BUSINESS LOAN AGREEMENT

(GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT)

DATE: July 3, 2012

PARTIES: Borrower: Each of the Districts listed in Schedule I hereto, through the Gila County Treasurer, as their agent

Bank: JPMorgan Chase Bank, N.A., a national banking association authorized to do business in the State of Arizona ("Bank")

AGREEMENT: Pursuant to §11-604.01, Arizona Revised Statutes (the "Act"), the Board of Supervisors of a county may enter into an agreement with the financial institution authorized to do business in the State of Arizona to obtain a line of credit for each of the political subdivisions of the county. The Act further provides that the Gila County Treasurer is the agent for the County and for each political subdivision of the State of Arizona for which the Gila County Treasurer acts as treasurer and may take any action required under such agreement without further approval of any governing body of a political subdivision. The Board of Supervisors of Gila County, Arizona (the "County"), the Gila County Treasurer and Bank intend to enter into this Agreement and the hereafter-described Note to obtain a line of credit pursuant to the Act for each of the districts listed in Schedule I attached hereto (individually a "Borrower" and collectively, the "Borrowers"), in the respective maximum amounts shown on said Schedule I for each Borrower, and to evidence all such lines of credit in this Agreement and the Note. For purposes of this Agreement and each line of credit extended to a Borrower evidenced hereunder and in the Note, such Borrower shall be acting through the Gila County Treasurer as its agent pursuant to the Act. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Borrower and Bank agree as follows:

1. DEFINITIONS. In this Agreement, the following terms shall have the following meanings:

"Advance" means a disbursement of funds by Bank to a Borrower pursuant to Section 2.1.

"Agreement" means this Business Loan Agreement (Gila County Districts Revolving Line of Credit) as it may be amended, modified, extended, renewed, restated, or supplemented from time to time.

"Authorized Person" means any of the following Persons acting alone:

Debora Savage Gila County Treasurer	Sample Signature
Martha Gonzales Chief Deputy Treasurer	Sample Signature
Pam Alvino Accountant	Sample Signature
Terri Powell Office Manager	Sample Signature

or any other person authorized to act for a Borrower hereunder as shown by a written statement signed by the Gila County Treasurer and that also shows the specimen signature of such additional Authorized Person.

"Business Day" means a day of the year on which banks are not required or authorized to close in Phoenix, Arizona.

"Code" means the Internal Revenue Code of 1986, as amended.

"Code and Regulations" means the Code and the regulations thereunder, as such Code and regulations heretofore have been and hereafter may be amended from time to time.

"Collateral" means the property, interests' in property, and rights to property securing any or all Obligations from time to time, including without limitation the security interest in the non-restricted operating revenues received by the Gila County Treasurer on behalf of each Borrower.

"Commitment" means the agreement of Bank to make Advances as provided in this Agreement.

"Commitment Amount" means, with respect to each Borrower, the lesser of (i) the maximum amount shown for such Borrower on Schedule I hereto, or (ii) forty-five percent (45%) of the total amount of non-restricted operating revenues received by such Borrower in the immediately preceding Fiscal Year of such Borrower, provided that the Commitment Amount, in the aggregate, shall not exceed the Commitment Amount Cap (defined below).

"Commitment Amount Cap" means the amount of Eight Million and NO/100 Dollars ($8,000,000.00).

"Commitment Expiration Date" means June 30, 2013, subject to earlier termination as provided herein, and subject to extension by mutual agreement of the parties, as described in Section 2.8.

"Declaration" means a letter executed by a Borrower, in the form attached hereto as Exhibit B, in which Borrower designates the Advances for a certain calendar year to be "qualified tax-exempt obligations" (as defined in Section 265(b)(3)(B) of the Code).

"Default Rate" has the meaning specified in the Note.

"Districts" means political subdivisions of Gila County, Arizona.

"Event of Default" has the meaning specified in the Note.

"Fiscal Year" means the fiscal year for each Borrower, and shall commence each July 1 and end each immediately following June 30.

"Governmental Authority" means any government, any court, and any agency, authority, body, bureau, department, or instrumentality of any government.

"Loan Documents" means this Agreement, the Note, the Services Proposal and any other agreements, documents, and instruments from time to time evidencing, guarantying, securing, or otherwise relating to the Note, as they may be amended, modified, extended, renewed, restated, or supplemented from time to time.

"Material Adverse Effect" means a material adverse change in, or a material adverse effect upon (i) the assets, business, properties, prospects, condition (financial or otherwise) or results of operations of the Borrower taken as a whole, (ii) the ability of the Borrower to perform any of the Obligations, (iii) any substantial portion of the Collateral, (iv) the legality, validity, binding effect or enforceability of the Loan Documents against the Borrower; or (v) the rights or remedies of the Bank under any Loan Documents.

