



<p align="center">Agreement to Satisfy Preliminary Plat Condition #19C</p> <p align="center">"Traffic Calming Devices and Further Traffic Control Mitigations"</p>	<p>Financial Guarantee Activity Number(s):</p> <p align="center">A03BN092</p>
<p>Total Guarantee Amount:</p> <p>\$ 172,315.00</p>	<p>Project Name / Number:</p> <p>S90F0028, S90P0096 and S90P0105</p> <p>Old Mill Point/Webers Ridge/Chrysalis Estates Plats</p>

This AGREEMENT is made and entered into this 4th day of August, 2003, between the City of Sammamish, hereinafter called the CITY, and the above named Plator, hereinafter called APPLICANT.

Basis for AGREEMENT:

WHEREAS, the undersigned APPLICANT seeks to obtain Final Construction Approval for the above named subdivision but has not fulfilled all of the requirements of Preliminary Plat Approval Condition #19, as described under "Recommendation" in the Hearing Examiner's Report and Recommendation to the King County Council dated March 12, 1996; and

WHEREAS, the CITY has not made a final decision as to the permanency or removal of a barricade preventing through traffic on Northeast 42nd Street, west of 201st Avenue Northeast.

NOW THEREFORE, the APPLICANT hereby agrees and binds itself and it's legal representatives, successors, and assigns, as follows:

Terms of the AGREEMENT:

1. The APPLICANT shall, upon notification by the CITY that the above-described barricade has been removed, fulfill the requirements of Condition #19 in the manner set forth below; provided, that should the CITY not give such notification within five years of Final Construction Approval, the requirements under Condition #19 shall be deemed to be fulfilled. The APPLICANT shall provide and fund measurements of peak hour traffic and Average Daily Traffic (ADT), as directed by the CITY, for a period not to exceed five years following the issuing of Final Construction Approval. If traffic counts require further traffic mitigation measures, such measures shall be partially or wholly funded by the APPLICANT. In no case shall the funds required from the APPLICANT, for the mitigation measures, exceed the amount of this financial guarantee.
2. The APPLICANT shall provide the required traffic count data to the CITY per the direction of the City (not to exceed three weeks of traffic studies per year). The CITY shall identify locations for the applicant to conduct traffic studies. If 2000 ADT is exceeded at any point west of the intersection of Northeast 37th and 205th Place, the CITY shall, within sixty (60) calendar days of submittal of the final traffic count data, notify the APPLICANT of the total amount of the funds required for any additional traffic mitigation measures and provide, to the APPLICANT, cost estimating documents for such measures.
3. The APPLICANT shall, within sixty (60) calendar days of receipt of the notice from the CITY, provide to the CITY the total amount of the funds required for the mitigation measures. In no case shall the funds required from the APPLICANT, for the mitigation measures, exceed the amount of this financial guarantee.
4. The APPLICANT shall perform all required work with due diligence.
5. Nothing in this AGREEMENT shall relieve the APPLICANT from the responsibility to pay all costs incurred by the CITY in the processing of the subdivision requirements, including but not limited to plan review and inspection fees pursuant to the fee schedule in Interim Sammamish Development Code as adopted by City Ordinance No. 099-46 or the most current adopted fee schedule, and any costs which may result from the enforcement of this AGREEMENT.

6. The APPLICANT has provided the CITY with a financial guarantee in the amount and in a form approved by the CITY in order to secure performance of the terms of this AGREEMENT. The financial guarantee shall remain in full force and effect until written release by the CITY.

7. The APPLICANT shall be responsible for the proper performance, safe conduct and adequate policing and supervision of the project. This responsibility shall not be lessened or otherwise affected by the CITY's approval of plans, specifications, or work, or by the presence at the work site of the CITY's representative(s), or by the compliance by the APPLICANT with any requests made by said representative(s).

8. The APPLICANT shall indemnify and hold the CITY and it's agents, employees and/or officers harmless from and shall process and defend at it's own expense all claims, damages, suits at law or equity, actions, penalties, losses, or costs of whatsoever kind or nature, brought against the CITY arising out of, in connection with, or incident to the execution of this AGREEMENT and/or the APPLICANT's performance or failure to perform any aspect of this AGREEMENT. Provided, however, that nothing herein shall require the APPLICANT to hold harmless or defend the CITY from any claim arising from the sole negligence of the CITY's agents, employees and/or officers.

9. In the event that any party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this AGREEMENT, the parties hereto agree that any such action or proceeding shall be brought in a court of competent jurisdiction situated in King County, Washington.

Release Requirements: This AGREEMENT shall remain in effect and the associated financial guarantee shall not be released until all terms of this AGREEMENT have been fully completed to the satisfaction of the CITY

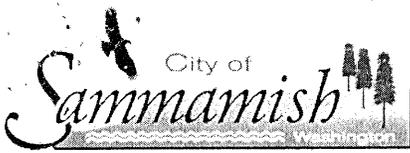
IN WITNESS THEREOF, the parties hereto have executed this AGREEMENT as of the day and year first above written.

APPLICANT John F Buchan Construction, Inc.

By David S. Shultz Title President Date 5/27/03

Received for the City of Sammamish by Melanie Anderson Date 08/04/03

A03BN092



SURETY BOND

Financial Guarantee Activity No. A03BN092 Bond No. 208 26 37

Name of Project Old Mill Point/Webers Ridge/Chrysalis Estates Plats

MAY 21 2003

Location/Address of Project 4200 – 200th Avenue NE

Project No. S90P0028, S90P0096, and S90P0105 Bond Amount \$172,315

We JOHN F. BUCHAN CONSTRUCTION, INC. as Principal and INSURANCE COMPANY OF THE WEST a corporation organized and existing under and by virtue of the laws of the State of California and legally doing business in the State of Washington, as Surety, are held and firmly bound unto the City of Sammamish, State of Washington, as Obligee, in the penal sum of **One Hundred Seventy-two Thousand, Three Hundred Fifteen and 0/100 dollars** for the payment of which we firmly bind ourselves, and our legal representatives, successors and assigns, jointly and severally.

THE CONDITION OF OBLIGATION is that:

1. The Principal has executed an "Agreement" entitled **"Agreement to Satisfy Preliminary Plat Condition #19C – Traffic Calming Devices and Further Traffic Control Mitigations"**, a copy of which is attached hereto and incorporated herein by this reference.
2. Under the provisions of the Agreement, the Principal is required to furnish a guarantee to secure the Principal's compliance with the terms of the Agreement.
3. This Surety Bond is intended to secure the Principals' performance of work and payment of fees in accordance with the associated Agreement.

IT IS FURTHER EXPRESSLY PROVIDED that:

1. Until written release of this obligation by the City of Sammamish, this bond may not be terminated or cancelled by the Principal or Surety for any reason.
2. The obligation of the Surety shall not be discharged or affected by any extension of time for the Principal's performance of this Agreement or by any amendment of the engineering plans used for construction of the project. The Surety hereby waives notice of any such extension or amendment. The obligation of the Surety shall, in no event, exceed the penal sum hereof unless the Surety has expressly consented to any change, modification or extension of the Agreement and has issued its written adjustment of the penal sum, signed by the Principal and Surety.
3. Upon failure of the Principal to perform any of the terms of the Agreement, The Surety shall either perform the terms of the Agreement or shall tender to the City of Sammamish the amount which the City estimates necessary to effect compliance with the terms of the Agreement. The City estimate may not be challenged or otherwise disputed by the Principal or Surety. Any funds provided by the Surety in excess of that expended to remedy noncompliance with the Agreement will be returned to the Surety upon completion of the remedial work and payment of outstanding fees.

It is the APPLICANT'S/PRINCIPAL'S responsibility to notify the City of Sammamish of any change in address, phone number, or change of ownership of property. It is the APPLICANT'S responsibility to arrange for replacement of any/all financial guarantees prior to the change of ownership.

PRINCIPAL: JOHN F. BUCHAN CONSTRUCTION, INC.

SURETY: INSURANCE COMPANY OF THE WEST

Signature Dennis Thornton Date 5/27/03

Title President

Mailing Address 2821 Northrup Way Suite 100
Belleuve Wa 98004-1439

Phone Number 425 827 2266

Signature Paula M. McCoy Date May 22, 2003
Title Attorney-in-Fact

Mailing Address PO Box 24347

Seattle, WA 98124

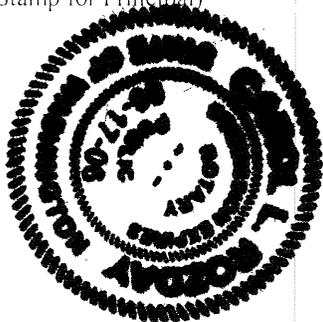
Phone Number 206-956-1600

PLEASE ATTACH A POWER OF ATTORNEY FOR SURETY
AND
COMPLETE THE FOLLOWING FOR THE PRINCIPAL

State of Washington, County of King

I certify that I know or have seen satisfactory evidence that DENNIS E. THORNTON signed this instrument and acknowledges it to be his/her free and voluntary act for the uses and purposes mentioned in this instrument.

