

PROMISSORY NOTE

Borrower: Emerald Pointe Utility Co. 118 State Drive Hollister, MO 65672	Lender: White River Valley Electric Cooperative, Inc. 2449 St. Hwy 76E PO Box 969 Branson, MO 65615-0969
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Principal Amount: \$62,000 **Date:** January ____, 2013

Promise to Pay. FOR VALUE RECEIVED, the undersigned, Emerald Pointe Utility Company, a Missouri corporation ("Borrower"), promises to pay to the order of White River Valley Electric Cooperative, Inc., and its successors or assigns ("Holder") at 2449 State Hwy 76E, Branson, MO 65615, or at such other place or places as the Holder hereof may from time to time designate in writing, the principal sum of Sixty Two Thousand Dollars (\$62,000.00), in lawful money of the United States of America. This Note shall accrue interest from the date hereof until maturity, whether by acceleration or otherwise at a rate equal to 3.15% per annum (the "Interest Rate"). The installments shall be amortized over a period of five (5) years.

Payment. The outstanding principal sum and all accrued interest thereon shall be due and payable as follows: in monthly installments of \$ 1,118.20 payable on the first of each month beginning February 1, 2013 and on the same day of each month thereafter, through January 1, 2018 at which time outstanding principal sum, all accrued interest thereon and all other amounts then owing by reason of this Note or any other agreement now or hereafter given in connection with or as security for this Note, shall be due and payable in full, without notice or demand.

Late Payment Charge. If a payment is five (5) days or more late, Borrower will be charged a late fee equal to 5% of the unpaid portion of the regularly scheduled payment.

Prepayment. The privilege is hereby reserved to prepay at any time all or any part of the outstanding principal balance or interest hereunder. Any partial prepayment shall be credited first, to the accrued interest and, second, to the principal due hereunder and no partial prepayment shall affect the obligation to make the payments of principal and interest at the time and in the amounts provided for herein.

Default. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any other agreement between Lender and

Initialed by:
 Borrower _____
 Lender _____

Borrower or (1) the determination by Lender that a material adverse change has occurred in the financial condition of Borrower; (2) the Lender in good faith deems itself insecure and its prospect of payment impaired; or (3) the occurrence of any material uninsured damage to or loss, theft or destruction of any of the collateral pledged as security for this Note

Dissolution or Insolvency. The dissolution or the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Lender's Rights Upon Default. Upon the occurrence of an Event of Default then, or at any time thereafter during any such event, upon ten (10) days prior written notice to the undersigned, the outstanding principal balance hereunder, accrued interest, and any other amount due under the Note or any other agreement by and between Borrower and Lender, shall, at the option of the Holder hereof, immediately become due and payable and the total of such sums, including accrued interest (if permitted by law), shall bear interest from the time of exercise of such option until the same is paid at a rate equal to three percent (3%) above the Interest Rate. The failure of the Holder to exercise said option shall not preclude the Holder from exercising any other right which the Holder may be entitled to exercise upon the occurrence of any such event, and the failure to exercise the option herein granted or any other right which the Holder may be entitled to exercise shall not constitute a waiver of the right to exercise said option or any other right upon the subsequent occurrence of any such event.

Security. Borrower has pledged certain collateral, including but not limited to personal property located in Taney County, Missouri, as security for the obligations of Borrower hereunder. Borrower and any guarantor hereby acknowledge and agree that all other collateral which Lender may at any time acquire from any other sources in connection with any obligations of Borrower to Lender shall constitute collateral or cross-collateral for all obligations, without apportionment or designation as to particular obligations, of Borrower or any guarantor owed to Lender, and Lender shall have the right, in its sole discretion, to determine the order in which Lender's rights in or remedies against all such collateral are to be exercised and which types of the collateral or which portions of the collateral are to be proceeded against and the order of application of proceeds of the collateral as against particular obligations of Borrower.

Attorney's Fees. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender the amount Lender pays in connection with the collection. This includes, subject to any limits under applicable law, Lender's attorney's fees and Lender's legal expenses whether or not a lawsuit is filed, including attorney's fees and expenses for bankruptcy proceedings and appeals. If not prohibited by applicable law, Borrower will also pay any court costs, in addition to all other sums provided by law.

Governing Law. This Note will be governed by, construed and enforced in accordance with federal law and the laws of the State of Missouri. This Note has been accepted by Lender in the state of Missouri.