"Note" means the Promissory Note, dated of even date herewith, of Borrowers payable to Bank, as it may be amended, modified, extended, renewed, restated, or supplemented from time to time.

"Obligations" means the respective obligations of Borrowers under the Loan Documents.

"Person" means a natural person, a partnership, a joint venture, an unincorporated association, a limited liability company, a corporation, a trust, any other legal entity, or any Governmental Authority.

"Services Proposal" means the Gila County Proposal for Depository and Banking Services, dated May 3, 2012, by Bank to Gila County, Arizona.

"Servicing Bank Term" means the period, during which Bank provides services to County as servicing bank, with such term commencing July 1, 2012 and ending June 30, 2015, subject to extensions of not more than two (2) additional years.

"Unmatured Event of Default" means any condition or event that with notice, passage of time, or both would be an Event of Default.

2. REVOLVING LINE OF CREDIT FACILITY.

2.1 Credit Facility. Subject to the terms and conditions of this Agreement, Bank agrees to make Advances to Borrowers from time to time on or before the Commitment Expiration Date, provided that the outstanding amount of Advances with respect to any Borrower from time to time shall not exceed the Commitment Amount for such Borrower. Advances to each Borrower shall be on a revolving basis. Advances repaid may be re-borrowed subject to the terms and conditions of this Agreement. Upon occurrence of an Event of Default or an Unmatured Event of Default with respect to any Borrower, Bank, in its absolute and sole discretion and without notice, may suspend the commitment to make Advances with respect to such Borrower. In addition, upon occurrence of an Event of Default with respect to any Borrower, Bank, in its absolute and sole discretion and without notice, may terminate the commitment to make Advances to such Borrower. The obligation of each Borrower to repay Advances is evidenced by the Note as to the amount outstanding thereunder with respect to such Borrower. Neither the Gila County Treasurer nor the County shall be liable for amounts owed by any Borrower hereunder. Although the outstanding principal of the Note may be zero from time to time, the Loan Documents shall remain in full force and effect until the Commitment terminates and all Obligations are paid and performed in full.

2.2 Requests for Advances and Repayments. Each request for an Advance will be made in writing in a manner mutually acceptable to Bank and the Gila County Treasurer, or by another means mutually acceptable to the Bank and the Gila County Treasurer. Each request for an Advance shall identify which Borrower or Borrowers it relates to and the amount of such request for an Advance related to each Borrower. Borrower shall deliver to Bank an executed Declaration to designate the Advances received in any one calendar year as "qualified tax-exempt obligations" (as defined in Section 265(b)(3)(B) of the Code).

2.3 Advances and Repayments.

Advances will be deposited in and repayments will be withdrawn from the accounts of the County with Bank, which account number is _____, or such other accounts with Bank as designated in writing by an Authorized Person. Each Borrower hereby irrevocably authorizes and directs Bank to make such debits. The arrangement in this Section 2.3 to debit such demand deposit account shall not restrict Bank's right to collect any amounts due under the Loan Documents from any revenues or funds of Borrowers which have Advances outstanding hereunder otherwise available for payment of such amounts, including, without limitation, all non-restricted operating revenues of Borrowers.

2.4 Advances - Repayment. Each Borrower agrees to apply all "non-restricted operating revenues", as such term is described in Section 11-604.01.A, Arizona Revised Statutes, according to the priorities set forth in said Section 11-604.01.C. If there remain any amounts outstanding on the Note as of June 30 of any year with respect to each Borrower, such Borrower agrees to notify Bank on or before June 30th of such year of the amounts on deposit in the demand deposit and other accounts of the Borrower with Bank which constitute non-restricted operating revenues.

2.5 Advances in Excess of Commitment Amount. If with or without the approval of Bank the aggregate outstanding amount of Advances to a Borrower at any time exceeds the Commitment Amount for such Borrower, that Borrower shall repay the excess immediately upon demand by Bank.

2.6 Authority to Amend Commitment. In accordance with the provisions of the Act, the Gila County Treasurer on behalf of the Borrowers is hereby authorized to amend this Agreement and the Note with respect to the following matters:

2.6.1 To amend Schedule I to (a) add additional Borrowers, and (b) modify the Commitment Amount with respect to each Borrower;

2.6.2 To extend the Commitment Expiration Date, as described in Section 2.8; and

2.6.3 To increase or decrease the Commitment Amount Cap, provided that the Commitment Amount Cap shall not be increased to an amount which exceeds Eight Million Dollars ($8,000,000.00), without such amendment being approved by resolution adopted by the Gila County Board of Supervisors.

2.7 Procedure to Amend Commitment. The Agreement and Note may be amended by a written amendment substantially in the form attached hereto as Exhibit C (the "Addendum") executed by the Bank and by the Gila County Treasurer on behalf of the Borrowers. Each amendment, when dated and fully executed, shall be construed to amend all prior versions of this Agreement and Note, whether or not it is actually attached to all copies of this Agreement or the Note.

2.8 Extension of Commitment Expiration Date. The Commitment provided to Borrowers hereunder shall be in effect initially for Fiscal Year 2012-2013. Borrowers and Bank may agree to extend the Commitment for each Fiscal Year thereafter through the execution of the Addendum extending the Commitment Expiration Date from June 30, 2013, to June 30, 2014 for Fiscal Year 2013-2014, and June 30, 2015 for Fiscal Year 2014-2015. Provided that the Bank Services Term is extended beyond June 30, 2015, Borrowers and Bank may agree to further extend the Commitment for subsequent Fiscal Years by extending the Commitment Expiration Date to June 30 of the next calendar year. Notwithstanding the foregoing, nothing set forth herein authorizes the Commitment to be extended beyond the expiration of the Servicing Bank Term.

3. CONDITIONS PRECEDENT TO ADVANCES.

3.1 Conditions Precedent to Initial Advance. Bank must receive the following items, in form and content acceptable to Bank, before Bank is required to make any Advances to a Borrower under this Agreement.

3.1.1 Legal Opinion of Borrower. A written opinion of the legal counsel for such Borrower, in a form satisfactory to Bank, opining on the following:

(a) Authorization. The execution, delivery, and performance by Borrower of the Loan Documents have been duly authorized by all requisite action by or on behalf of Borrower.

(b) Enforceability. The Loan Documents have been duly executed and delivered on behalf of Borrower. The Loan Documents are legal, valid, and binding obligations of Borrower, enforceable in accordance with their terms against Borrower, except as such enforceability may be limited by Section 42-17101 et seq., Arizona Revised Statutes, bankruptcy, insolvency, moratorium, reorganization, or similar laws and by equitable principles of general application.

3.1.2 Borrower's Financial Statement and Annual Budget. A copy of such Borrower's published Annual Financial Statement for Fiscal Year ending June 30, 2011 (and each Fiscal Year thereafter) and the adopted budget for Borrower for its Fiscal Year 2012-2013 (and each Fiscal Year thereafter) and such other information and documents as Bank may reasonably request, provided, however, that Bank may waive the requirement for such Borrower's Annual Financial Statement for Fiscal Year ending June 30, 2011, and accept an unpublished or unaudited version, without waiving the requirement for timely delivery of such Borrower's Annual Financial Statement in subsequent years, as provided herein.

3.2 Conditions Precedent to All Advances. Bank shall be obligated to make an Advance when requested on behalf of a Borrower only if the following conditions precedent are satisfied.

3.2.1 Representations and Warranties Accurate. The representations and warranties by Borrower in the Loan Documents are correct on and as of the date of this Agreement and, except as Borrower shall have otherwise notified Bank in writing prior to the date thereof, on and as of the date of each Advance, before and after giving effect to such Advance and to the application of the proceeds of such Advance, as though made on and as of such date.

3.2.2 No Violation of Limits on Advances. The making of the Advance to Borrower would not result in the outstanding amount of Advances exceeding the Commitment Amount to such Borrower.

3.3 Bank's Waiver of Conditions. Bank may elect, in its absolute and sole discretion, to waive any of the foregoing conditions precedent. Any such waiver shall be effective only if it (i) is in writing executed by Bank, (ii) specifically identifies the condition precedent, and (iii) describes the particular Advance as to which such condition precedent is waived. Any such waiver shall be limited to the condition(s) precedent specifically described therein. Delay or failure by Bank to insist on satisfaction of any condition precedent of an Advance shall not be a waiver of such condition precedent or any other condition precedent. If Borrower is unable to satisfy any condition precedent of an Advance, the making of the Advance shall not preclude Bank from thereafter declaring the condition or event causing such inability to be an Event of Default.

4. BORROWER REPRESENTATIONS AND WARRANTIES.

4.1 Closing Representations and Warranties. Each Borrower represents and warrants to Bank as of the date of this Agreement:

4.1.1 Existence and Authorization. Borrower is a duly formed, organized and validly existing political subdivision of the State of Arizona. The execution, delivery, and performance by Borrower of the Loan Documents have been duly authorized by all requisite action by or on behalf of Borrower.

4.1.2 No Approvals. No approval, authorization, bond, consent, certificate, franchise, license, permit, registration, qualification, or other action or grant by or filing with any Person is required in connection with the execution, delivery, or performance by Borrower of the Loan Documents that has not been obtained.

