

PURSUANT TO A.R.S. § 38-431.01, THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD A MEETING AT THE GILA COUNTY COURTHOUSE, BOARD OF SUPERVISORS' HEARING ROOM, 1400 EAST ASH STREET, GLOBE, ARIZONA. ONE OR MORE BOARD MEMBERS MAY PARTICIPATE IN THE MEETING BY TELEPHONE CONFERENCE CALL OR BY INTERACTIVE TELEVISION VIDEO (ITV). THE MEETING IS ALSO TELEVISED TO THE GILA COUNTY TOMMIE CLINE MARTIN COMPLEX, BOARD OF SUPERVISORS' CONFERENCE ROOM, 707 S. COLCORD ROAD, PAYSON, ARIZONA. THE MEETING ROOMS WILL BE OPEN TO THE PUBLIC AT 9:00 A.M.

Citizens may watch the Board meeting live-streamed at:

<https://www.youtube.com/channel/UckCHWVqrI5AmJKbvYbO-k2A/live>

Citizens may submit written comments related to the June 28th special meeting agenda by no later than 5 p.m. on Thursday, June 27th, by emailing the Deputy Clerk of the Board at strimble@gilacountyaz.gov or calling 928-402-8757. Citizens may also submit written comments during the meeting through YouTube. Please include the meeting date, agenda item number, your name, and your residence address in the email.

SPECIAL MEETING - FRIDAY, JUNE 28, 2024 - 10:30 A.M.

1. **CALL TO ORDER - PLEDGE OF ALLEGIANCE**

2. **REGULAR AGENDA ITEMS:**
 - A. **(Recess as the Gila County Board of Supervisors and convene as the Gila County Board of Deposit.)**

Information/Discussion/Action to adopt Resolution No. 24-07-04, which authorizes the Chairman's signature on the following documents between Gila County and JPMorgan Chase Bank, N.A., to provide for revolving lines of credit for Gila County special taxing districts, as follows: Business Loan Agreement - Gila County Revolving Line of Credit; Gila County Revolving Line of Credit - Promissory Note; and Incumbency Certificate - Business Loan Agreement - Gila County Districts Revolving Line of Credit, to extend the Scheduled Commitment Expiration Date in the Agreement from July 1, 2024 to June 30, 2025.

(Adjourn as the Gila County Board of Deposit and reconvene as the Gila County Board of Supervisors.) (Monica Wohlforth)

3. **CALL TO THE PUBLIC:** A call to the public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.

IF SPECIAL ACCOMMODATIONS ARE NEEDED, PLEASE CONTACT THE RECEPTIONIST AT (928) 425-3231 AS EARLY AS POSSIBLE TO ARRANGE THE ACCOMMODATIONS. FOR TTY, PLEASE DIAL 7-1-1 TO REACH THE ARIZONA RELAY SERVICE AND ASK THE OPERATOR TO CONNECT YOU TO (928) 425-3231.

THE BOARD MAY VOTE TO HOLD AN EXECUTIVE SESSION FOR THE PURPOSE OF OBTAINING LEGAL ADVICE FROM THE BOARD'S ATTORNEY ON ANY MATTER LISTED ON THE AGENDA PURSUANT TO A.R.S. §38-431.03(A)(3).

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING.

ARF-8870

Regular Agenda Item 2. A.

Special BOS Meeting

Meeting Date: 06/28/2024

Submitted For: Monica Wohlforth, Treasurer

Submitted By: Maryn Belling, Finance Director

Department: Finance

Information

Request/Subject

Adopt Resolution No. 24-07-04 regarding a Business Loan Agreement with JP Morgan Chase to extend the servicing banking contract and lines of credit term from July 1, 2024, to June 30, 2025, with 3 annual opportunities to renew.

Background Information

On January 8, 2019, the Board of Supervisors adopted Resolution No. 19-01-02 which authorized the Chairman's signature on the following documents between Gila County and JPMorgan Chase Bank, N.A. to provide for revolving lines of credit for Gila County special taxing districts, as follows: Business Loan Agreement-Gila County Revolving Line of Credit; Gila County Revolving Line of Credit - Promissory Note; Business Loan Agreement-Gila County Districts Revolving Line of Credit; and Gila County Districts Revolving Line of Credit - Promissory Note.

Today's agreement and Resolution replace that agreement.

Evaluation

The County requires a servicing bank, and due to the timing of property tax revenue, lines of credit may be needed to allow special districts to operate without interruption.

Conclusion

It is imperative that the documents be approved by the Board of Supervisors for signature by its Chairman to ensure that a continuing revolving line of credit is provided for each political subdivision of the state for which the Gila County Treasurer acts as treasurer for the contract for the period July 1, 2024, to June 30, 2025.

Recommendation

The Gila County Treasurer recommends the Board's approval for the Chairman of the Board of Supervisors to sign the addendum to the Business Loan Agreement related to the revolving line of credit for each political subdivision of the state for which the Gila County Treasurer acts as treasurer extending the term from July 1, 2024, to June 30, 2025.

Suggested Motion

(Recess as the Gila County Board of Supervisors and convene as the Gila County Board of Deposit.) Information/Discussion/Action to adopt Resolution No. 24-07-04, which authorizes the Chairman's signature on the following documents between Gila County and JPMorgan Chase Bank, N.A., to provide for revolving lines of credit for Gila County special taxing districts, as follows: Business Loan Agreement - Gila County Revolving Line of Credit; Gila County Revolving Line of Credit - Promissory Note; and Incumbency Certificate - Business Loan Agreement - Gila County Districts Revolving Line of Credit, to extend the Scheduled Commitment Expiration Date in the Agreement from July 1, 2024 to June 30, 2025. **(Adjourn as the Gila County Board of Deposit and reconvene as the Gila County Board of Supervisors.) (Monica Wohlforth)**

Attachments

Resolution No. 24-07-04

Business Loan Agreement- INCORRECT

Promissory Note- INCORRECT

Incumbency Certificate

County Attorney opinion

Business Loan Agreement- CORRECTED

Promissory Note- CORRECTED

After recording, return to:
Sam Trimble, BOS



RESOLUTION NO. 24-07-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE TREASURER OF GILA COUNTY AND JPMORGAN CHASE BANK, N.A. PROVIDING FOR SEPARATE LINES OF CREDIT FOR EACH POLITICAL SUBDIVISION OF THE STATE FOR WHICH THE COUNTY TREASURER OF GILA COUNTY ACTS AS TREASURER; AND RATIFYING ALL ACTIONS TAKEN TO DATE WITH RESPECT TO THE POLITICAL SUBDIVISIONS AGREEMENT.

WHEREAS, Gila County, Arizona (the “County”), acting through its Board of Supervisors (the “Supervisors”), acting as a Board of Deposit (the “Board of Deposit”), has heretofore ordered the receipt of bids for servicing bank for the County for the period commencing October 3, 2023, and ending October 3, 2027, with permitted extensions pursuant to Arizona Revised Statute (“A.R.S.”) § 35-325; and

WHEREAS, included in the proposals for servicing bank were proposals for a line of credit for each political subdivision of the state for which the County Treasurer acts as treasurer pursuant to A.R.S § 11-604.01; and

WHEREAS, the proposal of JPMorgan Chase Bank, N.A. (the “Bank”) was announced as the best bid for services as a servicing bank and the best bid to provide political subdivisions of the state for which the County Treasurer acts as treasurer with lines of credit for the period commencing October 3, 2023, and ending October 3, 2027, with permitted extensions pursuant to A.R.S. § 35-325; and

WHEREAS, A.R.S. §§ 11-604.01 *et. seq.*, authorizes the Supervisors of the County to enter into a line of credit agreement on behalf of each individual political subdivision of the state for which the County Treasurer acts as treasurer; and

WHEREAS, a draft of the Business Loan Agreement (Gila County Districts Revolving Line of Credit) providing a line of credit for each qualifying political subdivision of the state for which the County Treasurer acts as treasurer to be evidenced by a promissory note has been provided by the Bank (upon execution and inclusive of the referenced promissory note, the “Political

Subdivisions Agreement”) and has been placed on file with the Clerk of this Board and presented at the meeting at which this Resolution was adopted; and

WHEREAS, by this Resolution, the Supervisors will authorize the execution and delivery of the Political Subdivisions Agreement, in substantially the forms so presented to the Board of Supervisors, subject to the approval of the Gila County Attorney.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Gila County, Arizona as follows:

Section 1. That a draft of the Political Subdivisions Agreement, in substantially the form on file with the Clerk, is approved and the Chairman of this Board (or any acting Chair of this Board) and the Treasurer of the County are authorized and directed to execute and deliver the Political Subdivisions Agreement on file with the Clerk for each qualifying political subdivision of the state for which the County Treasurer acts as Treasurer.

Section 2. The County Treasurer is named as each political subdivision’s agent for all purposes of the Political Subdivisions Agreement. The County Treasurer is authorized to take all acts and to do all things on behalf of each qualifying political subdivision of the state for which the County Treasurer acts as treasurer, including, with limitation, requesting amendments to the Commitment Amount Cap under the Political Subdivisions Agreement, provided that the Commitment Amount Cap shall not be increased to an amount which exceeds \$5,000,000.

Section 3. All actions taken by the County Treasurer and any person representing the County Treasurer with respect to the Political Subdivisions Agreement, and the procedures pertaining thereto, are hereby ratified and affirmed. This Resolution shall become effective immediately upon adoption and execution.

PASSED AND ADOPTED this 28th day of June 2024, at Globe, Gila County, Arizona.

Attest:

GILA COUNTY BOARD OF SUPERVISORS

James Menlove, Clerk of the Board

Stephen Christensen, Chairman

Approved as to form:

The Gila County Attorney’s Office

BUSINESS LOAN AGREEMENT

(GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT)

DATE: July 1, 2024

PARTIES: Borrower: Each of the Districts listed in Schedule I hereto, through the Gila County Treasurer, as their agent, which Schedule I may be amended from time to time

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

This Business Loan Agreement (Gila County Districts Revolving Line of Credit) (this “Agreement”) is entered into as of the date set forth above between the Borrower (defined below) and the Bank, and supersedes in its entirety that certain Business Loan Agreement (Gila County Districts Revolving Line of Credit), dated January 8, 2019, between the Borrower and the Bank (as heretofore amended, supplemented, and extended from time to time by and through various addenda thereto, the “Prior Agreement”), which Prior Agreement shall, upon execution and delivery of this Agreement, be of no further force or effect.

AGREEMENT: Pursuant to Arizona Revised Statutes Sections 11-604.01 *et. seq.*, (together with all amendments and statutes successor thereto, collectively, 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 for the purpose of obtaining 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 an 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, subject, in each instance, to the then available amount under the Commitment Amount Cap (as defined herein), if any, 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.

“*Anti-Corruption Laws*” means all laws, rules and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption.

“*Authorized Person*” means any of the following Persons acting alone:

Monica Wohlforth
Gila County Treasurer

Signature

Tiffiney Tarango
Chief Deputy Treasurer

Signature

[NAME]
[TITLE]

Signature

[NAME]
[TITLE]

Signature

[NAME]
[TITLE]

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.

“*Collateral*” means, collectively, 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 nonrestricted 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, as such Schedule may be amended from time to time, or (ii) forty-five percent (45%) of the total amount of nonrestricted operating revenues received by such Borrower in the immediately preceding fiscal year of such Borrower, subject, in each instance, to the then available amount under the Commitment Amount Cap, if any.

“*Commitment Amount Cap*” means initially, the amount of Five Million and No/100 Dollars (\$5,000,000.00) as such amount may be amended in accordance with this Agreement from time to time.

“*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.

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

“*Loan Documents*” means, collectively, 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.

“*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.

“*Sanctioned Country*” means, at any time, a country or territory which is itself the subject or target of any Sanctions.

“*Sanctioned Person*” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“*Sanctions*” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. Government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or U.S. Department of State.

“*Scheduled Commitment Expiration Date*” means June 30, 2025, subject to earlier termination as provided herein, and subject to extension by mutual agreement of the parties, as described in Section 2.8.

“*Services Proposal*” means Contract No. 061423 awarded to Bank by the Gila County Board of Supervisors on October 3, 2023.

“*Servicing Bank Term*” means the period, during which Bank provides services to County as servicing bank with such term commencing October 3, 2023, and ending October 3, 2027, subject to extensions of not more than three 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 Scheduled 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 an Authorized Person, or by another means mutually acceptable to the Bank and an Authorized Person. 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.

2.3 Advances and Repayments.

Advances will be deposited in and repayments will be withdrawn from the designated account of the County with Bank, initially being the account number ending in 4047, or such other

accounts with Bank as designated in writing by an Authorized Person; provided that such deposits and repayments may be made by way of on-line banking portals. Each Borrower hereby irrevocably authorizes and directs Bank to make such credits and 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 nonrestricted operating revenues of Borrowers.

2.4 Advances - Repayment. Each Borrower agrees to apply all "nonrestricted operating revenues," as such term is described in the Act according to the priorities set forth in the Act. 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 30 of such year of the amounts on deposit in the demand deposit and other accounts of the Borrower with Bank which constitute nonrestricted 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 request Bank to amend this Agreement and the Note from time to time 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; and

2.6.2 To extend the Scheduled 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 \$[_____], without such amendment being approved by resolution adopted by the Gila County Board of Supervisors.

2.6.4 Each Borrower understands, acknowledges and agrees that any request of Bank pursuant to this Section 2.6 shall be decided by Bank (in each instance) acting in Bank's sole and absolute discretion.

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 B (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 Scheduled Commitment Expiration Date. The Commitment provided to Borrowers hereunder shall be in effect initially for fiscal year 2024-2025. Borrowers

and Bank (acting in its sole and absolute discretion) may agree to extend the Commitment for each fiscal year thereafter through the execution of the Addendum extending the Scheduled Commitment Expiration Date from June 30, 2025, to June 30, 2026, for fiscal year 2025-2026 and to June 30, 2027, for fiscal year 2026-2027; provided that if the Bank Services Term is extended beyond October 3, 2027, Borrowers and Bank (acting in its sole and absolute discretion) may agree to further extend the Commitment for subsequent fiscal years by extending the Scheduled 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 or on behalf of 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 Arizona Revised Statutes Sections 42-17101 *et. seq.*, 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 the fiscal year ended June 30, 2023 (and Bank reserves the right to receive copies of (i) Borrower's financial statements for fiscal years thereafter and (ii) the adopted budget for Borrower for each fiscal year) and such other information and documents as Bank may reasonably request.

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 or the Commitment Amount Cap.

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 (i) it is in writing executed by Bank, (ii) it 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 Arizona Revised Statutes Sections 42-17101 *et. seq.*, 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 Borrower's Financial Condition. No material adverse change from Borrower's financial condition or operations as reflected in the Annual Financial Statement for the fiscal year ended June 30, 2023, shall have occurred as of the date of this Agreement.

4.1.7 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.

4.1.8 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.

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

4.1.10 Anti-Corruption Laws and Sanctions. Borrower has implemented and maintains in effect policies and procedures that address matters relating to compliance by Borrower and its directors, officers, and employees with Anti-Corruption Laws and applicable Sanctions. To the knowledge of Borrower, (a) none of Borrower or its respective directors, officers or employees or (b) any agent of Borrower that will act in any capacity in connection with or benefit from the line of credit issued pursuant to the terms hereof, is a Sanctioned Person. The use of the proceeds of drawings under the line of credit or any other transaction contemplated by this Agreement will not violate any Anti-Corruption Law or applicable Sanctions.

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 I hereto.

4.2 Sovereign Immunity. Each request for an Advance on behalf of any Borrower shall be a representation and warranty by such Borrower to Bank that except as provided in Arizona Revised Statutes Sections 12-820 *et. seq.* and otherwise with respect to matters not relating to contracts, such Borrower does not have sovereign immunity rights with respect to contracts under the laws of the State of Arizona.

4.3 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 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) nonrestricted 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.

5.3.1 Borrower shall furnish to Bank: (i) as soon as available and in any event within two hundred ten (210) 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.

5.3.2 The County shall furnish to Bank: (i) as soon as available and in any event within two hundred ten (210) days after the end of each fiscal year of the County, 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, the County's budget for such fiscal year, as adopted, and (iii) 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 (collectively, "Operating Expenses") and shall be limited to the extent set forth in Section 4.1.8 hereof. 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. Borrower shall not use the Advances (i) to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors

of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System, (ii) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (iii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iv) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

5.7 Registration of Warrants. The Gila County Treasurer, as agent for each Borrower, shall perform its obligations under the Act, including without limitation, under Arizona Revised Statutes Section 11-604.01.E thereof, which Act is hereby incorporated herein by reference.

5.8 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 nonrestricted 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 “nonrestricted operating revenues”). Each Borrower and Bank agree that Bank is entitled to a security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of such Borrower to the extent of any credit extended under this Agreement.

5.9 Anti-Corruption Policies and Procedures. Borrower will maintain in effect policies and procedures that address matters relating to compliance by Borrower and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

5.10 Sovereign Immunity. To the fullest extent permitted by law, each Borrower agrees that, from the date hereof, this Agreement and the Loan Documents are fully enforceable in accordance with the provisions thereof and hereby expressly waives rights to sovereign immunity, if any, except for such rights granted under the Arizona Revised Statutes § 12-820 *et seq.* and otherwise with respect to matters not relating to contracts.

6. 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.

7. 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.

8. 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 a Borrower 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.

9. 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 all or portions of 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.

10. 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). Each 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.

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 E. Ash Street
Globe, Arizona 85501
Attn: Monica Wohlforth, County Treasurer
Telephone: (928) 402-8700
Facsimile: (928) 425-7268
Email: gilatreasurer@gilacountyaz.gov

Address for Notice to Bank:

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018
Attn: Yisel Castillo, Relationship Manager
Telephone: 602-692-3689
Email: Yisel.castillo@jpmorgan.com

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 the Act, Bank is entitled to and each Borrower hereby grants to Bank a security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of such Borrower and in all proceeds of such nonrestricted 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 the Act, 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 (collectively, 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 UPON 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 pursuant to said Section 38-511, all

Advances made for the benefit of Borrowers and all accrued and unpaid interest thereon shall, to the fullest extent permitted by applicable law, be due and payable immediately.

23. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, 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.

24. ARM'S LENGTH TRANSACTION. Each Borrower acknowledges and agrees that the transaction described in this Agreement is an arm's length commercial transaction between such Borrower and Bank in which (a) Bank is acting solely as a principal and not as an advisor, including, without limitation, a "Municipal Advisor," as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of any Borrower, (b) Bank is relying on the bank exemption in the Municipal Advisor Rules, (c) Bank has not provided any advice or assumed any advisory or fiduciary responsibility in favor of any Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not Bank, or any affiliate of Bank, has provided other services or advised, or is currently providing other services or advising any Borrower on other matters), (d) Bank has financial and other interests that differ from those of such Borrower, and (e) such Borrower has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

25. LEGAL ARIZONA WORKERS ACT COMPLIANCE ARIZONA REVISED STATUTES SECTION 41-4401. The parties warrant that at all times during the term of this Agreement they will comply with all state and federal immigration laws applicable to the parties and their employees, and with the requirements of Arizona Revised Statutes Section 23-214 (A). The parties shall further ensure that each subcontractor who performs work under this Agreement will likewise comply with all applicable state and federal immigration laws. Failure to comply with this provision shall constitute a material breach of this Agreement. Each Borrower retains the right to inspect the paperwork of any contractor or subcontractor that is employed within the United States of America to ensure compliance with such laws. Such inspection shall require the execution of a confidentiality agreement in form and substance provided by Bank.

26. BOYCOTT OF ISRAEL. If Bank engages in for-profit activity and has 10 or more employees, and if this Agreement has a value of \$100,000 or more, Bank certifies it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

27. NO USE OF FORCED LABOR. To the extent applicable under Arizona Revised Statutes Section 35-394, Bank hereby certifies it does not currently, and for the duration of this Agreement shall not use: (i) the forced labor of ethnic Uyghurs in the People's Republic of China, (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China, and (iii) any contractors, subcontractors or suppliers that use the forced labor or any

goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. The foregoing certification is made to the best knowledge of Bank without any current independent investigation or without any future independent investigation for the duration of this Agreement. If Bank becomes aware during the duration of this Agreement that it is not in compliance with such certification, Bank shall take such actions as provided by law, including providing the required notice to the Gila County Treasurer. If the Gila County Treasurer determines that Bank is not in compliance with the foregoing certification and has not taken remedial action upon one hundred eighty (180) days after such noncompliance, the Gila County Treasurer shall terminate this Agreement.

[SIGNATURE PAGES FOLLOW]

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By: _____
Name: Stephen Christensen
Title: Chairman
Gila County Board of Supervisors

ATTEST:

By: _____
Name: James Menlove
Title: Clerk of the Board
Gila County Board of Supervisors

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

By: _____
Name: Monica Wohlforth
Title: Gila County Treasurer

JPMORGAN CHASE BANK, N.A.

By: _____
Name: David Chan
Title: Authorized Officer

[Signature Page to Gila County Districts Business Loan Agreement]

**SCHEDULE I - COMMITMENT AMOUNTS
(COMMITMENT AMOUNT CAP = \$5,000,000)
DISTRICT NAMES AND COMMITMENT AMOUNTS**

School Districts	Commitment Amounts
Globe Unified School District No 1	\$1,500,000
Miami Unified School District No 40	\$1,500,000
Payson Unified School District No 10	\$3,000,000
Pine Strawberry School District No 12	\$50,000
Young Public School District No 5	\$325,000

Fire Districts and Special Districts	Commitment Amounts
Christopher-Kohls Fire District	\$100,000
Hellsgate Fire District	\$325,000
Houston Mesa Fire District	\$40,000
Pine Creek Canyon Domestic Water Improvement District	\$85,000
Pine-Strawberry Fire District	\$250,000
Tonto Basin Fire District	\$150,000
Tri-City Fire District	\$245,000
Water Wheel Fire & Medical District	\$200,000

Exhibit A
To
Business Loan Agreement

SPECIMEN OF PROMISSORY NOTE

**THIS NOTE IS IN FULLY REGISTERED FORM AND IS NOT TRANSFERABLE
EXCEPT ON THE REGISTRATION BOOKS OF BORROWER**

GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT

PROMISSORY NOTE

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018

Date: July 1, 2024

Principal Amount: Commitment Amount Cap (as defined in and subject to adjustment from time to time in accordance with the hereinafter defined Loan Agreement)

1. **PROMISE TO PAY AND INTEREST.** For value received, the undersigned, EACH OF THE DISTRICTS IDENTIFIED IN SCHEDULE I HERETO, ACTING THROUGH THE GILA COUNTY TREASURER, AS ITS AGENT (each a “Borrower” and collectively, “Borrowers”) promises to pay to or on the order of JPMORGAN CHASE BANK, N.A., or registered assigns (“Bank”) at its above office, or at such other place as Bank may designate in writing, in lawful money of the United States of America, (a) in the aggregate for all Borrowers, the principal sum equal to the Commitment Amount Cap (as such term is defined in and subject to adjustment from time to time in accordance with the Business Loan Agreement (Gila County Districts Revolving Line of Credit) of even date herewith (“Loan Agreement”), between Borrowers and Bank, as it may be amended, modified, extended, renewed, restated, or supplemented from time to time), and (b) with respect to each Borrower, the lesser of the unpaid Advances under the Loan Agreement or the maximum amount shown for such Borrower on Schedule I hereto, as it may be amended from time to time, in either case as shown on the records of Bank which, when in agreement with the records of a Borrower, shall (absent manifest error) be conclusive as to such unpaid amount, with interest thereon from the date advanced at the Interest Rate (as hereinafter defined). Neither the Gila County Treasurer nor Gila County shall be liable for amounts owed by any Borrower hereunder. This Note supersedes in its entirety that certain Promissory Note dated January 8, 2019, made by the Borrowers in favor of Bank (as heretofore amended, supplemented, or extended from time to time by and through various addenda thereto, the “Prior Note”), which Prior Note shall, upon execution and delivery of this Note, be of no further force or effect.

2. **INTEREST RATE.** The Interest Rate (“Interest Rate”) during each calendar quarter shall be the rate per annum equal to the rate per annum most recently publicly announced by Bank, or Bank’s successors, in Phoenix, Arizona, as Bank’s “prime rate”, as in effect from time to time, provided that in no event shall the Interest Rate at any time exceed one hundred ten percent (110%)

Exhibit A

of the previous quarter's weighted average prime rate among the top three financial institutions by asset size in the State of Arizona. The Interest Rate will be redetermined by Bank on each day that the "prime rate" changes and any changes in the Interest Rate will be effective on and after the date of such change and until the next change. The "prime rate" is set by Bank based on various factors, including Bank's costs and desired return, general economic conditions and other factors, and is used as a reference point in pricing some loans. Bank may price loans to its customers at, above, or below its "prime rate." Notwithstanding the foregoing, in no event shall the Interest Rate at any time be less than zero percent (0.00%).

3. REQUIRED PAYMENTS; PAYMENT ON MATURITY. Prior to June 30, 2025, or if the Scheduled Commitment Expiration Date under the Loan Agreement has been extended by mutual agreement between Borrowers, acting through their agent, the Gila County Treasurer, and Bank (acting in its sole and absolute discretion), such Scheduled Commitment Expiration Date (the "Maturity Date"), payments under this Note shall be made as each Borrower receives "nonrestricted operating revenues", as such term is used in the Act. On the Maturity Date each Borrower shall pay to Bank the unpaid principal, all accrued and unpaid interest, and all other amounts ("Other Amounts") payable by such Borrower to Bank under the Loan Documents (as defined in the Loan Agreement).

4. INTEREST ON PRINCIPAL; DEFAULT RATE. Principal shall bear interest at the Interest Rate from the date of disbursement until the due date thereof, whether by acceleration or otherwise. Principal, interest, and Other Amounts not paid when due and any judgment therefor shall bear interest from its due date or the judgment date, as applicable, until paid at a rate ("Default Rate") per annum equal to one hundred ten percent (110.00%) of the previous quarter's weighted average prime rate among the top three financial institutions by asset size in the State of Arizona (unless a lower maximum rate of interest is then applicable under the Act, in which case, the Default Rate shall be such lower rate of interest under the Act), and such interest shall be immediately due and payable.

5. INTEREST ACCRUAL. All interest under the Loan Documents shall be computed on the basis of a 365-day year and accrue on a daily basis for the actual number of days elapsed. Each Borrower agrees to pay an effective rate of interest that is the sum of (i) the Interest Rate and (ii) any additional rate of interest resulting from any other charges or fees paid or to be paid in connection herewith that are determined to be interest or in the nature of interest.

6. PAYMENT IN FULL PRIOR TO THE MATURITY DATE. Notwithstanding any other provision herein or in the Loan Documents, each Borrower shall pay to Bank all outstanding principal, interest and Other Amounts on June 30 of each year relating to such Borrower. So long as a Borrower makes such payment, such Borrower shall, subject to the provisions of the Loan Agreement, continue to be entitled to Advances pursuant to the Loan Agreement prior to the commitment expiration date specified therein. Principal, interest, and Other Amounts not paid on June 30 of each year shall bear interest from June 30 until paid at the Default Rate, and such interest shall be immediately due and payable.

7. APPLICATION OF PAYMENTS. At the option of Bank, payments shall be applied to principal, interest, and Other Amounts in such order as Bank shall determine.

8. PREPAYMENT. A Borrower may prepay the outstanding principal balance hereof relating to such Borrower, in whole or in part, at any time prior to the Maturity Date without penalty or premium.

9. NO COUNTERCLAIMS, DEDUCTIONS, ETC. All payments and other obligations of each Borrower under the Loan Documents will be made and performed without counterclaim, deduction, defense, deferment, reduction, or set-off.

10. EVENTS OF DEFAULT. Each of the following shall be an event of default (“Event of Default”) as to any Borrower to which the Event of Default applies:

(a) Failure by a Borrower to pay when due (i) any amount payable by such Borrower under any of the Loan Documents, or (ii) any other indebtedness of such Borrower to Bank.

(b) Failure by a Borrower to perform any material obligation not involving the payment of money, or to comply with any other term or condition applicable to such Borrower, in any of the Loan Documents.

(c) Any representation or warranty made by a Borrower in any of the Loan Documents or otherwise or any information delivered by such Borrower to Bank in obtaining or hereafter in connection with the credit evidenced by this Note is or becomes materially incomplete, incorrect, or misleading from the representations or warranties made of the date of this Note or as of the date made or delivered.

(d) The occurrence of any change or other event that Bank determines has or will materially and adversely affect (i) any or all property, interests in property, or rights to property securing the obligations of a Borrower under the Loan Documents, including without limitation the security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of each Borrower (collectively, the “Collateral”) as security for the obligations of a Borrower under the Loan Documents, (ii) the financial condition of a Borrower, or (iii) the ability of a Borrower to pay the monetary obligations of such Borrower under the Loan Documents.

(e) A Borrower (i) is unable or admits in writing such Borrower’s inability to pay Borrower’s monetary obligations as they become due, (ii) is generally not paying its debts as they become due, (iii) makes a general assignment for the benefit of creditors, or (iv) applies for, consents to, or acquiesces in, appointment of a trustee, receiver, or other custodian for Borrower or any or all of the property of Borrower, or in the absence of such application, consent, or acquiescence by Borrower a trustee, receiver, or other custodian is appointed for Borrower or any or all of the property of Borrower.

(f) Commencement of any case under the Bankruptcy Code (Title 9 of the United States Code) or commencement of any other bankruptcy, arrangement,

reorganization, receivership, custodianship, or similar proceeding under any federal or state law by or against a Borrower.

(g) Attachment, garnishment, levy of execution, or seizure by legal process of any or all Collateral of a Borrower, except any pre-judgment attachment or garnishment of any or all Collateral.

(h) Any legal proceeding or other action against or affecting any or all Collateral of a Borrower is commenced (including, without limitation, any prejudgment attachment or garnishment) and is not quashed, stayed, or released within twenty (20) days.

(i) Any Collateral of a Borrower is sold, disposed of, or otherwise transferred by such Borrower after the date of this Note, not in the ordinary course of operations of Borrower.

(j) Any Collateral of a Borrower becomes subject to any lien or security interest, other than the security interest granted to Bank in this Note.

(k) Any Collateral of a Borrower is lost, stolen, suffers substantial damage or destruction, or is used in violation of any law, ordinance, regulation, or rule (federal, state, or local).

(l) A Borrower abandons or, except for expenditure of funds included in the Collateral in the ordinary operations of Borrower, ceases to have exclusive possession of any Collateral or any books and records of Borrower relating to the Collateral.

(m) A Borrower or any other person on behalf of Borrower claims that any Loan Document is not legal, valid, binding, and enforceable against Borrower, that any lien, security interest, or other encumbrance securing any of the obligations under the Loan Documents is not legal, valid, binding, and enforceable, or that the priority of any lien, security interest, or other encumbrance securing any of the obligations in the Loan Documents is different than the priority set forth in the Act (except as such priority may be affected by the laws regarding garnishment of wages of Borrower's employees and federal and state tax liens for withholding taxes of Borrower's employees).

(n) The occurrence of any condition or event that is a default or is designated as a default, an event of default, or an Event of Default in any other Loan Document or in any agreement, document, or instrument relating to any other indebtedness of a Borrower to Bank.

(o) The occurrence of any condition or event that is designated as a default or an event of default and the expiration of any cure period with respect to any other indebtedness of Borrower to any other person.

(p) The failure of a Borrower to repay to Bank within five (5) Business Days of written notice from Bank to Borrower the amount by which the outstanding amount of Advances exceeds the Commitment.

Exhibit A

11. RIGHTS AND REMEDIES OF BANK. Upon occurrence of an Event of Default, Bank may, at its option, in its absolute and sole discretion, and without demand or notice, (i) declare the obligations in the Loan Documents to be immediately due and payable, whereupon the obligations in the Loan Documents shall be immediately due and payable, and (ii) exercise any or all other rights and remedies of Bank concurrently or consecutively in such order as Bank elects. The rights and remedies of Bank shall be cumulative and non-exclusive. Delay, discontinuance, or failure to exercise any right or remedy of Bank shall not be a waiver thereof, or of any other right or remedy of Bank, or of the time, of the essence provision. Exercise of any right or remedy of Bank shall not cure or waive any Event of Default or invalidate any act done in response to any Event of Default.

12. LIMIT OF LIABILITY OF BANK. In exercising rights and remedies, neither Bank nor any affiliate thereof or any stockholder, director, officer, employee, agent, or representative of Bank or any affiliate thereof shall have any liability for any injury to the assets, business, operations, or property of a Borrower or any other liability to Borrower, other than for its own gross negligence or willful misconduct.

13. PROVISIONS IN LOAN AGREEMENT GOVERN THIS AGREEMENT. This Note is subject to certain terms and provisions in the Loan Agreement, to which reference is made for a statement of such terms and provisions.

14. WAIVER OF STATUTE OF LIMITATIONS. Each Borrower waives, to the full extent permitted by law, the right to plead any statutes of limitations as a defense to any or all obligations under the Loan Documents.

15. WAIVERS BY BORROWER. Each Borrower (i) waives, to the full extent permitted by law, presentment, notice of dishonor, protest, notice of protest, notice of intent to accelerate, notice of acceleration, and all other notices or demands of any kind (except notices specifically provided for in the Loan Documents), and (ii) agrees that Bank may enforce this Note and any other Loan Documents against Borrower without first having sought enforcement against any Collateral.

16. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, 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 NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE FINANCING DESCRIBED HEREIN.

17. 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.

[SIGNATURE PAGE FOLLOWS]

Exhibit A

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By: _____
Name: Stephen Christensen
Title: Chairman
Gila County Board of Supervisors

ATTEST:

By: _____
Name: James Menlove
Title: Clerk of the Board
Gila County Board of Supervisors

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

By: _____
Name: Monica Wohlforth
Title: Gila County Treasurer

Exhibit A

**SCHEDULE I - COMMITMENT AMOUNTS
(COMMITMENT AMOUNT CAP = \$5,000,000)
DISTRICT NAMES AND COMMITMENT AMOUNTS**

School Districts	Commitment Amounts
Globe Unified School District No 1	\$1,500,000
Miami Unified School District No 40	\$1,500,000
Payson Unified School District No 10	\$3,000,000
Pine Strawberry School District No 12	\$50,000
Young Public School District No 5	\$325,000

Fire Districts and Special Districts	Commitment Amounts
Christopher-Kohls Fire District	\$100,000
Hellsgate Fire District	\$325,000
Houston Mesa Fire District	\$40,000
Pine Creek Canyon Domestic Water Improvement District	\$85,000
Pine-Strawberry Fire District	\$250,000
Tonto Basin Fire District	\$150,000
Tri-City Fire District	\$245,000
Water Wheel Fire & Medical District	\$200,000

Name	Commitment Amounts

[The commitment amounts for the following listed Borrowers are hereby modified as follows:]

Name	Previous Commitment Amounts	New Commitment Amounts

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 Scheduled Commitment Expiration Date. The Scheduled Commitment Expiration Date is hereby extended from June 30, 20__ to June 30, 20__. After the Effective Date, all references in the Agreement to the Scheduled Commitment Expiration Date shall mean and refer to June 30, 20__.

5. [Schedule I] [Commitment Amount Cap/Principal Amount of Note]. The Borrower hereby request Bank to modify [Schedule I] [the Commitment Amount Cap] as set forth above and upon Bank’s approval of such modification [Schedule I] [the Commitment Amount Cap and the Principal Amount of the Note shall be deemed modified to reflect the amount of _____ and No/100 Dollars (\$ _____. __) (“Revised Cap Amount”). Thereafter, all references in the Agreement and in the Note to the Commitment Amount Cap shall mean and refer to the Revised Cap 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 in [Schedule I attached to the Agreement][Schedule I-A attached to this Addendum].

By: _____

Name: _____

Title: Gila County Treasurer

JPMORGAN CHASE BANK, N.A.

By: _____

Name: _____

Title: Authorized Officer

[Signature Page to Addendum]

**THIS NOTE IS IN FULLY REGISTERED FORM AND IS NOT TRANSFERABLE
EXCEPT ON THE REGISTRATION BOOKS OF BORROWER**

GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT

PROMISSORY NOTE

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018

Date: July 1, 2024

Principal Amount: Commitment Amount Cap (as defined in and subject to adjustment from time to time in accordance with the hereinafter defined Loan Agreement)

1. PROMISE TO PAY AND INTEREST. For value received, the undersigned, EACH OF THE DISTRICTS IDENTIFIED IN SCHEDULE I HERETO, ACTING THROUGH THE GILA COUNTY TREASURER, AS ITS AGENT (each a “Borrower” and collectively, “Borrowers”) promises to pay to or on the order of JPMORGAN CHASE BANK, N.A., or registered assigns (“Bank”) at its above office, or at such other place as Bank may designate in writing, in lawful money of the United States of America, (a) in the aggregate for all Borrowers, the principal sum equal to the Commitment Amount Cap (as such term is defined in and subject to adjustment from time to time in accordance with the Business Loan Agreement (Gila County Districts Revolving Line of Credit) of even date herewith (“Loan Agreement”), between Borrowers and Bank, as it may be amended, modified, extended, renewed, restated, or supplemented from time to time), and (b) with respect to each Borrower, the lesser of the unpaid Advances under the Loan Agreement or the maximum amount shown for such Borrower on Schedule I hereto, as it may be amended from time to time, in either case as shown on the records of Bank which, when in agreement with the records of a Borrower, shall (absent manifest error) be conclusive as to such unpaid amount, with interest thereon from the date advanced at the Interest Rate (as hereinafter defined). Neither the Gila County Treasurer nor Gila County shall be liable for amounts owed by any Borrower hereunder. This Note supersedes in its entirety that certain Promissory Note dated January 8, 2019, made by the Borrowers in favor of Bank (as heretofore amended, supplemented, or extended from time to time by and through various addenda thereto, the “Prior Note”), which Prior Note shall, upon execution and delivery of this Note, be of no further force or effect.

2. INTEREST RATE. The Interest Rate (“Interest Rate”) during each calendar quarter shall be the rate per annum equal to the rate per annum most recently publicly announced by Bank, or Bank’s successors, in Phoenix, Arizona, as Bank’s “prime rate”, as in effect from time to time, provided that in no event shall the Interest Rate at any time exceed one hundred ten percent (110%) of the previous quarter’s weighted average prime rate among the top three financial institutions by asset size in the State of Arizona. The Interest Rate will be redetermined by Bank on each day that the “prime rate” changes and any changes in the Interest Rate will be effective on and after the date of such change and until the next change. The “prime rate” is set by Bank based on various factors, including Bank’s costs and desired return, general economic conditions and other factors, and is used as a reference point in pricing some loans. Bank may

price loans to its customers at, above, or below its “prime rate.” Notwithstanding the foregoing, in no event shall the Interest Rate at any time be less than zero percent (0.00%).

3. REQUIRED PAYMENTS; PAYMENT ON MATURITY. Prior to June 30, 2025, or if the Scheduled Commitment Expiration Date under the Loan Agreement has been extended by mutual agreement between Borrowers, acting through their agent, the Gila County Treasurer, and Bank (acting in its sole and absolute discretion), such Scheduled Commitment Expiration Date (the “Maturity Date”), payments under this Note shall be made as each Borrower receives “nonrestricted operating revenues”, as such term is used in the Act. On the Maturity Date each Borrower shall pay to Bank the unpaid principal, all accrued and unpaid interest, and all other amounts (“Other Amounts”) payable by such Borrower to Bank under the Loan Documents (as defined in the Loan Agreement).

4. INTEREST ON PRINCIPAL; DEFAULT RATE. Principal shall bear interest at the Interest Rate from the date of disbursement until the due date thereof, whether by acceleration or otherwise. Principal, interest, and Other Amounts not paid when due and any judgment therefor shall bear interest from its due date or the judgment date, as applicable, until paid at a rate (“Default Rate”) per annum equal to one hundred ten percent (110.00%) of the previous quarter’s weighted average prime rate among the top three financial institutions by asset size in the State of Arizona (unless a lower maximum rate of interest is then applicable under the Act, in which case, the Default Rate shall be such lower rate of interest under the Act), and such interest shall be immediately due and payable.

5. INTEREST ACCRUAL. All interest under the Loan Documents shall be computed on the basis of a 365-day year and accrue on a daily basis for the actual number of days elapsed. Each Borrower agrees to pay an effective rate of interest that is the sum of (i) the Interest Rate and (ii) any additional rate of interest resulting from any other charges or fees paid or to be paid in connection herewith that are determined to be interest or in the nature of interest.

6. PAYMENT IN FULL PRIOR TO THE MATURITY DATE. Notwithstanding any other provision herein or in the Loan Documents, each Borrower shall pay to Bank all outstanding principal, interest and Other Amounts on June 30 of each year relating to such Borrower. So long as a Borrower makes such payment, such Borrower shall, subject to the provisions of the Loan Agreement, continue to be entitled to Advances pursuant to the Loan Agreement prior to the commitment expiration date specified therein. Principal, interest, and Other Amounts not paid on June 30 of each year shall bear interest from June 30 until paid at the Default Rate, and such interest shall be immediately due and payable.

7. APPLICATION OF PAYMENTS. At the option of Bank, payments shall be applied to principal, interest, and Other Amounts in such order as Bank shall determine.

8. PREPAYMENT. A Borrower may prepay the outstanding principal balance hereof relating to such Borrower, in whole or in part, at any time prior to the Maturity Date without penalty or premium.

9. NO COUNTERCLAIMS, DEDUCTIONS, ETC. All payments and other obligations of each Borrower under the Loan Documents will be made and performed without counterclaim, deduction, defense, deferment, reduction, or set-off.

10. EVENTS OF DEFAULT. Each of the following shall be an event of default (“Event of Default”) as to any Borrower to which the Event of Default applies:

(a) Failure by a Borrower to pay when due (i) any amount payable by such Borrower under any of the Loan Documents, or (ii) any other indebtedness of such Borrower to Bank.

(b) Failure by a Borrower to perform any material obligation not involving the payment of money, or to comply with any other term or condition applicable to such Borrower, in any of the Loan Documents.

(c) Any representation or warranty made by a Borrower in any of the Loan Documents or otherwise or any information delivered by such Borrower to Bank in obtaining or hereafter in connection with the credit evidenced by this Note is or becomes materially incomplete, incorrect, or misleading from the representations or warranties made of the date of this Note or as of the date made or delivered.

(d) The occurrence of any change or other event that Bank determines has or will materially and adversely affect (i) any or all property, interests in property, or rights to property securing the obligations of a Borrower under the Loan Documents, including without limitation the security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of each Borrower (collectively, the “Collateral”) as security for the obligations of a Borrower under the Loan Documents, (ii) the financial condition of a Borrower, or (iii) the ability of a Borrower to pay the monetary obligations of such Borrower under the Loan Documents.

(e) A Borrower (i) is unable or admits in writing such Borrower’s inability to pay Borrower’s monetary obligations as they become due, (ii) is generally not paying its debts as they become due, (iii) makes a general assignment for the benefit of creditors, or (iv) applies for, consents to, or acquiesces in, appointment of a trustee, receiver, or other custodian for Borrower or any or all of the property of Borrower, or in the absence of such application, consent, or acquiescence by Borrower a trustee, receiver, or other custodian is appointed for Borrower or any or all of the property of Borrower.

(f) Commencement of any case under the Bankruptcy Code (Title 9 of the United States Code) or commencement of any other bankruptcy, arrangement, reorganization, receivership, custodianship, or similar proceeding under any federal or state law by or against a Borrower.

(g) Attachment, garnishment, levy of execution, or seizure by legal process of any or all Collateral of a Borrower, except any pre-judgment attachment or garnishment of any or all Collateral.

(h) Any legal proceeding or other action against or affecting any or all Collateral of a Borrower is commenced (including, without limitation, any prejudgment attachment or garnishment) and is not quashed, stayed, or released within twenty (20) days.

(i) Any Collateral of a Borrower is sold, disposed of, or otherwise transferred by such Borrower after the date of this Note, not in the ordinary course of operations of Borrower.

(j) Any Collateral of a Borrower becomes subject to any lien or security interest, other than the security interest granted to Bank in this Note.

(k) Any Collateral of a Borrower is lost, stolen, suffers substantial damage or destruction, or is used in violation of any law, ordinance, regulation, or rule (federal, state, or local).

(l) A Borrower abandons or, except for expenditure of funds included in the Collateral in the ordinary operations of Borrower, ceases to have exclusive possession of any Collateral or any books and records of Borrower relating to the Collateral.

(m) A Borrower or any other person on behalf of Borrower claims that any Loan Document is not legal, valid, binding, and enforceable against Borrower, that any lien, security interest, or other encumbrance securing any of the obligations under the Loan Documents is not legal, valid, binding, and enforceable, or that the priority of any lien, security interest, or other encumbrance securing any of the obligations in the Loan Documents is different than the priority set forth in the Act (except as such priority may be affected by the laws regarding garnishment of wages of Borrower's employees and federal and state tax liens for withholding taxes of Borrower's employees).

(n) The occurrence of any condition or event that is a default or is designated as a default, an event of default, or an Event of Default in any other Loan Document or in any agreement, document, or instrument relating to any other indebtedness of a Borrower to Bank.

(o) The occurrence of any condition or event that is designated as a default or an event of default and the expiration of any cure period with respect to any other indebtedness of Borrower to any other person.

(p) The failure of a Borrower to repay to Bank within five (5) Business Days of written notice from Bank to Borrower the amount by which the outstanding amount of Advances exceeds the Commitment.

11. RIGHTS AND REMEDIES OF BANK. Upon occurrence of an Event of Default, Bank may, at its option, in its absolute and sole discretion, and without demand or notice, (i) declare the obligations in the Loan Documents to be immediately due and payable, whereupon the obligations in the Loan Documents shall be immediately due and payable, and (ii) exercise any or all other rights and remedies of Bank concurrently or consecutively in such order as Bank elects. The rights and remedies of Bank shall be cumulative and non-exclusive. Delay,

discontinuance, or failure to exercise any right or remedy of Bank shall not be a waiver thereof, or of any other right or remedy of Bank, or of the time, of the essence provision. Exercise of any right or remedy of Bank shall not cure or waive any Event of Default or invalidate any act done in response to any Event of Default.

12. LIMIT OF LIABILITY OF BANK. In exercising rights and remedies, neither Bank nor any affiliate thereof or any stockholder, director, officer, employee, agent, or representative of Bank or any affiliate thereof shall have any liability for any injury to the assets, business, operations, or property of a Borrower or any other liability to Borrower, other than for its own gross negligence or willful misconduct.

13. PROVISIONS IN LOAN AGREEMENT GOVERN THIS AGREEMENT. This Note is subject to certain terms and provisions in the Loan Agreement, to which reference is made for a statement of such terms and provisions.

14. WAIVER OF STATUTE OF LIMITATIONS. Each Borrower waives, to the full extent permitted by law, the right to plead any statutes of limitations as a defense to any or all obligations under the Loan Documents.

15. WAIVERS BY BORROWER. Each Borrower (i) waives, to the full extent permitted by law, presentment, notice of dishonor, protest, notice of protest, notice of intent to accelerate, notice of acceleration, and all other notices or demands of any kind (except notices specifically provided for in the Loan Documents), and (ii) agrees that Bank may enforce this Note and any other Loan Documents against Borrower without first having sought enforcement against any Collateral.

16. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, 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 NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE FINANCING DESCRIBED HEREIN.

17. 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.

[SIGNATURE PAGE FOLLOWS]

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By: _____

Name: Stephen Christensen

Title: Chairman

Gila County Board of Supervisors

ATTEST:

By: _____

Name: James Menlove

Title: Clerk of the Board

Gila County Board of Supervisors

GILA COUNTY TREASURER,

As Agent for the Districts Listed in Schedule I hereto

By: _____

Name: Monica Wohlforth

Title: Gila County Treasurer

**SCHEDULE I - COMMITMENT AMOUNTS
(COMMITMENT AMOUNT CAP = \$5,000,000)
DISTRICT NAMES AND COMMITMENT AMOUNTS**

School Districts	Commitment Amounts
Globe Unified School District No 1	\$1,500,000
Miami Unified School District No 40	\$1,500,000
Payson Unified School District No 10	\$3,000,000
Pine Strawberry School District No 12	\$50,000
Young Public School District No 5	\$325,000

Fire Districts and Special Districts	Commitment Amounts
Christopher-Kohls Fire District	\$100,000
Hellsgate Fire District	\$325,000
Houston Mesa Fire District	\$40,000
Pine Creek Canyon Domestic Water Improvement District	\$85,000
Pine-Strawberry Fire District	\$250,000
Tonto Basin Fire District	\$150,000
Tri-City Fire District	\$245,000
Water Wheel Fire & Medical District	\$200,000

INCUMBENCY CERTIFICATE OF GILA COUNTY, ARIZONA
BUSINESS LOAN AGREEMENT
(GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT)

July 1, 2024

The undersigned officer, on behalf of the Board of Supervisors of Gila County, Arizona (the “*County*”), makes the following certifications relating to that certain Business Loan Agreement (Gila County Districts Revolving Line of Credit), dated July 1, 2024 (the “*Business Loan Agreement*”), between the Gila County Treasurer, as agent for the Districts listed in Schedule I to the Business Loan Agreement, and JPMorgan Chase Bank, N.A.:

The persons whose name, title and signature appear below are duly qualified and acting officers of the County and are authorized to execute the Business Loan Agreement, the Note and such other documents related thereto. The Gila County Treasurer and the Chief Deputy Treasurer are further authorized to execute Addendums pursuant to the terms of the Business Loan Agreement. On the date hereof, such persons hold the office set forth beside their names, and the signature appears opposite their names is the genuine signature of such officers.

NAME	TITLE	SIGNATURE
Stephen Christensen	Chairman	_____
James Menlove	Clerk of the Board	_____
Monica Wohlforth	Gila County Treasurer	_____
Tiffiney Tarango	Chief Deputy Treasurer	_____

Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Business Loan Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed and delivered this certificate as of the date first written above.

GILA COUNTY, ARIZONA

By: _____
Name: Stephen Christensen
Title: Chairman
Gila County Board of Supervisors

ATTEST:

By: _____
Name: James Menlove
Title: Clerk of the Board
Gila County Board of Supervisors

Bradley M. Soos, Chief Deputy
Jefferson R. Dalton, Civil Division



GILA COUNTY ATTORNEY
Bradley D. Beauchamp

Joe A. Albo
Ryan Alcorn
Denise E. Boode
Joseph E. Collins
Kayla Evans
Jessica Oortman
Patricia R. Pfeiffer
Jessica Scibelli
Travis Shields
Michael VanAuker
Ronald Washington

June 28, 2024

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018

Ladies and Gentlemen:

We have acted as counsel for Gila County, Arizona (the "County"), and the Gila County Treasurer (the "Treasurer") as the County's agent, in connection with the execution and delivery of the Business Loan Agreement (Gila County Districts Revolving Line of Credit), dated July 1, 2024 (the "Loan Agreement"), between the County and JPMorgan Chase Bank, N.A. (the "Bank"), the Gila County Districts Revolving Line of Credit Promissory Note, dated July 1, 2024 (the "Note") related to the Loan Agreement, and all other documents and agreements executed in connection with the Loan Agreement and the Note. Pursuant to A.R.S. §§11-604.01 *et. seq.*, the Board of Supervisors of the County may enter into separate and distinct revolving lines of credit for each political subdivision of the County (hereafter referred to as a "District" or "Districts").

This opinion is provided to the Bank pursuant to Paragraph 3.1.1 of the Loan Agreement. Capitalized terms not otherwise defined herein have the respective meanings set forth in the Loan Agreement and the Note.

We have examined executed copies of the Loan Agreement, the Note, certificates of officials of the County and applicable statutes of and relating to the lines of credit made available under the Loan Agreement, in each case, as amended to date; records of proceedings of the governing body of the County during or by which resolutions were adopted relating to matters covered by this opinion, and certificates of officers of the County as to certain factual matters. We have made no independent investigation of any of the Districts to whom the Bank will extend a revolving line of credit under the Loan Agreement. In addition, we have made such other investigations as we have deemed necessary to enable us to express the opinions hereinafter set forth. We have assumed the genuineness of all signatures of persons signing the Loan Documents on behalf of parties thereto other than the County and the Treasurer, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as certified, conformed or photo static copies.

Based upon the foregoing, and further subject to the last two paragraphs of this letter, we hereby advise you that in our opinion:

1. The County and the Treasurer have the power and authority to execute, deliver and perform the Loan Agreement and the Note without any action by each of the Districts to confirm or ratify such action.

2. The Loan Agreement and the Note have each been duly authorized by the County and no further corporate action is required in connection therewith. The execution and delivery of the Loan Agreement and the Note and the due performance of the provisions therein do not and will not violate, contravene, or constitute a default under any statutes relating to the formation and operations of the County, or any agreement, indenture, or other document or instrument to which the County is a party or by the terms by which the County or any of its property is bound or affected. We express no opinion as to any conflict the Loan Agreement or the Note may have with any agreements, indentures or other documents executed by each District. The Loan Agreement and the Note have each been duly executed and delivered on behalf of the County and constitute the legal, valid, and binding obligations enforceable against the respective Districts receiving advances thereunder in accordance with its terms.

3. No consent, approval, authorization, registration, or filing with any governmental authority is required in connection with the execution, delivery, or performance of the Loan Agreement or the Note, except as may have been obtained and certified copies of which have been delivered to the Bank.

4. (a) There are no actions, suits, proceedings, claims, or disputes pending, or to the best of our knowledge, threatened or contemplated, at law, in equity, in arbitration or before any governmental authority against the County or any of its properties with respect to the Loan Agreement or the Note.

(b) No injunction, writ, temporary restraining order, or any order of any nature has been issued by any court or other governmental authority purporting to enjoin or restrain the execution, delivery, or performance of the Loan Agreement or the Note, or directing that the transactions provided for therein not be consummated as therein provided.

5. To the best of our knowledge, but without an investigation of any sort as to each District or all Districts, no event has occurred or would result from the incurring of the obligations by one or more Districts of the County under the Loan Agreement or the Note which is, or with the lapse of time or notice or both would become an Event of Default.

Our opinion set forth in paragraph 2 above is subject to the qualification that the enforceability of the Loan Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and by general equity principles, as well as by any state action relative to school district receivership as to any District under the Loan Agreement or the Note.

JPMorgan Chase Bank, N.A.

July 1, 2024

Page 3

We are members of the State Bar of Arizona, and we do not express any opinion herein concerning any law other than the law of the State of Arizona, and the federal law of the United States.

This letter has been furnished to you pursuant to the Loan Agreement for your use in connection with the Loan Agreement, and may not be relied upon for any other purpose or by any other party without our consent.

Sincerely,

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

County Attorney
Gila County Attorney's Office

BUSINESS LOAN AGREEMENT

(GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT)

DATE: July 1, 2024

PARTIES: Borrower: Each of the Districts listed in Schedule I hereto, through the Gila County Treasurer, as their agent, which Schedule I may be amended from time to time

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

This Business Loan Agreement (Gila County Districts Revolving Line of Credit) (this “Agreement”) is entered into as of the date set forth above between the Borrower (defined below) and the Bank, and supersedes in its entirety that certain Business Loan Agreement (Gila County Districts Revolving Line of Credit), dated January 8, 2019, between the Borrower and the Bank (as heretofore amended, supplemented, and extended from time to time by and through various addenda thereto, the “Prior Agreement”), which Prior Agreement shall, upon execution and delivery of this Agreement, be of no further force or effect.

AGREEMENT: Pursuant to Arizona Revised Statutes Sections 11-604.01 *et. seq.*, (together with all amendments and statutes successor thereto, collectively, 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 for the purpose of obtaining 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 an 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, subject, in each instance, to the then available amount under the Commitment Amount Cap (as defined herein), if any, 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.

“*Anti-Corruption Laws*” means all laws, rules and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption.

“*Authorized Person*” means any of the following Persons acting alone:

Monica Wohlforth
Gila County Treasurer

Signature

Tiffiney Tarango
Chief Deputy Treasurer

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.

“*Collateral*” means, collectively, 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 nonrestricted 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, as such Schedule may be amended from time to time, or (ii) forty-five percent (45%) of the total amount of nonrestricted operating revenues received by such Borrower in the immediately preceding fiscal year of such Borrower, subject, in each instance, to the then available amount under the Commitment Amount Cap, if any.

“*Commitment Amount Cap*” means initially, the amount of Five Million and No/100 Dollars (\$5,000,000.00) as such amount may be amended in accordance with this Agreement from time to time.

“*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.

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

“*Loan Documents*” means, collectively, 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.

“*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.

“*Sanctioned Country*” means, at any time, a country or territory which is itself the subject or target of any Sanctions.

“*Sanctioned Person*” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, or the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“*Sanctions*” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. Government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or U.S. Department of State.

“*Scheduled Commitment Expiration Date*” means June 30, 2025, subject to earlier termination as provided herein, and subject to extension by mutual agreement of the parties, as described in Section 2.8.

“*Services Proposal*” means Contract No. 061423 awarded to Bank by the Gila County Board of Supervisors on October 3, 2023.

“*Servicing Bank Term*” means the period, during which Bank provides services to County as servicing bank with such term commencing October 3, 2023, and ending October 3, 2027, subject to extensions of not more than three 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 Scheduled 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 an Authorized Person, or by another means mutually acceptable to the Bank and an Authorized Person. 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.

2.3 Advances and Repayments.

Advances will be deposited in and repayments will be withdrawn from the designated account of the County with Bank, initially being the account number ending in 4047, or such other accounts with Bank as designated in writing by an Authorized Person; provided that such deposits and repayments may be made by way of on-line banking portals. Each Borrower hereby irrevocably authorizes and directs Bank to make such credits and 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 nonrestricted operating revenues of Borrowers.

2.4 Advances - Repayment. Each Borrower agrees to apply all “nonrestricted operating revenues,” as such term is described in the Act according to the priorities set forth in the Act. 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 30 of such year of the amounts on deposit in the demand deposit and other accounts of the Borrower with Bank which constitute nonrestricted 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 request Bank to amend this Agreement and the Note from time to time 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; and

2.6.2 To extend the Scheduled 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 \$5,000,000, without such amendment being approved by resolution adopted by the Gila County Board of Supervisors.

2.6.4 Each Borrower understands, acknowledges and agrees that any request of Bank pursuant to this Section 2.6 shall be decided by Bank (in each instance) acting in Bank's sole and absolute discretion.

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 B (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 Scheduled Commitment Expiration Date. The Commitment provided to Borrowers hereunder shall be in effect initially for fiscal year 2024-2025. Borrowers and Bank (acting in its sole and absolute discretion) may agree to extend the Commitment for each fiscal year thereafter through the execution of the Addendum extending the Scheduled Commitment Expiration Date from June 30, 2025, to June 30, 2026, for fiscal year 2025-2026 and to June 30, 2027, for fiscal year 2026-2027; provided that if the Bank Services Term is extended beyond October 3, 2027, Borrowers and Bank (acting in its sole and absolute discretion) may agree to further extend the Commitment for subsequent fiscal years by extending the Scheduled 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 or on behalf of 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 Arizona Revised Statutes Sections 42-17101 *et. seq.*, 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 the fiscal year ended June 30, 2023 (and Bank reserves the right to receive copies of (i) Borrower's financial statements for fiscal years thereafter and (ii) the adopted budget for Borrower for each fiscal year) and such other information and documents as Bank may reasonably request.

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 or the Commitment Amount Cap.

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 (i) it is in writing executed by Bank, (ii) it 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 Arizona Revised Statutes Sections 42-17101 *et. seq.*, 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 Borrower's Financial Condition. No material adverse change from Borrower's financial condition or operations as reflected in the Annual Financial Statement for the fiscal year ended June 30, 2023, shall have occurred as of the date of this Agreement.

4.1.7 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.

4.1.8 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.

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

4.1.10 Anti-Corruption Laws and Sanctions. Borrower has implemented and maintains in effect policies and procedures that address matters relating to compliance by Borrower and its directors, officers, and employees with Anti-Corruption Laws and applicable Sanctions. To the knowledge of Borrower, (a) none of Borrower or its respective directors, officers or employees or (b) any agent of Borrower that will act in any capacity in connection with or benefit from the line of credit issued pursuant to the terms hereof, is a Sanctioned Person. The use of the proceeds of drawings under the line of credit or any other transaction contemplated by this Agreement will not violate any Anti-Corruption Law or applicable Sanctions.

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 I hereto.

4.2 Sovereign Immunity. Each request for an Advance on behalf of any Borrower shall be a representation and warranty by such Borrower to Bank that except as provided in Arizona Revised Statutes Sections 12-820 *et. seq.* and otherwise with respect to matters not relating to contracts, such Borrower does not have sovereign immunity rights with respect to contracts under the laws of the State of Arizona.

4.3 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 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) nonrestricted 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.

5.3.1 Borrower shall furnish to Bank: (i) as soon as available and in any event within two hundred ten (210) 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.

5.3.2 The County shall furnish to Bank: (i) as soon as available and in any event within two hundred ten (210) days after the end of each fiscal year of the County, 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, the County's budget for such fiscal year, as adopted, and (iii) 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 (collectively, "Operating Expenses") and shall be limited to the extent set forth in Section 4.1.8 hereof. 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. Borrower shall not use the Advances (i) to purchase or carry margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose, in each case in violation of, or for a purpose which violates, or would be inconsistent with, Regulation T, U or X of the Board of Governors of the Federal Reserve System, (ii) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (iii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iv) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

5.7 Registration of Warrants. The Gila County Treasurer, as agent for each Borrower, shall perform its obligations under the Act, including without limitation, under Arizona Revised Statutes Section 11-604.01.E thereof, which Act is hereby incorporated herein by reference.

5.8 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 nonrestricted 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 “nonrestricted operating revenues”). Each Borrower and Bank agree that Bank is entitled to a security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of such Borrower to the extent of any credit extended under this Agreement.

5.9 Anti-Corruption Policies and Procedures. Borrower will maintain in effect policies and procedures that address matters relating to compliance by Borrower and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

5.10 Sovereign Immunity. To the fullest extent permitted by law, each Borrower agrees that, from the date hereof, this Agreement and the Loan Documents are fully enforceable in accordance with the provisions thereof and hereby expressly waives rights to sovereign immunity, if any, except for such rights granted under the Arizona Revised Statutes § 12-820 *et seq.* and otherwise with respect to matters not relating to contracts.

6. 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.

7. 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.

8. 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 a Borrower 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.

9. 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 all or portions of 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.

10. 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). Each 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.

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 E. Ash Street
Globe, Arizona 85501
Attn: Monica Wohlforth, County Treasurer
Telephone: (928) 402-8700
Facsimile: (928) 425-7268
Email: gilatreasurer@gilacountyaz.gov

Address for Notice to Bank:

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018
Attn: Yisel Castillo, Relationship Manager
Telephone: 602-692-3689
Email: Yisel.castillo@jpmorgan.com

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 the Act, Bank is entitled to and each Borrower hereby grants to Bank a security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of such Borrower and in all proceeds of such nonrestricted 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 the Act, 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 (collectively, 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 UPON 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 pursuant to said Section 38-511, all Advances made for the benefit of Borrowers and all accrued and unpaid interest thereon shall, to the fullest extent permitted by applicable law, be due and payable immediately.

23. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, 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.

24. ARM'S LENGTH TRANSACTION. Each Borrower acknowledges and agrees that the transaction described in this Agreement is an arm's length commercial transaction between such Borrower and Bank in which (a) Bank is acting solely as a principal and not as an advisor, including, without limitation, a "Municipal Advisor," as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of any Borrower, (b) Bank is relying on the bank exemption in the Municipal Advisor Rules, (c) Bank has not provided any advice or assumed any advisory or fiduciary responsibility in favor of any Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not Bank, or any affiliate of Bank, has provided other services or advised, or is currently providing other services or advising any Borrower on other matters), (d) Bank has financial and other interests that differ from those of such Borrower, and (e) such Borrower has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

25. LEGAL ARIZONA WORKERS ACT COMPLIANCE ARIZONA REVISED STATUTES SECTION 41-4401. The parties warrant that at all times during the term of this Agreement they will comply with all state and federal immigration laws applicable to the parties and their employees, and with the requirements of Arizona Revised Statutes Section 23-214 (A). The parties shall further ensure that each subcontractor who performs work under this Agreement will likewise comply with all applicable state and federal immigration laws. Failure to comply with this provision shall constitute a material breach of this Agreement. Each Borrower retains the right to inspect the paperwork of any contractor or subcontractor that is employed within the United States of America to ensure compliance with such laws. Such inspection shall require the execution of a confidentiality agreement in form and substance provided by Bank.

26. BOYCOTT OF ISRAEL. If Bank engages in for-profit activity and has 10 or more employees, and if this Agreement has a value of \$100,000 or more, Bank certifies it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

27. NO USE OF FORCED LABOR. To the extent applicable under Arizona Revised Statutes Section 35-394, Bank hereby certifies it does not currently, and for the duration of this Agreement shall not use: (i) the forced labor of ethnic Uyghurs in the People's Republic of China, (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China, and (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. The foregoing certification is made to the best knowledge of Bank without any current independent investigation or without any future independent investigation for the duration of this Agreement. If Bank becomes aware during the duration of this Agreement that it is not in compliance with such certification, Bank shall take such actions as provided by law, including providing the required notice to the Gila County Treasurer. If the Gila County Treasurer determines that Bank is not in compliance with the foregoing certification and has not taken remedial action upon one hundred eighty (180) days after such noncompliance, the Gila County Treasurer shall terminate this Agreement.

[SIGNATURE PAGES FOLLOW]

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By: _____
Name: Stephen Christensen
Title: Chairman
Gila County Board of Supervisors

ATTEST:

By: _____
Name: James Menlove
Title: Clerk of the Board
Gila County Board of Supervisors

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

By: _____
Name: Monica Wohlforth
Title: Gila County Treasurer

JPMORGAN CHASE BANK, N.A.

By: _____
Name: David Chan
Title: Authorized Officer

[Signature Page to Gila County Districts Business Loan Agreement]

**SCHEDULE I - COMMITMENT AMOUNTS
(COMMITMENT AMOUNT CAP = \$5,000,000)
DISTRICT NAMES AND COMMITMENT AMOUNTS**

School Districts	Commitment Amounts
Globe Unified School District No 1	\$1,500,000
Miami Unified School District No 40	\$1,500,000
Payson Unified School District No 10	\$3,000,000
Pine Strawberry School District No 12	\$50,000

Fire Districts and Special Districts	Commitment Amounts
Christopher-Kohls Fire District	\$100,000
Hellsgate Fire District	\$325,000
Houston Mesa Fire District	\$40,000
Pine Creek Canyon Domestic Water Improvement District	\$85,000
Pine-Strawberry Fire District	\$250,000
Tonto Basin Fire District	\$150,000
Tri-City Fire District	\$245,000
Water Wheel Fire & Medical District	\$200,000

Exhibit A
To
Business Loan Agreement

SPECIMEN OF PROMISSORY NOTE

**THIS NOTE IS IN FULLY REGISTERED FORM AND IS NOT TRANSFERABLE
EXCEPT ON THE REGISTRATION BOOKS OF BORROWER**

GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT

PROMISSORY NOTE

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018

Date: July 1, 2024

Principal Amount: Commitment Amount Cap (as defined in and subject to adjustment from time to time in accordance with the hereinafter defined Loan Agreement)

1. **PROMISE TO PAY AND INTEREST.** For value received, the undersigned, EACH OF THE DISTRICTS IDENTIFIED IN SCHEDULE I HERETO, ACTING THROUGH THE GILA COUNTY TREASURER, AS ITS AGENT (each a “Borrower” and collectively, “Borrowers”) promises to pay to or on the order of JPMORGAN CHASE BANK, N.A., or registered assigns (“Bank”) at its above office, or at such other place as Bank may designate in writing, in lawful money of the United States of America, (a) in the aggregate for all Borrowers, the principal sum equal to the Commitment Amount Cap (as such term is defined in and subject to adjustment from time to time in accordance with the Business Loan Agreement (Gila County Districts Revolving Line of Credit) of even date herewith (“Loan Agreement”), between Borrowers and Bank, as it may be amended, modified, extended, renewed, restated, or supplemented from time to time), and (b) with respect to each Borrower, the lesser of the unpaid Advances under the Loan Agreement or the maximum amount shown for such Borrower on Schedule I hereto, as it may be amended from time to time, in either case as shown on the records of Bank which, when in agreement with the records of a Borrower, shall (absent manifest error) be conclusive as to such unpaid amount, with interest thereon from the date advanced at the Interest Rate (as hereinafter defined). Neither the Gila County Treasurer nor Gila County shall be liable for amounts owed by any Borrower hereunder. This Note supersedes in its entirety that certain Promissory Note dated January 8, 2019, made by the Borrowers in favor of Bank (as heretofore amended, supplemented, or extended from time to time by and through various addenda thereto, the “Prior Note”), which Prior Note shall, upon execution and delivery of this Note, be of no further force or effect.

2. **INTEREST RATE.** The Interest Rate (“Interest Rate”) during each calendar quarter shall be the rate per annum equal to the rate per annum most recently publicly announced by Bank, or Bank’s successors, in Phoenix, Arizona, as Bank’s “prime rate”, as in effect from time to time, provided that in no event shall the Interest Rate at any time exceed one hundred ten percent (110%)

Exhibit A

Gila County Districts – Business Loan Agreement

of the previous quarter's weighted average prime rate among the top three financial institutions by asset size in the State of Arizona. The Interest Rate will be redetermined by Bank on each day that the "prime rate" changes and any changes in the Interest Rate will be effective on and after the date of such change and until the next change. The "prime rate" is set by Bank based on various factors, including Bank's costs and desired return, general economic conditions and other factors, and is used as a reference point in pricing some loans. Bank may price loans to its customers at, above, or below its "prime rate." Notwithstanding the foregoing, in no event shall the Interest Rate at any time be less than zero percent (0.00%).

3. REQUIRED PAYMENTS; PAYMENT ON MATURITY. Prior to June 30, 2025, or if the Scheduled Commitment Expiration Date under the Loan Agreement has been extended by mutual agreement between Borrowers, acting through their agent, the Gila County Treasurer, and Bank (acting in its sole and absolute discretion), such Scheduled Commitment Expiration Date (the "Maturity Date"), payments under this Note shall be made as each Borrower receives "nonrestricted operating revenues", as such term is used in the Act. On the Maturity Date each Borrower shall pay to Bank the unpaid principal, all accrued and unpaid interest, and all other amounts ("Other Amounts") payable by such Borrower to Bank under the Loan Documents (as defined in the Loan Agreement).

4. INTEREST ON PRINCIPAL; DEFAULT RATE. Principal shall bear interest at the Interest Rate from the date of disbursement until the due date thereof, whether by acceleration or otherwise. Principal, interest, and Other Amounts not paid when due and any judgment therefor shall bear interest from its due date or the judgment date, as applicable, until paid at a rate ("Default Rate") per annum equal to one hundred ten percent (110.00%) of the previous quarter's weighted average prime rate among the top three financial institutions by asset size in the State of Arizona (unless a lower maximum rate of interest is then applicable under the Act, in which case, the Default Rate shall be such lower rate of interest under the Act), and such interest shall be immediately due and payable.