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Lender _____

Choice of Venue. If there is a lawsuit, Borrower agrees that the exclusive jurisdiction for same shall be in the Circuit Court of Greene County, Missouri, and Borrower hereby waives any objection to jurisdiction and venue in said Court.

Interest Rate. Notwithstanding anything contained herein to the contrary, in no event shall interest accrue under this Note or any other agreement now or hereafter given in connection with or as security for this Note at a rate in excess of the highest applicable rate permitted by law and if interest (including any charge or fee held to be interest by a court of competent jurisdiction) in excess thereof shall be due or paid, any such excess shall constitute a payment and be applied to the principal hereof.

Successor Interests. The terms of this Note shall be binding upon Borrower, and upon Borrower's successors and assigns, and shall inure to the benefit of the Lender and its successors and assigns.

Assignment. The Holder of this Note shall have the right to make partial assignments, full assignments and/or endorsements of this Note without the prior written consent of the undersigned.

General Provisions. Presentment and demand for payment, notice of non-payment, protest, protest of non-payment, notice of dishonor or default and any and all lack of diligence and suit are hereby waived by all parties liable hereon. All endorsers, guarantors, sureties or other persons who may now or hereafter be liable for the payment of this Note, by endorsing, guaranteeing or assuming this Note, consent to all of the terms and conditions herein contained and agree that this Note may be modified, extended or renewed in whole or in part, without notice, including (a) the impairment, substitution, exchange or release at any time or times of all or any part of any security or collateral security now or hereafter furnished, (b) the release of, or the impairment of the right of recourse against, the maker or any endorser, guarantor, surety or any other person now or hereafter liable hereon, (c) the substitution of renewal or extension notes for this Note, (d) the modification of any terms of this Note or any other agreement now or hereafter given in connection with or as security for this Note, and (e) any changes in the rate of interest hereon or the imposition of any fees whether authorized under this Note or any other agreement now or hereafter given in connection with or as security for this Note.

Waiver of Jury Trial. BORROWER AND LENDER HEREBY WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING WHICH PERTAINS DIRECTLY OR INDIRECTLY TO THIS LOAN, THE SECURED OBLIGATIONS, OR ANY ALLEGED TORTUOUS CONDUCT OR BREACH OF CONTRACT OR DUTY BY BORROWER OR LENDER OR WHICH, IN ANY WAY, DIRECTLY OR INDIRECTLY, ARISES OUT OF OR RELATES TO THE RELATIONSHIP BETWEEN BORROWER AND LENDER, REGARDLESS OF WHETHER SUCH ACTION OR PROCEEDING IS ASSERTED IN THE FORM OF A DIRECT CLAIM, COUNTERCLAIM, CROSS-CLAIM OR OTHERWISE.

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Counterpart Execution. This Note may be executed in multiple or separate counterparts, each of which shall constitute an original, and together all of such counterparts shall constitute a single binding instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

Integration. This Note and the other Loan Documents constitute the sole agreement of the parties with respect to the transaction contemplated hereby and supersede all oral negotiations and prior writings with respect thereto.

No Implied Waiver. Lender shall not be deemed to have modified or waived any of its rights or remedies hereunder unless such modifications or waiver is in writing and signed by Lender, and then only to the extent specifically set forth therein. A waiver in one event shall not be construed as continuing or as a waiver of or bar to such right or remedy in a subsequent event. After any acceleration of, or the entry of any judgment on, this Note, the acceptance by Lender of any payments by or on behalf of Borrower on account of the indebtedness evidenced by this Note shall not cure or be deemed to cure any Default or reinstate or be deemed to reinstate the terms of this Note absent an express written agreement duly executed by Lender and Borrower.

Waiver. Borrower, jointly and severally, waives demand, presentment, protest, notice of dishonor, notice of protest and diligence of collection of this Note. Borrower consents to any and all extensions of time, renewals, waivers, or modifications that may be granted by Lender with respect to the payment or other provisions of this Note, and to the release of any collateral, with or without substitution. Borrower agrees that Borrower, endorsers, guarantors and sureties may be added or released without notice and without affecting Borrower's liability hereunder. The liability of Borrower shall not be affected by the failure of Lender to perfect or otherwise obtain or maintain the priority or validity of any security interest in any collateral. The liability of Borrower shall be absolute and unconditional and without regard to the liability of any other party hereto.

Partial Invalidity. The invalidity or unenforceability of any one or more provisions of this Note shall not render any other provisions invalid or unenforceable. In lieu of any invalid or unenforceable provision, there shall be added automatically a valid and enforceable provision as similar in terms to such invalid or unenforceable provision as may be possible.

Binding Effect. The covenants, conditions, waivers, releases, and agreements contained in this Note shall bind, and the benefits thereof shall inure to, the parties hereto and their respective heirs, executors, administrators, successors and assigns; provided, however, that this Note cannot be assigned by Borrower without the prior written consent of Lender, and any such assignment or attempted assignment by Borrower without consent shall be void and of no effect with respect to Lender.

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Lender _____

Modifications. This Note may not be supplemented, extended, modified or terminated except by an agreement in writing signed by the party against whom enforcement of any such waiver, change, modification or discharge is sought.

Severability. If any provision of this Note or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Note and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

Notices. Any notice required to be given or furnished under this Note shall be in writing and shall be deemed to have been duly served, given or delivered:

if to Lender, when actually received and signed for by the particular division or person specified herein after having been sent certified United States mail (return receipt requested) and addressed as specified herein; or

if to Borrower, either (1) when delivered at the address appearing on the books and records of Lender as that of Borrower or (2) when deposited in the United States mail, postage prepaid (or sent certified United States mail) and addressed to Borrower at the address appearing on the books and records of Lender as that of Borrower or (3) when sent by fax machine to the fax number of Borrower appearing on the books and records of Lender as that of Borrower.

If to Borrower, at the address provided on page 1 of this Note

If to Lender, at the address provided on page 1 of this Note

With a copy to: Christiaan D. Horton
 Carnahan, Evans, Cantwell & Brown, P.C.
 2805 S. Ingram Mill Rd.
 Springfield, MO 65804

Either party may change the address to which such notice is to be delivered or mailed, by furnishing written notice of such change to the other party in the manner authorized above, but no such notice of change shall be effective unless and until received by such other party.

Conflict or Ambiguity. In the event of any conflict or ambiguity between any provision in this Note, or in any other Loan Document, the provision most favorable to Lender, as determined in Lender's sole discretion, shall control.

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ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE, REGARDLESS OF LEGAL THEORY UPON WHICH IT IS BASED THAT IS IN ANY WAY RELATED TO THE CREDIT AGREEMENT. TO PROTECT YOU (GUARANTOR) AND US (LENDER) FROM MISUNDERSTANDING OR DISAPPOINTMENT. ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.

EMERALD POINTE UTILITY COMPANY
A Missouri corporation

By: _____
Gary W. Snaden, President

STATE OF MISSOURI)
) ss
COUNTY OF _____)

On this _____ day of January, 2013, before me, a Notary Public, personally appeared GARY W. SNADEN, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that he is the President of Emerald Pointe Utility Company, that this Note was executed with and under the authority of the Board of Directors of the Company, and that the he executed this Note on behalf of the Company as the Company's free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the county and state aforesaid, the day and year first above written.

Notary Public
My Commission Expires:

[Stamp]

Initialed by:
Borrower _____
Lender _____

COMMERCIAL SECURITY AGREEMENT

THIS COMMERCIAL SECURITY AGREEMENT ("Agreement"), dated as of January ____ 2013 is made between WHITE RIVER VALLEY ELECTRIC COOPERATIVE, INC. a Missouri non-profit corporation ("Secured Party"), with its principal office at 2449 State Hwy 76E, Branson, Missouri 65615 and EMERALD POINTE UTILITY COMPANY, a Missouri corporation ("Debtor"), with its principal place of business and its registered office located at 118 State Drive, Hollister, MO 65672.

SECURED DEBTS. This Agreement will secure all sums advanced by Secured Party under the terms of this Agreement and the payment and performance of the following described Secured Debts that Debtor owes to Secured Party:

- i. **Specific Debts.** The following debts and all extensions, renewals, refinancings, modifications, and replacements: Promissory Note executed by Debtor dated January ____ 2013 in the principal amount of Sixty Two Thousand Dollars and 00/100 DOLLARS (\$62,000.00) payable to the order of Secured Party.

SECURITY INTEREST. To secure the payment and performance of the Secured Debts, Debtor hereby grants Secured Party a security interest in all of the Property described in this Agreement that debtor owns or has sufficient rights in which to transfer an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products of the Property. "Property" includes all parts, accessories, repairs, replacements, improvements, and accessions to the Property; any original evidence of title or ownership; any and all obligations that support the payment or performance of the Property. "Proceeds" includes anything acquired upon the sale, lease, license, exchange, or other disposition of the Property; any rights and claims arising from the Property; and any collections and distributions on account of the Property. This Agreement remains in effect until terminated in writing, even if the Secured Debts are paid and Secured Party is no longer obligated to advance funds to Debtor or Borrower.

PROPERTY DESCRIPTION. The Property is described as follows:

Specific Property Description: The property includes, but is not limited by, the following:

- All equipment and other personal property generally described as two commercial power generators more specifically identified on the UCC-1 Financing Statement attached hereto and incorporated herein by reference and located in Taney County, Missouri.

USE OF PROPERTY. The Property will be used for business purposes.

GENERAL PROVISIONS. Each Debtor's obligations under this Agreement are independent of the obligations of any other Debtor. Secured Party may sue each Debtor individually or together with any other Debtor. Secured Party may release any part of the Property and Debtor will remain obligated under this Agreement. The duties and benefits of this Agreement will bind the successors and assigns of Debtor and Secured Party. No modification of this Agreement is effective unless made in writing and signed by Debtor and Secured Party. Whenever used, the plural includes the singular and the singular includes the plural. Time is of the essence.

APPLICABLE LAW. This Note will be governed by, construed and enforced in accordance with federal law and the laws of the State of Missouri. This Note has been accepted by Lender in the state of Missouri.

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Lender _____

NAME AND LOCATION. Debtor's name indicated on page 1 is Debtor's exact legal name. If Debtor is an individual, Debtor's address is Debtor's principal residence. If Debtor is not an individual, Debtor's address is the location of Debtor's chief executive offices or sole place of business. If Debtor is an entity organized and registered under state law, Debtor has provided Debtor's state of registration on page 1. Debtor will provide verification of registration and location upon Secured Party's request. Debtor will provide Secured Party with at least 30 days notice prior to any change in Debtor's name, address, or state of organization or registration.

WARRANTIES AND REPRESENTATIONS. Debtor has the right, authority, and power to enter into this Agreement. The execution and delivery of this Agreement will not violate any agreement governing Debtor or Debtor's property, or to which Debtor is a party. Debtor makes the following warranties and representations which continue as long as this Agreement is in effect:

- (1) Debtor is duly organized and validly existing in all jurisdictions in which Debtor does business;
- (2) the execution and performance of the terms of this Agreement have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law or order;
- (3) other than previously disclosed to Secured Party, Debtor has not changed Debtor's name or principal place of business within the last 10 years and has not used any other trade or fictitious name; and
- (4) Debtor does not and will not use any other name without Secured Party's prior written consent.
- (5) Debtor owns all of the Property, and Secured Party's claim to the Property is ahead of the claims of any other creditor, except as otherwise agreed and disclosed to Secured Party prior to any advance on the Secured Debts.
- (6) The Property has not been used for any purpose that would violate any laws or subject the Property to forfeiture or seizure.

DUTIES TOWARD PROPERTY. Debtor will protect the Property and Secured Party's interest against any competing claim. Except as otherwise agreed, Debtor will keep the Property in Debtor's possession at the address indicated on page 1 of this Agreement. Debtor will keep the Property in good repair and use the Property only for purposes specified on page 1. Debtor will not use the Property in violation of any laws and will pay all taxes and assessments levied or assessed against the Property. Secured Party has the right of reasonable access to inspect the Property, including the right to require debtor to assemble and make the Property available to Secured Party. Debtor will immediately notify Secured Party of any loss or damage to the Property. Debtor will prepare and keep books, records, and accounts about the Property and Debtor's business, to which Debtor will allow Secured Party reasonable access.

Debtor will not sell, offer to sell, license, lease, or otherwise transfer or encumber the Property without Secured Party's prior written consent. Any disposition of the Property will violate Secured Party's rights, unless the Property is inventory sold in the ordinary course of business at fair market value. If the Property includes chattel paper or instruments, either as original collateral or as proceeds of the Property, Debtor will record Secured Party's interest on the face of the chattel paper or instruments.

PERFECTION OF SECURITY INTEREST. Debtor authorizes Secured Party to file a financing statement covering the Property. Debtor will comply with, facilitate, and otherwise assist Secured Party in connection with obtaining possession or control over the Property for purposes of perfecting Secured Party's interest under the Uniform Commercial Code.

INSURANCE. Debtor agrees to keep the Property insured against the risks reasonably associated with the Property until the Property is released from this Agreement. Debtor will maintain this insurance in the amounts Secured Party requires. Debtor may choose the insurance company, subject to Secured Party's approval, which will not be unreasonably withheld. Debtor will have the insurance provider name

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Secured Party as loss payee on the insurance policy. Debtor will give Secured Party and the insurance provider immediate notice of any loss. Secured Party may apply the insurance proceeds toward the Secured Debts. Secured Party may require additional security as a condition of permitting any insurance proceeds to be used to repair or replace the Property. If Secured Party acquires the Property in damaged condition, Debtor's right to any insurance policies and proceeds will pass to Secured Party to the extent of the Secured Debts. Debtor will immediately notify Secured Party of the cancellation or termination of insurance. If Debtor fails to keep the Property insured, or fails to provide Secured Party with proof of insurance, Secured Party may obtain insurance to protect Secured Party's interest in the Property. The insurance may include coverages not originally required of Debtor, may be written by a company other than one Debtor would choose, and may be written at a higher rate than Debtor could obtain if Debtor purchased the insurance.

AUTHORITY TO PERFORM. Debtor authorizes Secured Party to do anything Secured Party deems reasonably necessary to protect the Property and Secured Party's interest in the Property. If Debtor fails to perform any of Debtor's duties under this Agreement, Secured Party is authorized, without notice to Debtor, to perform the duties or cause them to be performed. These authorizations include, but are not limited to, permission to pay for the repair, maintenance, and preservation of the Property and take any action to realize the value of the Property. Secured Party's authority to perform for Debtor does not create an obligation to perform, and Secured Party's failure to perform will not preclude Secured Party from exercising any other rights under the law of this Agreement.

If Secured Party performs for Debtor, Secured Party will use reasonable care. Reasonable care will not include any steps necessary to preserve rights against prior parties or any duty to take action in connection with the management of the Property.

If Secured Party comes into possession of the Property, Secured Party will preserve and protect the Property to the extent required by law. Secured Party's duty of care with respect to the Property will be satisfied if Secured Party exercises reasonable care in the safekeeping of the Property or in the selection of a third party in possession of the Property.

Secured Party may enforce the obligations of an account debtor or other person obligated on the Property. Secured Party may exercise Debtor's rights with respect to the account debtor's or other person's obligations to make payment or otherwise render performance to Debtor, and enforce any security interest that secures such obligations.

PURCHASE MONEY SECURITY INTEREST. If the Property includes items purchased with the Secured Debts, the Property purchased with the Secured Debts will remain subject to Secured Party's security interest until the Secured Debts are paid in full. Payments on any non-purchase money loan also secured by this Agreement will not be applied to the purchase money loan. Payments on the purchase money loan will be applied first to the non-purchase money portion of the loan, if any, and then to the purchase money portion in the order in which the purchase money Property was acquired. If the purchase money Property was acquired at the same time, payments will be applied in the order Secured Party selects. No security interest will be terminated by application of this formula.

EVENTS OF DEFAULT. The Secured Party shall have the option to declare the entire unpaid amount of the Secured Debts and accrued interest immediately due and payable, without presentment, demand, or notice of any kind, if any of the following events occurs before the Secured Debts are fully repaid subject to the cure provision contained herein:

(a) Any payment of principal and interest or other obligation on the Secured Debts is not made when due by Debtor or any guarantor on any obligations owed Secured Party.

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(b) Any provision of this Agreement is breached or proves to be untrue or misleading in any material respect.

(c) Any warranty, representation, or statement made or furnished the Secured Party by Debtor or any guarantor in connection with the Secured Debts and this Agreement (including any warranty, representation, or statement in the Debtor's or any guarantor's financial statements) or to induce the Secured Party to make the Secured Debts, is untrue or misleading in any material respect.

(d) Any default occurs under any agreement with another financial institution, which default is not corrected within the cure period provided in such agreement, if any.

(e) Any voluntary or involuntary bankruptcy, reorganization, insolvency, arrangement, receivership, or similar proceeding is commenced by or against Debtor under and federal or state law, or Debtor makes any assignment for the benefit of creditors.

(f) Any substantial part of the inventory, equipment, or other property of the Debtor, real or personal, tangible or intangible, is damaged or destroyed and the damage or destruction is not covered by collectible insurance.

(g) Debtor defaults in the payment of any principal or interest on any obligation to Secured Party or any other creditor.

(h) Debtor suffers or permits any lien, encumbrance, or security interest to arise or attach to any of the Debtor's property, or any judgement is entered against Debtor that is not satisfied or appealed within thirty days.

(i) Any default under any agreement between any guarantor and Secured Party.

(j) the failure of Debtor to perform, keep, comply with or observe any of the covenants, conditions, promises, agreements or obligations of Debtor under the Note, this Agreement, any loan agreement between Debtor and Secured Party, any Derivative Agreements, or under any other document or instrument evidencing, securing or relating to any indebtedness or obligation of Debtor to Secured Party whether now existing or hereafter arising.

It shall also constitute an event of default and Secured Party shall also have the option to declare the entire unpaid amount of the Secured Debts and accrued interest immediately due and payable, without presentment, demand, or notice of any kind, if Secured Party reasonably and in good faith deems itself insecure or its prospects for payment of the Secured Debts impaired.

REMEDIES UPON DEFAULT. Upon the occurrence, or the discovery by Secured Party of the occurrence, of any of the foregoing events, circumstances, or conditions of default and failure of Debtor to cure as provided herein, Secured Party shall have, in addition to its option to declare the entire unpaid amount of the Secured Debts and accrued interest thereon immediately due and payable, all of the rights and remedies of a secured party under applicable State law. Without in any way limiting the generality of the foregoing, Secured Party shall also have the following specific rights and remedies:

(a) To take immediate possession of all equipment, inventory, fixtures, and any or all other collateral securing the Secured Debts, whether now owned or hereafter acquired, without notice, demand, presentment, or resort to legal process and, for those purposes, to enter any premises where any of the collateral is located and remove the collateral there from or render it unusable.

(b) To require Debtor to assemble and make the collateral available to Secured Party at a place to be designed by Secured Party which is also reasonably convenient to Debtor.

(c) To retain the collateral in satisfaction of any unpaid principal or interest or other obligation on the Secured Debts or sell the collateral at public or private sale after giving at least five days' notice of the time and place of the sale and with or without having the collateral physically present at the place of the sale.

(d) To make any repairs to the collateral which Secured Party deems necessary or desirable for the purposes of sale.

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(e) To exercise any and all rights of set-off which Secured Party may have against any account, fund, or property of any kind, tangible or intangible, belonging to Debtor which shall be in Secured Party's possession or under its control.

(f) To cure such defaults, with the result that all costs and expenses incurred or paid by Secured Party in effecting such cure shall be additional charges on the Secured Debts which bear interest at the interest rate of the Secured Debts and are payable upon demand.

If Secured Party repossesses the Property or enforces the obligations of any account debtor, Secured Party may keep or dispose of the Property as provided by law. Secured Party will apply the proceeds of any collection or disposition first to Secured Party's expenses of enforcement, which includes reasonable attorneys' fees and legal expenses to the extent not prohibited by law, and then to the Secured Debts. Debtor (or Borrower, if not the same) will be liable for the deficiency, if any.

By choosing any one or more of these remedies, Secured Party does not give up the right to use any other remedy. Secured Party does not waive a default by not using a remedy.

WAIVER. No failure or delay on the part of the Secured Party in exercising any power or right hereunder, and no failure of Secured Party to give Debtor notice of default hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power preclude any other or further exercise thereof or the exercise of any other right or power hereunder. No modification or waiver of any provision of this Agreement or any instrument executed pursuant hereto or consent to any departure by Debtor from this Agreement or such instrument shall in any event be effective unless the same shall be in writing, and such waiver or consent shall be effective only in the specific instance and for the particular purpose for which given. Debtor waives all claims for damages caused by Secured Party's acts or omissions where Secured Party acts in good faith.

NOTICE AND ADDITIONAL DOCUMENTS. Where notice is required, Debtor agrees that 10 days prior written notice will be reasonable notice to Debtor under the Uniform Commercial Code. Notice to one party is notice to all parties. Debtor agrees to sign, deliver, and file any additional documents and certifications Secured Party considers necessary to perfect, continue, or preserve Debtor's obligations under this Agreement and to confirm Secured Party's lien status on the Property. In the event Debtor fails or refuses to execute any such documents, Secured party may execute same in Debtor's name, and Debtor hereby appoints Secured Party as its attorney-in-fact and grants Secured Party power of attorney for the limited purpose of executing any such documents.

SIGNATURES. Debtor agrees to the terms of this Agreement and acknowledges receipt of a copy of this Agreement.

SECURED PARTY:
WHITE RIVER VALLEY ELECTRIC
COOPERATIVE, INC.

DEBTOR:
EMERALD POINTE UTILITY COMPANY

By: _____

By: _____

Gary W. Snaden, President

Name: _____

Title: _____

Initialed by:
Borrower _____

Lender _____