4.1.3 No Conflicts. The execution, delivery, and performance by Borrower of the Loan Documents will not conflict with, or result in a violation of or a default under: any applicable law, ordinance, regulation, or rule (federal, state, or local); any judgment, order, or decree of any arbitrator, other private adjudicator, or Governmental Authority to which Borrower is a party or by which Borrower or any of the assets or property of Borrower is bound; or any agreement, document, or instrument to which Borrower is a party or by which Borrower or any of the assets or property of Borrower is bound.

4.1.4 Execution and Delivery and Binding Nature of Loan Documents. The Loan Documents have been duly executed and delivered on behalf of Borrower. The Loan Documents are legal, valid, and binding obligations of Borrower, enforceable in accordance with their terms against Borrower, except as such enforceability may be limited by Section 42-17101 et seq., Arizona Revised Statutes, bankruptcy, insolvency, moratorium, reorganization, or similar laws and by equitable principles of general application.

4.1.5 Accurate Information. All information in any loan application, financial statement, certificate, or other document and all other Information delivered by or on behalf of Borrower to Bank in obtaining the Commitment is correct and complete in all material respects, and there are no omissions therefrom that result in any such information being incomplete, incorrect, or misleading in any material respect as of the date thereof.

4.1.6 Litigation. There is no lawsuit, tax claim, or other dispute pending or overtly threatened against Borrower which, if lost, would materially impair Borrower's financial condition or Borrower's ability to repay any amount payable under this Agreement, except as have been or will be disclosed in writing to Bank.

4.1.7 Purpose of Advances. This Agreement is made pursuant to the Act. The purpose of Advances is to provide funds for the general operations of Borrower; provided, however, proceeds may not be used for any expenses, costs, or reimbursements relating to Borrower's sponsorship of Charter Schools without the prior written consent of Bank.

4.1.8 No Event of Default or Unmatured Event of Default. No Event of Default and no Unmatured Event of Default has occurred and is continuing.

4.1.9 No Material Adverse Change. No material adverse change from the Borrower's financial condition and operations as reflected in such Borrower's published Annual Financial Statement for Fiscal Year ending June 30, 2011.

4.1.10 No Material Adverse Effect. The absence of any situation occurring which would, in the opinion of the Bank, result in a Material Adverse Effect.

4.1.11 Limitation of Representations and Warranties. The foregoing representations and warranties are solely the representations and warranties of Borrowers. The County in no way makes any representations or warranties with respect to the organization, financial condition, or any other fact, with respect to any of the Districts listed in Schedule 1 hereto.

4.2 Representations and Warranties Upon Requests for Advances. Each request for an Advance on behalf of any Borrower shall be a representation and warranty by such Borrower to Bank that the representations and warranties in this Section 4 are correct and complete as of the date of the Advance with respect to such Borrower, except as such Borrower shall have otherwise notified Bank in writing prior to the date thereof, and that the conditions precedent in Section 3.1 are satisfied as of the date of the Advance.

5. BORROWER AFFIRMATIVE COVENANTS. Each Borrower agrees that:

5.1 Existence. Borrower shall continue to be a validly existing political subdivision of the State of Arizona.

5.2 Books and Records: Access By Bank. Borrower shall maintain a system of accounting for and appropriate books and records showing its receipt and use of (i) non-restricted operating revenues, (ii) proceeds of Advances, and (iii) other funds available for expenditure for the general operations of Borrower. During business hours, after an Event of Default, Borrower shall give representatives of Bank access to all assets, property, books, records, and documents of Borrower and shall permit such representatives to inspect such assets and property and to audit, copy, examine, and make excerpts from such books, records, and documents.

5.3 Information and Statements. Borrower shall furnish to Bank: (i) as soon as available and in any event within two hundred forty (240) days after the end of each Fiscal Year of Borrower, copies of annual financial reports, (ii) as soon as available and in any event prior to sixty (60) days after the beginning of each Fiscal Year, Borrower's budget for such Fiscal Year, as adopted, (iii) any other information and documents given to any securities rating agency or other Person in connection with the indebtedness of Borrower and (iv) such additional information and statements as the Bank may request, from time to time.

5.4 Law; Judgments; Material Agreements; Approvals and Permits. Borrower shall comply with all laws, ordinances, regulations, and rules (federal, state, and local) and all judgments, orders, and decrees of any arbitrator, other private adjudicator, or Governmental Authority relating to Borrower or the assets, business, operations, or property of Borrower. Borrower shall comply in all material respects with all material agreements, documents, and

instruments to which Borrower is a party or by which Borrower or any of the assets or property of Borrower is bound or affected.