5. INTEREST ACCRUAL. All interest under the Loan Documents shall be computed on the basis of a 365-day year and accrue on a daily basis for the actual number of days elapsed. Each Borrower agrees to pay an effective rate of interest that is the sum of (i) the Interest Rate and (ii) any additional rate of interest resulting from any other charges or fees paid or to be paid in connection herewith that are determined to be interest or in the nature of interest.

6. PAYMENT IN FULL PRIOR TO THE MATURITY DATE. Notwithstanding any other provision herein or in the Loan Documents, each Borrower shall pay to Bank all outstanding principal, interest and Other Amounts on June 30 of each year relating to such Borrower. So long as a Borrower makes such payment, such Borrower shall, subject to the provisions of the Loan Agreement, continue to be entitled to Advances pursuant to the Loan Agreement prior to the commitment expiration date specified therein. Principal, interest, and Other Amounts not paid on June 30 of each year shall bear interest from June 30 until paid at the Default Rate, and such interest shall be immediately due and payable.

7. APPLICATION OF PAYMENTS. At the option of Bank, payments shall be applied to principal, interest, and Other Amounts in such order as Bank shall determine.

8. PREPAYMENT. A Borrower may prepay the outstanding principal balance hereof relating to such Borrower, in whole or in part, at any time prior to the Maturity Date without penalty or premium.

9. NO COUNTERCLAIMS, DEDUCTIONS, ETC. All payments and other obligations of each Borrower under the Loan Documents will be made and performed without counterclaim, deduction, defense, deferment, reduction, or set-off.

10. EVENTS OF DEFAULT. Each of the following shall be an event of default (“Event of Default”) as to any Borrower to which the Event of Default applies:

(a) Failure by a Borrower to pay when due (i) any amount payable by such Borrower under any of the Loan Documents, or (ii) any other indebtedness of such Borrower to Bank.

(b) Failure by a Borrower to perform any material obligation not involving the payment of money, or to comply with any other term or condition applicable to such Borrower, in any of the Loan Documents.

(c) Any representation or warranty made by a Borrower in any of the Loan Documents or otherwise or any information delivered by such Borrower to Bank in obtaining or hereafter in connection with the credit evidenced by this Note is or becomes materially incomplete, incorrect, or misleading from the representations or warranties made of the date of this Note or as of the date made or delivered.

(d) The occurrence of any change or other event that Bank determines has or will materially and adversely affect (i) any or all property, interests in property, or rights to property securing the obligations of a Borrower under the Loan Documents, including without limitation the security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of each Borrower (collectively, the “Collateral”) as security for the obligations of a Borrower under the Loan Documents, (ii) the financial condition of a Borrower, or (iii) the ability of a Borrower to pay the monetary obligations of such Borrower under the Loan Documents.

(e) A Borrower (i) is unable or admits in writing such Borrower’s inability to pay Borrower’s monetary obligations as they become due, (ii) is generally not paying its debts as they become due, (iii) makes a general assignment for the benefit of creditors, or (iv) applies for, consents to, or acquiesces in, appointment of a trustee, receiver, or other custodian for Borrower or any or all of the property of Borrower, or in the absence of such application, consent, or acquiescence by Borrower a trustee, receiver, or other custodian is appointed for Borrower or any or all of the property of Borrower.

(f) Commencement of any case under the Bankruptcy Code (Title 9 of the United States Code) or commencement of any other bankruptcy, arrangement,

reorganization, receivership, custodianship, or similar proceeding under any federal or state law by or against a Borrower.

(g) Attachment, garnishment, levy of execution, or seizure by legal process of any or all Collateral of a Borrower, except any pre-judgment attachment or garnishment of any or all Collateral.

(h) Any legal proceeding or other action against or affecting any or all Collateral of a Borrower is commenced (including, without limitation, any prejudgment attachment or garnishment) and is not quashed, stayed, or released within twenty (20) days.

(i) Any Collateral of a Borrower is sold, disposed of, or otherwise transferred by such Borrower after the date of this Note, not in the ordinary course of operations of Borrower.

(j) Any Collateral of a Borrower becomes subject to any lien or security interest, other than the security interest granted to Bank in this Note.

(k) Any Collateral of a Borrower is lost, stolen, suffers substantial damage or destruction, or is used in violation of any law, ordinance, regulation, or rule (federal, state, or local).

(l) A Borrower abandons or, except for expenditure of funds included in the Collateral in the ordinary operations of Borrower, ceases to have exclusive possession of any Collateral or any books and records of Borrower relating to the Collateral.

(m) A Borrower or any other person on behalf of Borrower claims that any Loan Document is not legal, valid, binding, and enforceable against Borrower, that any lien, security interest, or other encumbrance securing any of the obligations under the Loan Documents is not legal, valid, binding, and enforceable, or that the priority of any lien, security interest, or other encumbrance securing any of the obligations in the Loan Documents is different than the priority set forth in the Act (except as such priority may be affected by the laws regarding garnishment of wages of Borrower's employees and federal and state tax liens for withholding taxes of Borrower's employees).

(n) The occurrence of any condition or event that is a default or is designated as a default, an event of default, or an Event of Default in any other Loan Document or in any agreement, document, or instrument relating to any other indebtedness of a Borrower to Bank.

(o) The occurrence of any condition or event that is designated as a default or an event of default and the expiration of any cure period with respect to any other indebtedness of Borrower to any other person.

(p) The failure of a Borrower to repay to Bank within five (5) Business Days of written notice from Bank to Borrower the amount by which the outstanding amount of Advances exceeds the Commitment.

Exhibit A

11. RIGHTS AND REMEDIES OF BANK. Upon occurrence of an Event of Default, Bank may, at its option, in its absolute and sole discretion, and without demand or notice, (i) declare the obligations in the Loan Documents to be immediately due and payable, whereupon the obligations in the Loan Documents shall be immediately due and payable, and (ii) exercise any or all other rights and remedies of Bank concurrently or consecutively in such order as Bank elects. The rights and remedies of Bank shall be cumulative and non-exclusive. Delay, discontinuance, or failure to exercise any right or remedy of Bank shall not be a waiver thereof, or of any other right or remedy of Bank, or of the time, of the essence provision. Exercise of any right or remedy of Bank shall not cure or waive any Event of Default or invalidate any act done in response to any Event of Default.

12. LIMIT OF LIABILITY OF BANK. In exercising rights and remedies, neither Bank nor any affiliate thereof or any stockholder, director, officer, employee, agent, or representative of Bank or any affiliate thereof shall have any liability for any injury to the assets, business, operations, or property of a Borrower or any other liability to Borrower, other than for its own gross negligence or willful misconduct.

13. PROVISIONS IN LOAN AGREEMENT GOVERN THIS AGREEMENT. This Note is subject to certain terms and provisions in the Loan Agreement, to which reference is made for a statement of such terms and provisions.

14. WAIVER OF STATUTE OF LIMITATIONS. Each Borrower waives, to the full extent permitted by law, the right to plead any statutes of limitations as a defense to any or all obligations under the Loan Documents.

15. WAIVERS BY BORROWER. Each Borrower (i) waives, to the full extent permitted by law, presentment, notice of dishonor, protest, notice of protest, notice of intent to accelerate, notice of acceleration, and all other notices or demands of any kind (except notices specifically provided for in the Loan Documents), and (ii) agrees that Bank may enforce this Note and any other Loan Documents against Borrower without first having sought enforcement against any Collateral.

16. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, 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 NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE FINANCING DESCRIBED HEREIN.

17. 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.

[SIGNATURE PAGE FOLLOWS]

Exhibit A

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By: _____
Name: Stephen Christensen
Title: Chairman
Gila County Board of Supervisors

ATTEST:

By: _____
Name: James Menlove
Title: Clerk of the Board
Gila County Board of Supervisors

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

By: _____
Name: Monica Wohlforth
Title: Gila County Treasurer

Exhibit A

**SCHEDULE I - COMMITMENT AMOUNTS
 (COMMITMENT AMOUNT CAP = \$5,000,000)
 DISTRICT NAMES AND COMMITMENT AMOUNTS**

School Districts	Commitment Amounts
Globe Unified School District No 1	\$1,500,000
Miami Unified School District No 40	\$1,500,000
Payson Unified School District No 10	\$3,000,000
Pine Strawberry School District No 12	\$50,000

Fire Districts and Special Districts	Commitment Amounts
Christopher-Kohls Fire District	\$100,000
Hellsgate Fire District	\$325,000
Houston Mesa Fire District	\$40,000
Pine Creek Canyon Domestic Water Improvement District	\$85,000
Pine-Strawberry Fire District	\$250,000
Tonto Basin Fire District	\$150,000
Tri-City Fire District	\$245,000
Water Wheel Fire & Medical District	\$200,000

Exhibit B
To
Business Loan Agreement

FORM OF ADDENDUM
(GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT)

ADDENDUM NO. ____

EFFECTIVE DATE _____

PARTIES: Borrower Each of the Districts listed in [**Schedule I attached to the Agreement**][**Schedule I-A attached 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 (Gila County Districts Revolving Line of Credit), dated July 1, 2024 (the “Agreement”), and Promissory Note, dated July 1, 2024 (the “Note”), as the Agreement and Note have been heretofore amended, modified, extended, renewed, restated, or supplemented. Bank and Borrowers desire to enter into this Addendum No. _____ (this “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 commitment amounts set forth below:]

Name	Commitment Amounts

[The commitment amounts for the following listed Borrowers are hereby modified as follows:]

Name	Previous Commitment Amounts	New Commitment Amounts

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 Scheduled Commitment Expiration Date. The Scheduled Commitment Expiration Date is hereby extended from June 30, 20__ to June 30, 20__. After the Effective Date, all references in the Agreement to the Scheduled Commitment Expiration Date shall mean and refer to June 30, 20__.

5. [Schedule I] [Commitment Amount Cap/Principal Amount of Note]. The Borrower hereby request Bank to modify [Schedule I] [the Commitment Amount Cap] as set forth above and upon Bank’s approval of such modification [Schedule I] [the Commitment Amount Cap and the Principal Amount of the Note shall be deemed modified to reflect the amount of _____ and No/100 Dollars (\$ _____. __) (“Revised Cap Amount”). Thereafter, all references in the Agreement and in the Note to the Commitment Amount Cap shall mean and refer to the Revised Cap 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 in **[Schedule I attached to the Agreement][Schedule I-A attached to this Addendum]**.

By: _____

Name: _____

Title: Gila County Treasurer

JPMORGAN CHASE BANK, N.A.

By: _____

Name: _____

Title: Authorized Officer

[Signature Page to Addendum]

**THIS NOTE IS IN FULLY REGISTERED FORM AND IS NOT TRANSFERABLE
EXCEPT ON THE REGISTRATION BOOKS OF BORROWER**

GILA COUNTY DISTRICTS REVOLVING LINE OF CREDIT

PROMISSORY NOTE

JPMorgan Chase Bank, N.A.
4300 E Camelback Rd, Suite #400, Floor 04
Phoenix, Arizona 85018

Date: July 1, 2024

Principal Amount: Commitment Amount Cap (as defined in and subject to adjustment from time to time in accordance with the hereinafter defined Loan Agreement)

1. PROMISE TO PAY AND INTEREST. For value received, the undersigned, EACH OF THE DISTRICTS IDENTIFIED IN SCHEDULE I HERETO, ACTING THROUGH THE GILA COUNTY TREASURER, AS ITS AGENT (each a “Borrower” and collectively, “Borrowers”) promises to pay to or on the order of JPMORGAN CHASE BANK, N.A., or registered assigns (“Bank”) at its above office, or at such other place as Bank may designate in writing, in lawful money of the United States of America, (a) in the aggregate for all Borrowers, the principal sum equal to the Commitment Amount Cap (as such term is defined in and subject to adjustment from time to time in accordance with the Business Loan Agreement (Gila County Districts Revolving Line of Credit) of even date herewith (“Loan Agreement”), between Borrowers and Bank, as it may be amended, modified, extended, renewed, restated, or supplemented from time to time), and (b) with respect to each Borrower, the lesser of the unpaid Advances under the Loan Agreement or the maximum amount shown for such Borrower on Schedule I hereto, as it may be amended from time to time, in either case as shown on the records of Bank which, when in agreement with the records of a Borrower, shall (absent manifest error) be conclusive as to such unpaid amount, with interest thereon from the date advanced at the Interest Rate (as hereinafter defined). Neither the Gila County Treasurer nor Gila County shall be liable for amounts owed by any Borrower hereunder. This Note supersedes in its entirety that certain Promissory Note dated January 8, 2019, made by the Borrowers in favor of Bank (as heretofore amended, supplemented, or extended from time to time by and through various addenda thereto, the “Prior Note”), which Prior Note shall, upon execution and delivery of this Note, be of no further force or effect.