(Notary Seal or Stamp for Principal)



Dated: 5.27.03

Signature of Notary Public: Carol L. Rozday

Title: LAND DEVELOPMENT ADMINISTRATOR

My appointment expires: 6.17.06

Financial Guarantee Activity Number: _____

A03BN092

ICW GROUP
Power of Attorney
Insurance Company of the West
Explorer Insurance Company Independence Casualty and Surety Company

KNOW ALL MEN BY THESE PRESENTS: That Insurance Company of the West, a Corporation duly organized under the laws of the State of California, Explorer Insurance Company, a Corporation duly organized under the laws of the State of Arizona, and Independence Casualty and Surety Company, a Corporation duly organized under the laws of the State of Texas, (collectively referred to as the "Companies"), do hereby appoint

PAULA M. MCCOY, JAMES B. BINDER, ANNE E. STRIEBY

their true and lawful Attorney(s)-in-Fact with authority to date, execute, sign, seal, and deliver on behalf of the Companies, fidelity and surety bonds, undertakings, and other similar contracts of suretyship, and any related documents.

IN WITNESS WHEREOF, the Companies have caused these presents to be executed by its duly authorized officers this 16th day of January, 2001.



INSURANCE COMPANY OF THE WEST
EXPLORER INSURANCE COMPANY
INDEPENDENCE CASUALTY AND SURETY COMPANY

John H. Craig

John H. Craig, Assistant Secretary

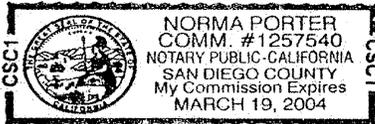
John L. Hannum

John L. Hannum, Executive Vice President

State of California }
County of San Diego } ss.

On January 16, 2001, before me, Norma Porter, Notary Public, personally appeared John L. Hannum and John H. Craig, personally known to me to be the persons whose names are subscribed to the within instrument, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument, the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.



Norma Porter

Norma Porter, Notary Public

RESOLUTIONS

This Power of Attorney is granted and is signed, sealed and notarized with facsimile signatures and seals under authority of the following resolutions adopted by the respective Boards of Directors of each of the Companies:

"RESOLVED: That the President, an Executive or Senior Vice President of the Company, together with the Secretary or any Assistant Secretary, are hereby authorized to execute Powers of Attorney appointing the person(s) named as Attorney(s)-in-Fact to date, execute, sign, seal, and deliver on behalf of the Company, fidelity and surety bonds, undertakings, and other similar contracts of suretyship, and any related documents.

RESOLVED FURTHER: That the signatures of the officers making the appointment, and the signature of any officer certifying the validity and current status of the appointment, may be facsimile representations of those signatures; and the signature and seal of any notary, and the seal of the Company, may be facsimile representations of those signatures and seals, and such facsimile representations shall have the same force and effect as if manually affixed. The facsimile representations referred to herein may be affixed by stamping, printing, typing, or photocopying."

CERTIFICATE

I, the undersigned, Assistant Secretary of Insurance Company of the West, Explorer Insurance Company, and Independence Casualty and Surety Company, do hereby certify that the foregoing Power of Attorney is in full force and effect, and has not been revoked, and that the above resolutions were duly adopted by the respective Boards of Directors of the Companies, and are now in full force.

IN WITNESS WHEREOF, I have set my hand this 22 day of May, 2003

John H. Craig

John H. Craig, Assistant Secretary

To verify the authenticity of this Power of Attorney you may call 1-800-888-1111 and ask for the Surety Division. Please refer to the Power of Attorney Number, the above named individual(s) and details of the bond to which the power is attached.

I.C.W. GROUP

Insurance Company of The West
The Explorer Insurance Company
Independence Casualty and Surety Company
11455 El Camino Real, San Diego, CA 92130-2045
P.O. BOX 85563, San Diego, CA 92186-5563
(858) 350-2400 FAX (858) 350-2707
www.icwgroup.com

Bond Number: 208 26 37

Terrorism Risk Rider

This rider addresses the requirements of the Terrorism Risk Insurance Act of 2002.

In accordance with the above Act, we are providing this disclosure notice for all bonds on which one or more of the above identified companies is a surety.

Coverage for certified acts of terrorism is included in the attached bond and will be partially reimbursed by the United States under a formula established by the Act. The United States will pay 90% of covered terrorism losses in excess of a statutory established deductible to the insurance company issuing the bond.

In no way will the payment for loss on this bond exceed the limit of liability under this bond. This rider does not provide coverage for any loss that would otherwise be excluded by the terms of this bond.

The portion of the premium, for this bond, attributable to coverage for certified acts of terrorism under the Act is One Dollar (\$1.00).

Important Notice: The cost of terrorism coverage is subject to change on any bond that premium is charged annually.