5.5 Further Assurances. Borrower shall promptly execute, acknowledge, and deliver and, as appropriate, cause to be duly filed and recorded such additional agreements, documents, and instruments and do or cause to be done such other acts as Bank may reasonably request from time to time to better assure, perfect, preserve, and protect the rights and remedies of Bank under the Loan Documents.

5.6 Use of Advances. Borrower shall use proceeds of Advances only to pay expenses incurred in its general operations ("Operating Expenses"). Borrower shall only use proceeds of Advances to pay then due Operating Expenses, and shall only receive such Advances when it has no other available funds to pay such Operating Expenses.

5.7 Taxation of Interest. Each Borrower shall neither take nor fail to take any action which action or failure to act is within the power and authority of such Borrower and would result in interest payable by such Borrower under the Note (i) being included in gross income of Bank for federal income tax purposes, or (ii) otherwise being subject to the federal income tax. Such actions may include, without limitation: making certifications and representations; giving assurances; paying to the United States of America any required amounts representing rebates of arbitrage profits relating to proceeds of Advances to such Borrower; filing forms, statements, and supporting documents as may be required under the Code and Regulations; limiting the term of and yield on investments made with proceeds of Advances to such Borrower; and limiting the use of the proceeds of Advances to such Borrower. In addition to other actions under this Section 5.7, the Gila County Treasurer, as agent for each Borrower, shall sign and file with the Internal Revenue Service properly completed Forms 8038-G provided by Bank as and when required by the Code and Regulations and shall promptly deliver to Bank a copy of each filed Form 8038-G.

5.8 Registration of Warrants. The Gila County Treasurer, as agent for each Borrower, shall perform its obligations under Arizona Revised Statutes Section 11-604.01.E, which is hereby incorporated herein by reference.

5.9 Security Interest Grants. Each Borrower shall not grant or suffer to exist any lien, claim, or encumbrance to or in favor of any person or entity other than Bank covering the non-restricted operating revenues of such Borrower (it being understood that Tax Anticipation Notes, General Obligation Bonds, and other payment-source-specific financing commitments of such Borrower deal with operating revenues which are restricted and thus are not "non-restricted operating revenues"). Each Borrower and Bank agree that Bank is entitled to a security interest in the non-restricted operating revenues received by the Gila County Treasurer on behalf of such Borrower to the extent of any credit extended under this Agreement.

6. COSTS, EXPENSES, AND FEES. Each Borrower agrees to pay on demand all external and internal costs, expenses, and fees (including, without limitation, as applicable, inside and outside attorneys and paralegals costs, expenses, and fees) of Bank (i) in enforcement of the Loan Documents and exercise of the rights and remedies of Bank, (ii) in defense of the legality, validity, binding nature, and enforceability of the Loan Documents and the perfection

and priority of the liens and encumbrances granted in the Loan Documents, (iii) in gaining possession of, holding, preserving, and protecting the Collateral, (iv) otherwise in relation to the Loan Documents, the Collateral, or the rights and remedies of Bank under the Loan Documents or relating to the Collateral, and (v) in preparing for the foregoing, whether or not any legal proceeding is brought or other action is taken. Such costs, expenses, and fees shall include, without limitation, all such costs, expenses, and fees incurred in connection with any bankruptcy, receivership, replevin, or other court proceedings (whether at the trial or appellate level). Borrower agrees to pay interest on such costs, expenses, and fees at the Default Rate from the date incurred by Bank until paid in full. Such interest shall be computed on the basis of a 365 day year and actual days elapsed..

7. BANK'S OBLIGATIONS TO BORROWER ONLY. The obligations of Bank under this Agreement are for the benefit of each Borrower only. No other Person shall have any rights hereunder or be a third-party beneficiary hereof.

8. SURVIVAL. The representations, warranties, and covenants of each Borrower in the Loan Documents shall survive the execution and delivery of the Loan Documents and the making of Advances.

9. INTEGRATION, ENTIRE AGREEMENT, CHANGE DISCHARGE, TERMINATION, WAIVER APPROVAL, CONSENT, ETC. The Loan Documents contain the complete understanding and agreement of each Borrower and Bank and supersede all prior representations, warranties, agreements, arrangements, understandings, and negotiations on the matters set forth in the Loan Documents. No provision of the Loan Documents may be changed, discharged, supplemented, terminated, or waived except in a writing signed by the parties thereto. Delay or failure by Bank to insist on performance of any obligation when due or compliance with any other term or condition in the Loan Documents shall not operate as a waiver thereof or of any other obligation, term, or condition or of the time of the essence provision. Acceptance of late payments shall not be a waiver of the time of the essence provision, the right of Bank to require that subsequent payments be made when due, or the right of Bank to declare an Event of Default if subsequent payments are not made when due. Any approval, consent, or statement that a matter is satisfactory by Bank under the Loan Documents must be in writing executed by Bank and shall be construed to apply only to the Persons and facts specifically set forth in the writing. Delay or failure by the Bank to insist on performance of any obligation when due or compliance with any other term or condition in the Loan Documents shall not operate as a waiver thereof or of any other obligation, term, or condition or of the time of the essence provision.

10. BINDING EFFECT. The Loan Documents shall be binding upon and shall inure to the benefit of Bank and each Borrower and their successors and assigns, provided, however, that a Borrower may not assign any of its rights or delegate any of its obligations under the Loan Documents and any purported assignment or delegation shall be void, and provided further that Bank may sell participations in or assign the loan commitment contained in this Agreement, and may exchange financial information about a Borrower, but not financial information with regard to employees of such Borrower, with actual or potential participants or assignees; provided, however, such actions shall not be taken by Bank without the prior written approval of such Borrower, which approval shall not be unreasonably withheld.

11. SEVERABILITY. If any provision or any part of any provision of the Loan Documents is unenforceable, the enforceability of the other provisions or the other provisions and the remainder of the subject provision, respectively, shall not be affected and they shall remain in full force and effect.

12. CHOICE OF LAW. The Loan Documents shall be governed by the law of the State of Arizona, without giving effect to conflict of laws principles.

13. TIME OF ESSENCE. Time is of the essence with regard to each provision of the Loan Documents as to which time is a factor.

14. NOTICES AND DEMANDS. All demands or notices under the Loan Documents shall be in writing (including, without limitation, telecopy, telegraphic, telex, or cable communication) and mailed, telecopied, telegraphed, telexed, cabled, or delivered to the respective party hereto at the address specified at the end of this Section 14 or such other address as shall have been specified in a written notice. Any demand or notice mailed shall be mailed first-class mail, postage-prepaid, return-receipt-requested and shall be effective upon the earlier of (i) actual receipt by the addressee, and (ii) the date shown on the return-receipt. Any demand or notice not mailed will be effective upon the earlier of (i) actual receipt by the addressee, and (ii) the time the receipt of the telecopy, telegram, telex, or cable is mechanically confirmed.

Addresses for Notices to Borrower:

Gila County Treasurer
1400 Ash Street
Globe, Arizona 85501
Attn: Debora Savage, County Treasurer
Telephone: (928) 402-8700
Facsimile: (928) 425-7268

Address for Notice to Bank:

JPMorgan Chase Bank, N.A.
201 North Central Avenue
21st Floor, AZ1-1178
Phoenix, AZ 85004
Attn: George W. McManus, Vice President
Telephone: (602) 221-2179
Facsimile: (602) 221-1075

15. RESCISSION OR RETURN OF PAYMENTS. If at any time or from time to time, whether before or after payment and performance of the Obligations in full, all or any part of any amount received by Bank in payment of, or on account of, any Obligation is or must be, or is claimed to be, avoided, rescinded, or returned by Bank to a Borrower or any other Person for any reason whatsoever (including, without limitation, bankruptcy, insolvency, or reorganization of Borrower or any other Person), such Obligation and any liens, security interests, and other encumbrances that secured such Obligation at the time such avoided,

rescinded, or returned payment was received by Bank shall be deemed to have continued in existence or shall be reinstated, as the case may be, all as though such payment had not been received.

16. HEADINGS. The headings at the beginning of each section of the Loan Documents are solely for convenience and are not part of the Loan Documents.

17. MULTIPLE CREDIT ACCOMMODATIONS. If from time to time a Borrower has more than one loan or other credit accommodation with Bank, such Borrower agrees that, unless otherwise agreed by Bank and such Borrower in writing, (i) the Loan Documents and the agreements, documents, and instruments evidencing and relating to such other loan(s) and credit accommodation(s) shall all remain in effect and neither shall supersede the other, regardless of whether the Loan Documents and such other agreements, documents, and instruments have differing terms, conditions, and requirements, and (ii), regardless of any such differences, such Borrower shall comply with all the terms, conditions, and requirements of the Loan Documents and of such other agreements, documents, and instruments.

18. SECURITY INTEREST. Pursuant to Arizona Revised Statutes Section 11-604.41, Bank is entitled to and each Borrower hereby grants to Bank a security interest in the non-restricted operating revenues received by the Gila County, Arizona, Treasurer on behalf of such Borrower and in all proceeds of such non-restricted operating revenues to secure the Obligations.

19. WAIVER OF SPECIAL DAMAGES. EACH BORROWER WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT BORROWER MAY HAVE TO CLAIM OR RECOVER FROM BANK IN ANY LEGAL ACTION OR PROCEEDING ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES.

20. USURY LAWS. Notwithstanding any other provision of this Agreement, the parties agree that the maximum rate or rates of interest to be charged by Bank hereunder shall not exceed the maximum rates permitted under Section 11-604.01, Arizona Revised Statutes, as it exists on the date hereof. This Section covers the transactions described in this Agreement and any other agreements with Bank or its affiliates executed in connection with this Agreement, to the extent they are subject to the Arizona usury laws (the "Transactions"). Each Borrower understands and believes that the Transactions comply with the Arizona usury laws. However, if any interest or other charges paid or payable in connection with the Transactions are ever determined to exceed the maximum amount permitted by law, such Borrower agrees that:

(a) the amount of interest or other charges payable or paid by such Borrower pursuant to the Transactions shall be reduced to the maximum amount permitted by law; and

(b) any excess amount previously collected from such Borrower in connection with the Transactions which exceeded the maximum amount permitted by law will be credited against the then outstanding principal balance. If the outstanding principal balance has been repaid in full, the excess amount paid will be refunded to such Borrower.

21. COUNTERPARTS. This Agreement may be executed in as many counterparts as necessary or convenient, and by the different parties on separate counterparts each of which, when so executed, shall be deemed an original but all such counterparts shall constitute but one and the same agreement.

22. TERMINATION FOR CONFLICT OF INTEREST. This Agreement may be subject to termination under the circumstances described in and as provided in Section 38-511 of the Arizona Revised Statutes. If this Agreement is terminated by a Borrower pursuant to said Section 38-511, all advances for the benefit of such Borrower and accrued interest shall be due and payable immediately.

23. JURY WAIVER. EACH BORROWER AND BANK HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) BETWEEN ANY BORROWER AND BANK ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE FINANCING DESCRIBED HEREIN.

[SIGNATURE PAGES FOLLOW]

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By:_____
Name: _____
Title: Chairman, Board of Supervisors

ATTEST:

_____
_____
Clerk of the Board

APPROVED AS TO FORM:

_____
_____
Attorney for the County

GILA COUNTY TREASURER,
As Agent for the Districts Listed on Schedule I hereto

By: Debora Savage
Debora Savage
Gila County Treasurer

JPMORGAN CHASE BANK, N.A.

By: _____
Name: GEORGE W. McMANUS
Title: SENIOR BANKER

SCHEDULE I

FEDERAL TAX ID NUMBERS AND CREDIT LINE LIMITS

[ATTACHED ARE TWO PAGES WITH
CREDIT LIMITS TOTALING $8,147,500]

SCHEDULE I-A
FEDERAL TAX ID NUMBERS AND CREDIT LINE LIMITS

Name School Districts	District Number	Federal TIN (to be inserted at closing)	Credit Limits
Globe Unified School District	1		1,500,000
Young Public School District	5		325,000
Payson Unified School District	10		4,000,000
Pine Strawberry School District	12		50,000
San Carlos Unified School District	20		50,000
Tonto Basin School District	33		55,000
Miami Area Unified School District	40		1,000,000
Hayden-Winkelman Unified School District	41		300,000
Pine-Strawberry Water Improvement District			35,000
Rim Trail Domestic Water Improvement District			10,000
Fire Districts			
Beaver Valley Fire Department			10,000
Canyon Fire District			20,000
Christopher-Kohls Fire District			20,000
Hellsgate Fire District			275,000
East Verde Park Fire District			2,500
Gisela Valley Fire District			2,500
Houston Mesa Fire District			40,000
Pine-Strawberry Fire District			250,000
Pleasant Valley Fire District			20,000
Round Valley Ox Bow Estates Fire District			2,500
Tonto Basin Fire District			75,000
Tri-City Fire District			25,000
Whispering Pines Fire District			80,000
Total			**$ 8,147,500**

Exhibit A
To
Business Loan Agreement

SPECIMEN OF PROMISSORY NOTE (DISTRICTS)

Exhibit B
To
Business Loan Agreement
FORM OF DECLARATION
(DISTRICTS)

(*Use District Letterhead*)

Date:

George W. McManus, Vice President
JPMorgan Chase Bank, N.A.
201 North Central Avenue
21st Floor, AZ1-1178
Phoenix, AZ 85004

Re: Letter of Declaration for <insert district name here>, for calendar years 20__ and 20__

Dear Mr. McManus:

The above-referenced district ("District") in Gila County ("County") has approved obtaining a revolving line of credit ("Line of Credit") for the District from JPMorgan Chase Bank, N.A. ("Bank") pursuant to A.R.S. Section 11-604.01 and requests the County Treasurer to enter into an agreement with the Bank to provide the Line of Credit to the District.

In accordance with the Internal Revenue Code of 1986, as amended from time to time ("Code"), the District hereby certifies that it is reasonably anticipated that the aggregate amount of "tax-exempt obligations" (as defined in Code Section 265(b)(4)) which will be issued by the District during each of the above-referenced calendar years will not exceed $10,000,000.00 and hereby designates all borrowings under the Line of Credit as "qualified tax-exempt obligations" (as defined in Code Section 265(b)(3)(B)).

In the event the anticipated amount for either year changes to the extent that the above certification changes, the District agrees to deliver to the Bank a supplement to this letter notifying the Bank of such change.

To the best of the undersigned's knowledge, information and belief, the expectations set forth in this Declaration are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

Sincerely,

By: _____

Name: _____

Title: _____

STATE OF ARIZONA)
) ss.
County of _____)

Subscribed and sworn before me by _____ this ____ day of _____, _____.

_____
Notary Public

My commission expires:

_____

Exhibit C
To
Business Loan Agreement
FORM OF ADDENDUM
(DISTRICTS)

ADDENDUM NO. ___

EFFECTIVE DATE: _____

PARTIES:	Borrower	Gila County, Arizona Board of Supervisors for each of the Districts listed in Schedule I hereto, through the Gila County Treasurer, as their agent
	Bank	JPMorgan Chase Bank, N.A., a national banking association authorized to do business in the State of Arizona

RECITAL:

Bank and Borrowers are parties to that certain Business Loan Agreement, dated July 1, 2012 ("Agreement"), and Promissory Note, dated July 1, 2012 ("Note"), as the Agreement and Note have been amended, modified, extended, renewed, restated, or supplemented. Bank and Borrowers desire to enter into this Addendum No. ___ ("Addendum") to modify the Agreement and Note, as described herein.

AGREEMENT:

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank and Borrowers agree as follows:

1. Definitions. Unless otherwise defined in this Addendum, the capitalized words and phrases used herein shall have the meanings as described in the Agreement.

2. Modifications to Schedule I. Schedule I to the Agreement and Schedule I to the Note are hereby amended as follows (the "Modifications"):

[The following Districts are hereby added to the Agreement and Note, as Borrowers, and hereby assume all rights and obligations of a Borrower, subject to the credit limits set forth below:]

Name	Federal Tax ID Number	Credit Limits

[The Credit Limits for the following listed Borrowers are hereby modified as follows:]

Name	Federal Tax ID Number	Previous Credit Limits	New Credit Limits

3. Schedule I-A. To incorporate the Modifications into the Agreement and Note, Schedule I to the Agreement, and Schedule I to the Note are hereby deleted in their entirety and replaced with the Schedule attached hereto as Schedule I-A. After the Effective Date, all references in the Agreement and Note to Schedule I shall mean and refer to Schedule I-A, attached hereto.

4. Modification to Commitment Expiration Date. The Commitment Expiration Date is hereby extended from June 30, 201_ to June 30, 201_. After the Effective Date, all references in the Agreement to the Commitment Expiration Date shall mean and refer to June 30, 201_.

5. Commitment Amount Cap/Principal Amount of Note. The Commitment Amount Cap and the Principal Amount of the Note are hereby modified to be in the amount of _____ and NO/100 Dollars ($ _____. ____) ("Revised Amount"). After the Effective Date, all references in the Agreement to the Commitment Amount Cap and in the Note to the Principal Amount shall mean and refer to the Revised Amount.

6. Full Force and Effect. Except as modified in this Addendum, the terms and conditions of the Loan Documents remain unchanged and in full force and effect.

7. Representations and Warranties. Each Borrower hereby represents and warrants to Bank that the representations and warranties in Section 4 of the Agreement are correct and complete as of the Effective Date with respect to such Borrower, except as Borrower shall have otherwise notified Bank in writing prior to the Effective Date.

8. Governing Law. This Addendum shall be deemed to be a contract made under the laws of the State of Arizona for all purposes and shall be construed in accordance with the laws of said State, without regard to principles of conflicts of law.

IN WITNESS WHEREOF, Bank and Borrowers have caused this Addendum to be executed and delivered as of the Effective Date.

GILA COUNTY TREASURER,
As Agent for the Districts Listed on Schedule I hereto

By:_____

Name: _____
Gila County Treasurer

APPROVED AS TO FORM:

_____
Attorney for the County

JPMORGAN CHASE BANK, N.A.

By:_____
Name: _____
Title: _____