2. INTEREST RATE. The Interest Rate (“Interest Rate”) during each calendar quarter shall be the rate per annum equal to the rate per annum most recently publicly announced by Bank, or Bank’s successors, in Phoenix, Arizona, as Bank’s “prime rate”, as in effect from time to time, provided that in no event shall the Interest Rate at any time exceed one hundred ten percent (110%) of the previous quarter’s weighted average prime rate among the top three financial institutions by asset size in the State of Arizona. The Interest Rate will be redetermined by Bank on each day that the “prime rate” changes and any changes in the Interest Rate will be effective on and after the date of such change and until the next change. The “prime rate” is set by Bank based on various factors, including Bank’s costs and desired return, general economic conditions and other factors, and is used as a reference point in pricing some loans. Bank may

price loans to its customers at, above, or below its “prime rate.” Notwithstanding the foregoing, in no event shall the Interest Rate at any time be less than zero percent (0.00%).

3. REQUIRED PAYMENTS; PAYMENT ON MATURITY. Prior to June 30, 2025, or if the Scheduled Commitment Expiration Date under the Loan Agreement has been extended by mutual agreement between Borrowers, acting through their agent, the Gila County Treasurer, and Bank (acting in its sole and absolute discretion), such Scheduled Commitment Expiration Date (the “Maturity Date”), payments under this Note shall be made as each Borrower receives “nonrestricted operating revenues”, as such term is used in the Act. On the Maturity Date each Borrower shall pay to Bank the unpaid principal, all accrued and unpaid interest, and all other amounts (“Other Amounts”) payable by such Borrower to Bank under the Loan Documents (as defined in the Loan Agreement).

4. INTEREST ON PRINCIPAL; DEFAULT RATE. Principal shall bear interest at the Interest Rate from the date of disbursement until the due date thereof, whether by acceleration or otherwise. Principal, interest, and Other Amounts not paid when due and any judgment therefor shall bear interest from its due date or the judgment date, as applicable, until paid at a rate (“Default Rate”) per annum equal to one hundred ten percent (110.00%) of the previous quarter’s weighted average prime rate among the top three financial institutions by asset size in the State of Arizona (unless a lower maximum rate of interest is then applicable under the Act, in which case, the Default Rate shall be such lower rate of interest under the Act), and such interest shall be immediately due and payable.

5. INTEREST ACCRUAL. All interest under the Loan Documents shall be computed on the basis of a 365-day year and accrue on a daily basis for the actual number of days elapsed. Each Borrower agrees to pay an effective rate of interest that is the sum of (i) the Interest Rate and (ii) any additional rate of interest resulting from any other charges or fees paid or to be paid in connection herewith that are determined to be interest or in the nature of interest.

6. PAYMENT IN FULL PRIOR TO THE MATURITY DATE. Notwithstanding any other provision herein or in the Loan Documents, each Borrower shall pay to Bank all outstanding principal, interest and Other Amounts on June 30 of each year relating to such Borrower. So long as a Borrower makes such payment, such Borrower shall, subject to the provisions of the Loan Agreement, continue to be entitled to Advances pursuant to the Loan Agreement prior to the commitment expiration date specified therein. Principal, interest, and Other Amounts not paid on June 30 of each year shall bear interest from June 30 until paid at the Default Rate, and such interest shall be immediately due and payable.

7. APPLICATION OF PAYMENTS. At the option of Bank, payments shall be applied to principal, interest, and Other Amounts in such order as Bank shall determine.

8. PREPAYMENT. A Borrower may prepay the outstanding principal balance hereof relating to such Borrower, in whole or in part, at any time prior to the Maturity Date without penalty or premium.

9. NO COUNTERCLAIMS, DEDUCTIONS, ETC. All payments and other obligations of each Borrower under the Loan Documents will be made and performed without counterclaim, deduction, defense, deferment, reduction, or set-off.

10. EVENTS OF DEFAULT. Each of the following shall be an event of default (“Event of Default”) as to any Borrower to which the Event of Default applies:

(a) Failure by a Borrower to pay when due (i) any amount payable by such Borrower under any of the Loan Documents, or (ii) any other indebtedness of such Borrower to Bank.

(b) Failure by a Borrower to perform any material obligation not involving the payment of money, or to comply with any other term or condition applicable to such Borrower, in any of the Loan Documents.

(c) Any representation or warranty made by a Borrower in any of the Loan Documents or otherwise or any information delivered by such Borrower to Bank in obtaining or hereafter in connection with the credit evidenced by this Note is or becomes materially incomplete, incorrect, or misleading from the representations or warranties made of the date of this Note or as of the date made or delivered.

(d) The occurrence of any change or other event that Bank determines has or will materially and adversely affect (i) any or all property, interests in property, or rights to property securing the obligations of a Borrower under the Loan Documents, including without limitation the security interest in the nonrestricted operating revenues received by the Gila County Treasurer on behalf of each Borrower (collectively, the “Collateral”) as security for the obligations of a Borrower under the Loan Documents, (ii) the financial condition of a Borrower, or (iii) the ability of a Borrower to pay the monetary obligations of such Borrower under the Loan Documents.

(e) A Borrower (i) is unable or admits in writing such Borrower’s inability to pay Borrower’s monetary obligations as they become due, (ii) is generally not paying its debts as they become due, (iii) makes a general assignment for the benefit of creditors, or (iv) applies for, consents to, or acquiesces in, appointment of a trustee, receiver, or other custodian for Borrower or any or all of the property of Borrower, or in the absence of such application, consent, or acquiescence by Borrower a trustee, receiver, or other custodian is appointed for Borrower or any or all of the property of Borrower.

(f) Commencement of any case under the Bankruptcy Code (Title 9 of the United States Code) or commencement of any other bankruptcy, arrangement, reorganization, receivership, custodianship, or similar proceeding under any federal or state law by or against a Borrower.

(g) Attachment, garnishment, levy of execution, or seizure by legal process of any or all Collateral of a Borrower, except any pre-judgment attachment or garnishment of any or all Collateral.

(h) Any legal proceeding or other action against or affecting any or all Collateral of a Borrower is commenced (including, without limitation, any prejudgment attachment or garnishment) and is not quashed, stayed, or released within twenty (20) days.

(i) Any Collateral of a Borrower is sold, disposed of, or otherwise transferred by such Borrower after the date of this Note, not in the ordinary course of operations of Borrower.

(j) Any Collateral of a Borrower becomes subject to any lien or security interest, other than the security interest granted to Bank in this Note.

(k) Any Collateral of a Borrower is lost, stolen, suffers substantial damage or destruction, or is used in violation of any law, ordinance, regulation, or rule (federal, state, or local).

(l) A Borrower abandons or, except for expenditure of funds included in the Collateral in the ordinary operations of Borrower, ceases to have exclusive possession of any Collateral or any books and records of Borrower relating to the Collateral.

(m) A Borrower or any other person on behalf of Borrower claims that any Loan Document is not legal, valid, binding, and enforceable against Borrower, that any lien, security interest, or other encumbrance securing any of the obligations under the Loan Documents is not legal, valid, binding, and enforceable, or that the priority of any lien, security interest, or other encumbrance securing any of the obligations in the Loan Documents is different than the priority set forth in the Act (except as such priority may be affected by the laws regarding garnishment of wages of Borrower's employees and federal and state tax liens for withholding taxes of Borrower's employees).

(n) The occurrence of any condition or event that is a default or is designated as a default, an event of default, or an Event of Default in any other Loan Document or in any agreement, document, or instrument relating to any other indebtedness of a Borrower to Bank.

(o) The occurrence of any condition or event that is designated as a default or an event of default and the expiration of any cure period with respect to any other indebtedness of Borrower to any other person.

(p) The failure of a Borrower to repay to Bank within five (5) Business Days of written notice from Bank to Borrower the amount by which the outstanding amount of Advances exceeds the Commitment.

11. RIGHTS AND REMEDIES OF BANK. Upon occurrence of an Event of Default, Bank may, at its option, in its absolute and sole discretion, and without demand or notice, (i) declare the obligations in the Loan Documents to be immediately due and payable, whereupon the obligations in the Loan Documents shall be immediately due and payable, and (ii) exercise any or all other rights and remedies of Bank concurrently or consecutively in such order as Bank elects. The rights and remedies of Bank shall be cumulative and non-exclusive. Delay,

discontinuance, or failure to exercise any right or remedy of Bank shall not be a waiver thereof, or of any other right or remedy of Bank, or of the time, of the essence provision. Exercise of any right or remedy of Bank shall not cure or waive any Event of Default or invalidate any act done in response to any Event of Default.

12. LIMIT OF LIABILITY OF BANK. In exercising rights and remedies, neither Bank nor any affiliate thereof or any stockholder, director, officer, employee, agent, or representative of Bank or any affiliate thereof shall have any liability for any injury to the assets, business, operations, or property of a Borrower or any other liability to Borrower, other than for its own gross negligence or willful misconduct.

13. PROVISIONS IN LOAN AGREEMENT GOVERN THIS AGREEMENT. This Note is subject to certain terms and provisions in the Loan Agreement, to which reference is made for a statement of such terms and provisions.

14. WAIVER OF STATUTE OF LIMITATIONS. Each Borrower waives, to the full extent permitted by law, the right to plead any statutes of limitations as a defense to any or all obligations under the Loan Documents.

15. WAIVERS BY BORROWER. Each Borrower (i) waives, to the full extent permitted by law, presentment, notice of dishonor, protest, notice of protest, notice of intent to accelerate, notice of acceleration, and all other notices or demands of any kind (except notices specifically provided for in the Loan Documents), and (ii) agrees that Bank may enforce this Note and any other Loan Documents against Borrower without first having sought enforcement against any Collateral.

16. JURY WAIVER. TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, 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 NOTE. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO PROVIDE THE FINANCING DESCRIBED HEREIN.

17. 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.

[SIGNATURE PAGE FOLLOWS]

DATED as of the date first above stated.

GILA COUNTY, ARIZONA

By: _____
Name: Stephen Christensen
Title: Chairman
Gila County Board of Supervisors

ATTEST:

By: _____
Name: James Menlove
Title: Clerk of the Board
Gila County Board of Supervisors

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

By: _____
Name: Monica Wohlforth
Title: Gila County Treasurer

**SCHEDULE I - COMMITMENT AMOUNTS
(COMMITMENT AMOUNT CAP = \$5,000,000)
DISTRICT NAMES AND COMMITMENT AMOUNTS**

School Districts	Commitment Amounts
Globe Unified School District No 1	\$1,500,000
Miami Unified School District No 40	\$1,500,000
Payson Unified School District No 10	\$3,000,000
Pine Strawberry School District No 12	\$50,000

Fire Districts and Special Districts	Commitment Amounts
Christopher-Kohls Fire District	\$100,000
Hellsgate Fire District	\$325,000
Houston Mesa Fire District	\$40,000
Pine Creek Canyon Domestic Water Improvement District	\$85,000
Pine-Strawberry Fire District	\$250,000
Tonto Basin Fire District	\$150,000
Tri-City Fire District	\$245,000
Water Wheel Fire & Medical District	\$200,000