version received via email) or an electronically executed copy of this Application (including via SWIFT or DocuSign) as the binding and effective record of this Application, in each case with the same effect as an original manually signed Application, whether or not an original manually signed Application is also received by Wells Fargo from Applicant. Applicant represents to Wells Fargo that the signature (whether a photocopy, facsimile, electronically transmitted copy or reproduction of an ink signature or an electronic signature) that appears on the Application that is transmitted by Applicant to Wells Fargo in any manner is intended by Applicant to authenticate the Application and evidence Applicant's agreement with its terms notwithstanding that such signature may not be an original manual signature. Applicant further agrees that any such Application received by Wells Fargo shall constitute an original document for all purposes, including establishing the provisions of the Application, shall be binding on and enforceable against Applicant, and shall be legally admissible under the best evidence rule.

Note: Each Applicant's signature below affirms that (1) it has fully read and agreed to, (2) it will be bound by, (3) the Credit will be governed by the terms of this Application and the terms of the Standby Letter of Credit Agreement signed by each Applicant in favor of Wells Fargo or any other agreement signed by each Applicant pursuant to which the Credit is issued, and (4) this request for issuance of the Credit cannot be withdrawn without Wells Fargo's consent. This Application is signed by each Applicant's duly authorized representative(s) on the date specified above.

Print or Type Name of Applicant (as identified on page 1):

San Bernardino County

Print or Type Name of Co-Applicant:

| | | | |
|--|-----------------------------------|--|----------------------|
| Waste System Division | | | |
| Address: 222 West Hospitality Lane, 2nd Floor San Bernardino , CA 92415 | | Address: | |
| Authorized Signature (and Title, if applicable): Curt Hagman, Chairman | | Authorized Signature (and Title, if applicable): | |
| Authorized Signature (and Title, if applicable): | | Authorized Signature (and Title, if applicable): | |
| Email Address (MANDATORY): Curt.Hagman@bos.sbcounty.gov | | Email Address (MANDATORY): mary.patterson@dpw.sbcounty.gov | |
| DDA for Fees: | Phone Number: 909-465-5265 | Applicant Contact: | Phone Number: |

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|---|--|--|---|---|------------------------|
| For Wells Fargo Bank Use Only | | | | | |
| Credit Issuance Has Been Approved in Accordance With Wells Fargo's Credit Policies and Procedures | | | | | |
| Approving Officer's Signature | Approving Officer's Name Zachary Chastain | Approving Officer's Office Government Banking | AU | MAC | |
| Approving Officer's Telephone: 408-410-8455 | | Approving Officer's Email: zachary.chastain@wellsfargo.com | | | Date |
| <input type="checkbox"/> The Credit <i>appears</i> to support an obligation to make a monetary payment and should <i>most likely</i> be classified as a "financial obligation." | | | | | |
| <input type="checkbox"/> The Credit <i>appears not</i> to support an obligation to make a monetary payment and should <i>most likely</i> be classified as a "performance obligation." | | | | | |
| <input type="checkbox"/> The Credit requested above is a syndicated transaction and Applicant has confirmed that the Credit meets the expiration date requirements set forth in Section ___ of the relevant syndicated credit agreement. I confirm that I have communicated the information regarding this transaction to the Wells Fargo Syndications Group as required by Wells Fargo policy. | | | | | |
| For any questions regarding this transaction, please contact <input type="checkbox"/> Approver <input type="checkbox"/> Applicant directly <input type="checkbox"/> Other: | | | | | |
| AFS Booking Interface: YES <input type="checkbox"/> NO <input type="checkbox"/> | Commitment #: | Obligor #: | Standalone: YES <input type="checkbox"/> NO <input type="checkbox"/> NOTE: Fields marked with * must be completed for Standalone LCs only. | *Collateral: | *BQR: |
| *CQR: | *NAIC: | *Secured Code (1 Alpha): | *Owner Occupied (1 numeric): | *Country of risk (10 alpha numeric): | |
| LIQ BOOKING: <input type="checkbox"/> YES <input type="checkbox"/> NO | LIQ CID: | LIQ FACILITY ID: | LUCAS BOOKING: <input type="checkbox"/> YES <input type="checkbox"/> NO | LUCAS CLIENT NO.: | LUCAS LOAN NO.: |
| Exception Pricing for this Standby LC: <input type="checkbox"/> Commission P.A.: <input type="checkbox"/> Servicing Fees: | | | | | |

SPECIAL INSTRUCTIONS: *(Indicate provisions applicable to the Credit different from those on Applicant's Relationship Management Instructions Form)*

Relationship Manager (name, ID, and AU)

Name: LYNN LOVE

ID: 17045

AU: